

STATE OF IOWA
DEPARTMENT OF COMMERCE
INSURANCE DIVISION

IN THE MATTER OF THE CERTIFICATE OF) AUTHORITY OF:)) SUSPENSION ORDER
FIRST SEALORD SURETY, INC.))
(NAIC #: 28519)))

JURISDICTION

The Iowa Insurance Commissioner ("Commissioner") is authorized to issue a Suspension Order to an insurance company licensed to do business in Iowa pursuant to Iowa Code section 507C.60 (2011).

FINDINGS OF FACT

First Sealord Surety, Inc. ("First Sealord"), a Pennsylvania corporation has been authorized to do business in Iowa since June 1, 1999. On or about February 8, 2012, the Commonwealth Court of Pennsylvania in the state of Pennsylvania before Judge Bonnie Brigance Leadbetter (Case No. 1 FSS 2012) issued an Order of Liquidation. Pennsylvania Insurance Commissioner, Michael F. Consedine and his successors in office are appointed Statutory Liquidator of First Sealord.

CONCLUSIONS OF LAW

Liquidation is a form of delinquency proceeding. See Iowa Code section 507C.2(7) (2011). Pursuant to Iowa Code section 507C.60 (2011), without advance notice or hearing, the Commissioner may suspend immediately the certificate of authority of any insurer as to which receivership, conservatorship, rehabilitation, or other delinquency proceedings have been commenced in any state by the public insurance supervisory official of that state.

ORDER

Pursuant to Iowa Code section 507C.60 (2011), the Iowa certificate of authority issued to First Sealord is suspended. The period of suspension shall be continuous from the date of this order until terminated by further written order of the Commissioner.

During the period of suspension, First Sealord shall not solicit or issue new policies of insurance or assume any Iowa risk. First Sealord shall file its annual financial statement and pay any fees and taxes required to be paid. First Sealord may service any existing policies of insurance issued to persons residing in Iowa.

NOTICE


Pursuant to Iowa Code, chapter 17A (2011), First Sealord may request a hearing relating to this Order. If First Sealord wants a hearing, it must deliver or mail a written request for a hearing to the Commissioner addressed to: Iowa Insurance Division, Attn: Matthew Hargrafen, 330 Maple Street, Des Moines, Iowa 50319. The written request must be received by the Commissioner within 30 days after the issuance date of this Order.

Upon receipt of a timely request for hearing, First Sealord will be notified of the date, time and location of the hearing.

In the event that First Sealord chooses not to appeal this final agency action, First Sealord is waiving the right of confrontation and cross-examination of witnesses, production of evidence, and of judicial review.

Dated this 15th day of February, 2012.

IOWA INSURANCE DIVISION



JAMES N. ARMSTRONG
Deputy Commissioner of Insurance

Copy to:

Iowa Insurance Guaranty Association
801 Grand Avenue, Suite 3700
Des Moines, IA 50309-8004

Pennsylvania Insurance Department
Liquidator for First Sealord Company
Attn: Michael F. Consedine
1326 Strawberry Square
Harrisburg, PA 17120

Matthew Hargrafen
Iowa Insurance Division
Local