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Department of Insurance  
State of Idaho

*Attorneys for the Department of Insurance*

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

In the Matter of:

PMI MORTGAGE INSURANCE  
COMPANY

Certificate of Authority No. 1063  
NAIC ID No. 27251

Docket No. 18-2702-18

**ORDER CONTINUING  
SUSPENSION OF CERTIFICATE OF  
AUTHORITY**

Idaho Certificate of Authority No. 1063 issued to PMI MORTGAGE INSURANCE COMPANY (“PMI”), an Arizona-domiciled insurer licensed to transact mortgage guaranty insurance in the state of Idaho under said certificate of authority, was suspended by the Director of the Idaho Department of Insurance (“Director”) by orders issued August 30, 2011; July 9, 2012; June 5, 2013; May 5, 2014; April 9, 2015; March 2, 2016; January 30, 2017; and December 20, 2017.

Among other requirements to qualify for and maintain authority to transact insurance in Idaho, pursuant to Idaho Code § 41-313(1), PMI is required to possess at least One Million Dollars (\$1,000,000) in additional surplus.

As of June 30, 2018, PMI reported additional surplus of negative One Billion Two Hundred Ninety-two Million One Hundred Eighty Thousand Four Hundred Eighteen Dollars (-\$1,292,180,418), as reflected in its last-filed statutory financial statement of that date.

On March 14, 2012, PMI was placed into receivership by order of the Superior Court of the State of Arizona, in and for the County of Maricopa, in Case No. CV2011-018944, based on the petition of the Director of the Arizona Department of Insurance, and remains in receivership.

Idaho Code § 41-326 provides at subsection (1)(b) that the Director shall refuse to continue or shall suspend or revoke a foreign insurer's Idaho certificate of authority if the insurer "no longer meets the requirements for the authority, on account of deficiency of assets or otherwise." It further provides, at subsection (2), that, in cases of insolvency or impairment of required capital or surplus, the Director may take such action without first holding a hearing.

Idaho Code § 41-327(3) provides that the Director may, without advance notice or hearing, "immediately suspend the certificate of authority of any insurer as to which proceedings for receivership, conservatorship, rehabilitation, or other delinquency proceedings, have been commenced in any state by the public insurance supervisory official of such state."

The Director, having reviewed the foregoing and the requirements of Idaho Code §§ 41-313(1), 41-326(1)(b), and 41-327(3), and good cause appearing therefor,

The Director hereby finds that PMI does not meet the requirements for maintaining additional surplus set forth at Idaho Code § 41-313(1), and thus does not meet the requirements for holding a certificate of authority in the state of Idaho.

The Director hereby further finds that PMI is subject to delinquency proceedings within the meaning of Idaho Code § 41-327(3).

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Idaho Code §§ 41-326(1)(b) and 41-327(3), that Certificate of Authority No. 1063 issued to PMI be CONTINUED IN SUSPENSION, effective immediately, for a period of one (1) year from the date of this order. The Director may terminate the suspension sooner if the cause for said suspension is corrected and PMI is otherwise in compliance with title 41, Idaho Code.

IT IS FURTHER ORDERED that PMI shall comply with the requirements of Idaho Code § 41-329, including § 41-329(2), which states: "During the suspension period the insurer shall not solicit or write any new business in this state, but shall file its annual statement, pay fees, licenses, and taxes as required under this code, and may service its business already in force in this state, as if the certificate of authority had continued in force."

IT IS FURTHER ORDERED, pursuant to Idaho Code § 41-330(1), that, within four (4) days after notice of this suspension is provided, PMI shall notify, by any available means, every person authorized to write business in the state of Idaho by said insurance company, to immediately cease to write any further insurance business for PMI in Idaho, unless PMI has already taken such action pursuant to prior order of the Director.

DATED this 6<sup>th</sup> day of November, 2018.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE



DEAN L. CAMERON  
Director

### **NOTIFICATION OF RIGHTS**

This is a final order of the Director. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The Director will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. *See*, Idaho Code § 67-5246(4).

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order may appeal it by filing a petition for judicial review in the district court of the county in which: (1) the hearing was held; or (2) the final agency action was taken; or (3) the aggrieved party resides or operates its principal place of business in Idaho; or (4) the real property or personal property that was the subject of the agency decision is located. An appeal must be filed within twenty-eight (28) days of: (a) the service date of this final order; or (b) an order denying a petition for reconsideration; or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See*, Idaho Code § 67-5273. The filing of a petition for judicial review does not itself stay the effectiveness or enforcement of the order under appeal.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that, on this 7<sup>th</sup> day of November, 2018, I caused a true and correct copy of the foregoing ORDER CONTINUING SUSPENSION OF CERTIFICATE OF AUTHORITY to be served upon the following by the designated means:

PMI Mortgage Insurance Company  
3003 Oak Road  
Walnut Creek, CA 94597

- first class mail
- certified mail
- hand delivery

Arizona Department of Insurance  
Keith Schraad, Interim Director  
2910 North 44<sup>th</sup> Street, Suite 210  
Phoenix, AZ 85018-7269

- first class mail
- certified mail
- hand delivery

Idaho Guaranty Association  
Western Guaranty Fund Services  
Attn: Chad Anderson, President  
[canderson@wgfs.org](mailto:canderson@wgfs.org)

- first class mail
- certified mail
- hand delivery
- email

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- first class mail
- certified mail
- hand delivery

  
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Pamela Murray