

DEPARTMENT OF INSURANCE

STATE OF WYOMING

IN THE MATTER OF U.S. RAIL INSURANCE
COMPANY, a Risk Retention Group.

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Docket No. 11-03

**ORDER OF SUSPENSION OF AUTHORIZATION
TO TRANACT BUSINESS**

WHEREAS, U.S. Rail Insurance Company, a Risk Retention Group (hereafter "U.S. Rail RRG"), P.O. Box 306, Montpelier, VT 05601-0306, is a registered risk retention group doing business in the state of Wyoming pursuant to Wyo. Stat. § 26-36-105, and is domiciled in the State of Vermont;

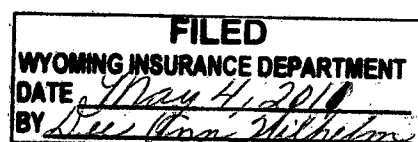
WHEREAS, a Notice of Seizure of US Rail RRG, was issued on January 27, 2011, advising that US Rail RRG was seized and placed under the control of Stephen W. Kimbell, Commissioner of the Vermont Department of Banking, Insurance, Securities and Health Care Administration on January 24, 2011;

WHEREAS, an Order for Rehabilitation of U.S. Rail Insurance Company, a Risk Retention Group, was entered in the Vermont Superior Court, Washington County Civil Division on March 4, 2011, upon the Petition of the Vermont Commissioner of Banking, Insurance, Securities and Health Care Administration, who was appointed as Rehabilitator;

WHEREAS, Wyo. Stat. §§ 26-36-111 and 26-36-112 allow the Insurance Commissioner of the State of Wyoming to enforce the laws of this state and impose penalties applicable to licensed insurers generally under the Insurance Code, including the revocation of a license and the right to do business in this state; and

WHEREAS, pursuant to Wyo. Stat. § 26-36-114, an order issued by any district court of the United States enjoining a risk retention group from soliciting or selling insurance or operating in any state or in all states or in any territory or possession of the United States upon a finding that such a group is in a hazardous financial condition shall be enforceable in the courts of this state; and

WHEREAS, pursuant to Wyo. Stat. § 26-3-116(e), the Insurance Commissioner of the State of Wyoming may immediately suspend the authorization to do business of a risk retention group against whom a proceeding for receivership, conservatorship, rehabilitation or other



delinquency proceedings has been commenced in any state by the public insurance supervisory official of that state;

IT IS HEREBY ORDERED that the authorization of U.S. Rail Insurance Company, a Risk Retention Group, to transact business of a risk retention group be, and the same hereby is, suspended;

IT IS FURTHER ORDERED, pursuant to Wyo. Stat. § 26-3-118(b), that during the suspension period US Rail RRG 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.

FURTHER ORDERED, that during the suspension period such authorization to transact business may be reinstated upon U.S. Rail RRG'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 Order for Rehabilitation by the Washington County Vermont Superior Court.

FURTHER ORDERED, however, that if U.S. Rail RRG 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 issuance of the Vermont Order for Rehabilitation, its authorization to transact business in Wyoming 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 U.S. Rail Insurance Company, a Risk Retention Group, shall forthwith surrender and deliver any evidence of authorization to transact the business of a risk retention group 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 3rd day of May, 2011.



KENNETH G. VINES
WYOMING INSURANCE COMMISSIONER