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**BEFORE THE INSURANCE COMMISSIONER
 OF THE STATE OF UTAH**

COMPLAINANT:	:	
	:	NOTICE OF INFORMAL
UTAH INSURANCE DEPARTMENT	:	ADJUDICATIVE PROCEEDING
	:	AND ORDER
	:	
RESPONDENT:	:	REVOCAION OF CERTIFICATE
	:	OF AUTHORITY
AMERICAN GOLDEN INSURANCE COMPANY, INC.	:	
c/o Ronnie Schwartz, President	:	DOCKET No. <u>2013-075 CA</u>
8350 W. Sahara Ave., Suite 210	:	
Las Vegas, NV 89117	:	Enf. Case No. <u>3328</u>
Utah Org. Id. No. 15017	:	
	:	

The Utah Insurance Department has commenced this informal adjudicative proceeding pursuant to Utah Code Annotated (U.C.A.), Sections 31A-2-201 and 63G-4-201 and Utah Administrative Code (U.A.C.), 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 a captive insurer domiciled in in the State of Utah and holding a Certificate of Authority to do insurance business, Utah Organization Identification No. 15017.

2. The Utah Insurance Department conducted a financial examination of the Respondent as of December 31, 2010. In that examination the Department found, *inter alia*, that Respondent's Capital and Surplus was \$77,488, substantially less than the required \$250,000.00.

3. Respondent's December 31, 2012 Annual Statement showed Respondent's Capital and Surplus to be \$57,501.00. Respondent also had accounts payable in the amount of \$12,737.00, reducing the Capital and Surplus to \$44,746.00.

4. The December 31, 2012, also showed a 1,000% increase in general and administrative fees to \$377,151.00, leaving Respondent with almost no assets. The increase in the general and administrative expenses was a disguised raid on the company assets.

5. On March 31, 2013, Respondent's captive manager, Utah Captive Insurance Managers, LLC, resigned as the captive manager for the Respondent for failure to pay in excess of \$20,000.00 in management fees and to cooperate with the manager in the conduct of its business.

6. Respondent's check for the renewal of its Certificate of Authority in the amount of \$5,250.00 was returned unpaid – account closed.

7. Respondent has failed to take any action to: correct the deficiencies found in the Department's financial examination; to increase its capital and surplus to required levels; or to keep commitments made to the Department in a plan to alleviate the problems found.

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

CONCLUSIONS OF LAW

1. Respondent has failed to maintain capital and surplus of at least \$250,000.00, in violation of Utah Code Ann. §§ 31A-37-204(1)(a) and 31A-37-205(1)(a).

2. Respondent has failed to maintain a captive manager in violation of Utah Admin.

Code Rule R590-238-13.

3. Respondent has failed to pay the annual certificate of authority renewal fee in violation of Utah Code Ann. § 31A-37-202(6)(a)(iii).

4. Respondent's Certificate of Authority should be revoked pursuant to U.C.A. § 31A-37-505(1)(a), insolvency or impairment of capital and surplus; -505(1)(b), failure to meet the requirements of Utah Code Ann. §§ 31A-37-204 or -205; -505(1)(g)(ii), use of methods that, although not otherwise specifically prohibited by law, render the condition of the captive insurance company unsound with respect to the public or to the policyholders of the company; and -505(1)(h), failure otherwise to comply with laws of this state.

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

ORDER

IT IS HEREBY ORDERED:

1. Respondent's Certificate of Authority in the State of Utah is revoked as of the date this Order becomes final.

2. Respondent is still subject to regulation by the Utah Department of Insurance until a release of regulation is obtained pursuant to the requirements of the Utah Insurance Code.

3. 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.

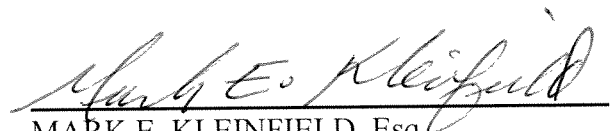
NOTIFICATION

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 on this matter.

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

DATED THIS 18th day of June, 2013.

TODD E. KISER
INSURANCE COMMISSIONER


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

CERTIFICATE OF MAILING

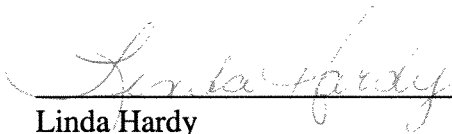
I do hereby certify that on this date I mailed, by regular mail, postage prepaid a true and correct copy of the attached:

NOTICE OF INFORMAL
ADJUDICATIVE PROCEEDING
AND ORDER
&
REVOCATION OF CERTIFICATE OF AUTHORITY

To the following:

AMERICAN GOLDEN INSURANCE COMPANY, INC.
Attn: Ronnie Schwartz, President
8350 W. Sahara Ave., Suite 210
Las Vegas, NV 89117

DATED this 18th June, 2013



Linda Hardy
Market Conduct
Utah Department of Insurance
801-538-3860
lhady@utah.gov