

DEPARTMENT OF INSURANCE

STATE OF WYOMING

IN THE MATTER OF WESTERN UNITED)
LIFE ASSURANCE COMPANY,) Docket No. 06-17

ORDER OF SUSPENSION OF CERTIFICATE OF AUTHORITY

WHEREAS, Western United Life Assurance Company, 4424 North Sullivan Road, Upper Level, P. O. Box 14C, Spokane Valley, Washington 99214, holds a Certificate of Authority to transact the business of insurance in the State of Wyoming as a life and annuities and disability insurer; and

WHEREAS, the State of Washington, Thurston County Superior Court, entered an Order of Rehabilitation and Appointment of Receiver on March 2, 2004, placing Western United Life Assurance Company into rehabilitation; and

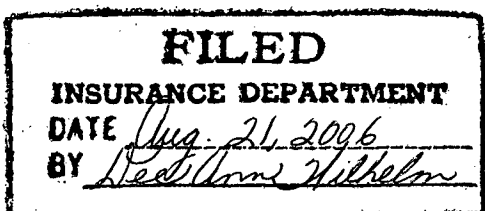
WHEREAS, the Insurance Commissioner of the State of Wyoming, without advance notice or hearing, may immediately suspend the certificate of authority of an insurer as to which proceedings for receivership, conservatorship, rehabilitation, or other delinquency proceedings have been commenced in any state, pursuant to WYO. STAT. § 26-3-116(e); and

WHEREAS WYO. STAT. § 26-3-108(a) provides that a foreign stock insurer authorized to transact life and annuities and disability insurance in the State of Wyoming shall possess and maintain unimpaired basic paid-in capital and surplus in an amount not less than \$1,000,000.00 capital and \$1,000,000.00 surplus; and

WHEREAS Western United Life Assurance Company's Annual Statement as of December 31, 2005, shows it to have negative surplus of \$12,309,449.00, and this amount is below the minimum surplus required to be maintained by Western United Life Assurance Company pursuant to WYO. STAT. § 26-3-108(a); and

WHEREAS the Insurance Commissioner of the State of Wyoming shall immediately suspend the Certificate of Authority of any insurer that has impaired capital or surplus pursuant to WYO. STAT. § 26-3-115(a)(ii) and (b);

IT IS THEREBY ORDERED that the Certificate of Authority of Western United Life Assurance 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 Western United Life Assurance 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;

IT IS FURTHER ORDERED that Western United Life Assurance 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);

PROVIDED, HOWEVER, that during the suspension period, such Certificate of Authority may be reinstated upon Western United Life Assurance Company's motion and adequate proof to the Insurance Commissioner of the State of Wyoming that said company has remedied its surplus impairment and meets the surplus requirements of WYO. STAT. § 26-3-108(a); and further provided that the company has solved the problems which led to the issuance of the Order of Rehabilitation and Appointment of Receiver by the State of Washington; and

FURTHER PROVIDED that if Western United Life Assurance Company fails to request a hearing and prove to the satisfaction of the Insurance Commissioner of the State of Wyoming that it has remedied the surplus impairment and problems which led to it being placed in rehabilitation by the State of Washington, 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.

Done in Cheyenne, Wyoming this 21st day of August, 2006.



KENNETH G. VINES
WYOMING INSURANCE COMMISSIONER