

DEPARTMENT OF INSURANCE

STATE OF WYOMING

IN THE MATTER OF FREMONT)
LIFE INSURANCE COMPANY.) Docket No. 08-07

ORDER OF SUSPENSION OF CERTIFICATE OF AUTHORITY

WHEREAS, Fremont Life Insurance Company, 3070 Bristol Street, Suite 600, Costa Mesa, California 92626, holds a Certificate of Authority to transact the business of insurance in the State of Wyoming as a life and health insurer; and

WHEREAS, pursuant to Wyo. Stat. § 26-3-108, a life and disability insurer must maintain basic paid-in capital in an amount not less than one million dollars (\$1,000,000) and surplus in an amount not less than one million dollars (\$1,000,000) and Fremont Life Insurance Company's annual statement indicates that, as of December 31, 2007, the company had surplus in the amount of negative \$253,896, which amounts fall below the statutory requirement by \$1,253,896; and

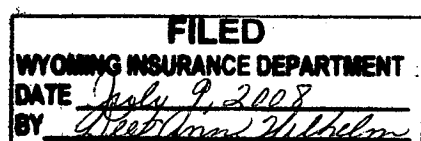
WHEREAS, Fremont Life Insurance Company was notified on April 16, 2008, that it had until June 30, 2008, to correct the above-noted deficiency, which deficiency has not been corrected; and

WHEREAS, the Director of the Department of Insurance of the State of Idaho entered an Order of Suspension of Certificate of Authority on March 25, 2008, finding that Fremont Life Insurance Company does not meet that state's requirements for maintaining surplus; and

WHEREAS, an Order Appointing Conservator and Restraining Orders was entered in the Superior Court of the State of California for the County of Orange on the verified Application of the Insurance Commissioner of the State of California finding Fremont Life Insurance Company to be in such condition that its further transaction of business will be hazardous to its policyholders, creditors, and the public; and

WHEREAS, pursuant to Wyo. Stat. § 26-3-115(a)(iii) the commissioner shall refuse to continue or shall suspend or revoke an insurer's certificate of authority if a domestic insurer fails to cure a capital or surplus impairment within the time the commissioner allows; and

WHEREAS, pursuant to Wyo. Stat. § 26-3-115(b), in the case of insolvency or impairment of required capital or surplus, or suspension or revocation by another state, the



commissioner shall refuse, suspend or revoke the certificate of authority without a prior hearing;
and

WHEREAS, pursuant to Wyo. Stat. § 26-3-116(e), the Insurance Commissioner of the State of Wyoming, without advance notice or hearing, may immediately suspend the certificate of authority of an 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 that state;

IT IS HEREBY ORDERED that the Certificate of Authority of Fremont Life Insurance Company be and the same hereby is suspended for a period of one year;


IT IS FURTHER ORDERED, pursuant to Wyo. Stat. § 26-3-118(b), that during the suspension period Fremont Life Insurance Company 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 the Wyoming Insurance Code, and may service its business already in force in the State of Wyoming as if the certificate of authority had continued in full force.

PROVIDED that during the suspension period such Certificate of Authority may be reinstated upon Fremont Life Insurance Company's motion and adequate proof to the Insurance Commissioner of the State of Wyoming that said company has solved the problems which led to the issuance of the above-referenced orders; and

PROVIDED, however, that if Fremont Life Insurance Company fails to request a hearing and prove to the satisfaction of the Insurance Commissioner of the State of Wyoming that it has solved the problems which caused the actions complained of herein, its Certificate of Authority shall terminate at the end of the one-year period and shall become permanently revoked pursuant to Wyo. Stat. § 26-3-118.

IT IS FURTHER ORDERED, that Fremont Life Insurance Company shall forthwith surrender and deliver its Certificate of Authority to transact the business of insurance in the State of Wyoming to the Insurance Commissioner of the State of Wyoming within ten (10) days after receipt of this Order of Suspension pursuant to Wyo. Stat. § 26-3-113(c).

Done in Cheyenne, Wyoming, this 9th day of July, 2008.



KENNETH G. VINES
WYOMING INSURANCE COMMISSIONER