

M. GALE LEMMON #4363
Assistant Attorney General
JOHN E. SWALLOW #5802
Attorney General
Attorneys for Utah Insurance Department
160 East 300 South, Fifth Floor
P.O. Box 140874
Salt Lake City, UT 84114-0874
Telephone (801) 366-0375

BEFORE THE INSURANCE COMMISSIONER OF THE STATE OF UTAH

COMPLAINANT:	:	NOTICE OF INFORMAL
	:	ADJUDICATIVE PROCEEDING
UTAH INSURANCE DEPARTMENT	:	AND ORDER
	:	
RESPONDENT:	:	SUSPENSION OF CERTIFICATE
	:	OF AUTHORITY
VESTA INSURANCE CORPORATION	:	
3760 River Run Drive	:	Docket No. <u>2013-053 EX</u>
P.O. Box 43360	:	
Birmingham, AL 35243-0360	:	Enf. Case No. <u>3289</u>
Utah Company Id. No. 1767	:	
	:	

The Utah Insurance Department has commenced this informal adjudicative proceeding pursuant to Utah Code Annotated §§ 31A-2-201 and 63G-4-201 and Utah Administrative Code Rule R590-160. Based upon information contained in agency files or known to the Commissioner, the Commissioner makes the following:

FINDINGS OF FACT

1. The Respondent is an insurer domesticated in the State of Texas, holding a certificate of authority to do an insurance business in the State of Utah, Utah Company Identification No. 1767. That Certificate of Authority was suspended, having been placed in receivership in the State of Texas, on August 30, 2006, Docket No. 2006-082-EX, Enf. Case No. 1827.

2. Respondent continues to be insolvent, with a total equity of – \$33,352,765.

Having entered his Findings of Fact, the Commissioner now enters the following:

CONCLUSIONS OF LAW

1. Pursuant to U.C.A. § 31A-14-205(7), if a licensed foreign insurer is in rehabilitation in its state of domicile, the Commissioner may, without hearing, suspend the insurer’s certificate of authority to do business in this state.

Based upon the forgoing Findings of Fact and Conclusions of Law, the Commissioner now enters the following:

ORDER

IT IS HEREBY ORDERED:

1. Respondent’s Utah Certificate of Authority is again suspended as of the date this Order becomes final for a period of 12 months or until further order of the commissioner. During the period of suspension of Respondent’s Certificate of Authority, Respondent may service existing policies insuring Utah residents or covering risks in the State of Utah, including renewal of those policies. However, Respondent shall not solicit, market, sell or place new policies of insurance in the State of Utah.

2. Respondent remains under the jurisdiction of the Utah Insurance Commissioner until released from regulation pursuant to the requirements of the Utah Insurance Code.

3. During the period of suspension of Respondent’s Certificate of Authority, Respondent shall continue to file its Annual Statement and renewal of its Certificate of Authority.

4. This Order shall become final fifteen (15) days after the date of mailing unless a written request for a hearing is received from the Respondent in the offices of the department prior to that date. A written request for a hearing shall be signed by the person making the request and shall state the basis for the relief requested.

DATED this 30th day of April, 2013.

TODD E. KISER
INSURANCE COMMISSIONER


MARK E. KLEINFELD, Esq.
Administrative Law Judge
Utah Insurance Department
State Office Building, Room 3110
Salt Lake City, UT 84114
Telephone (801) 538-3800

NOTIFICATION

If you request a hearing regarding this matter, the department will be represented by M. Gale Lemmon, Assistant Attorney General, 160 East 300 South, Fifth Floor, P.O. Box 140874, Salt Lake City, Utah 84114-0874, Telephone Number (801) 366-0375. Failure to request a hearing will be considered a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

You are further notified that a failure to obey an Order of the commissioner may subject you to further penalties, including forfeitures of up to \$5,000.00 per violation and the suspension or revocation of your license or the filing of an action in District Court, which may impose forfeitures of up to \$10,000.00 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.