

STATE OF NORTH DAKOTA
BEFORE THE INSURANCE COMMISSIONER

In the Matter of)	
)	
The Certificate of Authority of)	TEMPORARY ORDER
Lincoln General Insurance Company,)	SUSPENDING
FEIN 23-2023242,)	CERTIFICATE OF AUTHORITY
)	
Respondent.)	

N.D.C.C. § 26.1-01-03(1) requires the Commissioner of Insurance for the State of North Dakota to see that all the laws of the state respecting insurance companies and benevolent societies are executed faithfully.

Lincoln General Insurance Company (Respondent) is an admitted foreign insurance company doing business in the State of North Dakota pursuant to N.D.C.C. Chapter 26.1-11 and is domiciled in the State of Pennsylvania.

N.D.C.C. § 26.1-11-08 requires the Commissioner to revoke or suspend all Certificates of Authority granted to a foreign insurance company, or to its agents, if upon examination or receipt of other evidence, the Commissioner is of the opinion that the company is in an unsound condition or that the company has failed to comply with any provision of the applicable laws of this state.

N.D.C.C. § 26.1-11-09 permits the Commissioner of Insurance to issue a Temporary Order Suspending the Certificate of Authority granted to a foreign insurance company if the Commissioner deems it necessary or appropriate in the public interest to do so.

A review of the September 30, 2009, Quarterly Statement of Respondent shows surplus as regards policyholders in the amount of \$6,683,340, a decrease of \$72,544,621 from December 31, 2008. This is a substantial decrease in surplus in just one year. This renders Respondent's further proceedings hazardous to its policyholders.

On or about May 29, 2009, the Pennsylvania Insurance Department approved a run-off plan for Respondent due to its mounting losses and reserve deficiencies.

Since August 2009, West Virginia, Ohio, Idaho, South Carolina, and Illinois have suspended Respondent's Certificate of Authority to conduct business of insurance in those states due to the company's hazardous financial condition.

Based on the foregoing information, the Insurance Commissioner of the State of North Dakota is of the opinion that the Respondent is in an unsound condition.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Certificate of Authority of Respondent authorizing it to transact the business of insurance in the State of North Dakota is **TEMPORARILY SUSPENDED** until further Order of the Commissioner; and
2. During the period of suspension, Respondent, its agents, brokers, and representatives shall immediately cease and desist from the placement of any new business of insurance in the State of North Dakota; Respondent shall continue to make all filings and pay all fees and taxes as is required by the laws of the State of North Dakota; and Respondent, its agents, brokers, and representatives shall continue to service and accept renewal premiums under the limitations imposed by the Pennsylvania Insurance Department.

This Order is effective and dated this ^{23rd} day of February, 2010.



Adam Hamm
Commissioner
N.D. Insurance Department
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