FILED
AUG 05 2020
Department of Insurance
State of Idaho

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. 18-2702-20 **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; December 20, 2017; November 7, 2018; and September 17, 2019.

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 Five Hundred Thousand Dollars ($1,500,000) in additional surplus.

As of December 31, 2019, PMI reported additional surplus of negative One Billion Seventy-eight Million Eight Hundred Seven Thousand Eight Hundred Eighty-eight Dollars (-$1,078,807,888), 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 4 day of August, 2020.

STATE OF IDAHO
DEPARTMENT OF INSURANCE

DEAN L. CAMERON
Director

NOTIFICATION OF RIGHTS

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

Any such motion for reconsideration shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Dean L. Cameron, Director
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order or orders previously issued in this case may file a petition for judicial review in the district court of the county in which:

i. A hearing was held;

ii. The final agency action was taken;

iii. The party seeking review of the order resides, or operates its principal place of business in Idaho; or

iv. The real property or personal property that was the subject of the agency action is located.

A petition for judicial review must be filed within twenty-eight (28) days of: (a) the service date of this final order, (b) the service of an order denying motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a motion 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. Idaho Code § 67-5274.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 5th day of August, 2020, 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
PMI Mortgage Insurance Company 2025 North Third Street, Suite 260 Phoenix, AZ 85004-1487	☒ first class mail ☐ certified mail ☐ hand delivery
Arizona Department of Insurance Evan G. Daniels, Director 100 North 15th Avenue, Suite 261 Phoenix, AZ 85007-2630	☒ first class mail ☐ certified mail ☐ hand delivery
Idaho Guaranty Association Western Guaranty Fund Services Attn: Chad Anderson, President canderson@wgfs.org	☐ first class mail ☐ certified mail ☐ hand delivery ☒ email
John C. Keenan Deputy Attorney General Idaho Department of Insurance 700 W. State Street, 3rd Floor P.O. Box 83720 Boise, ID 83720-0043	☐ first class mail ☐ certified mail ☒ hand delivery

Pamela Murray

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