

**BEFORE THE COMMISSIONER OF INSURANCE
FOR THE STATE OF MISSISSIPPI**

COMMISSIONER OF INSURANCE

PETITIONER

VERSUS

License No.: 7700564

NAIC No.: 19909

Cause No.: 10-6078

CENTENNIAL INSURANCE COMPANY

RESPONDENT

ORDER SUSPENDING LICENSE

THIS MATTER came before the Commissioner of Insurance (“Commissioner”) on May 25, 2010, for hearing for the purpose of reviewing the financial condition of Respondent, Centennial Insurance Company. Upon review of this matter, the undersigned finds as follows:

I.

In accordance with Mississippi Code Annotated, Sections 83-5-17 and 83-6-39 (Supp. 1999), the Commissioner shall suspend or revoke the license of any insurer if the Commissioner finds that the insurer is in an unsound financial condition, insolvent, or impaired.

II.

On May 7, 2010, the Petitioner sent to the Respondent correspondence, via certified mail, advising that the Petitioner had received and reviewed the Respondent’s December 31, 2009 Annual Statement and determined that the Respondent reported a surplus of (\$6,234,188). A minimum surplus of \$900,000.00 is required to be maintained by Respondent in accordance with Mississippi Code Annotated, Sections 83-21-3(3) and 83-19-31(1)(b); resultantly, the

Respondent was surplus impaired due to the fact that it failed to meet the minimum surplus requirements of Mississippi law.

III.

On May 7, 2010, the Petitioner issued a Notice of Show Cause Hearing, via certified mail, to the Respondent scheduling a hearing for Tuesday, May 25, 2010, at 10:00 a.m., in the Offices of the Commissioner of Insurance for the State of Mississippi, 10th Floor, Woolfolk State Office Building, 501 North West Street, Jackson, Mississippi 39201. The purpose of this hearing was to provide the Respondent an opportunity to show cause why its license should not be suspended due to its failure to meet the minimum surplus requirements mandated by Mississippi law. This Notice of Show Cause Hearing advised the Respondent that in lieu of appearing at the hearing, the Respondent could waive same and elect to provide a written response to the Respondent prior to May 25, 2010.

IV.

The United States Postal Service provided written notice to Petitioner that the Respondent signed for receipt of the May 7, 2010 show cause hearing notice letter on May 11, 2010. However, the Respondent failed to appear at the May 25, 2010 hearing and failed to contact the Petitioner concerning the hearing. To date, the Respondent has failed to respond in any manner to the show cause hearing notice sent by Petitioner to Respondent.

V.

Based upon the foregoing, the Petitioner finds that the Respondent is surplus impaired by virtue of its failure to meet the minimum surplus requirements imposed by the laws of the State of Mississippi.

IT IS, THEREFORE, ORDERED that License Number 7700564 is hereby fully **SUSPENDED**, effective immediately. This Order constitutes a suspension of Respondent's license to conduct business in the State of Mississippi pending a final determination by the Petitioner. No new business shall be conducted by the Respondent or any of its agents in the State of Mississippi throughout the duration of this suspension. It shall be the Respondent's responsibility to notify all agents of this suspension upon receipt of this Order.

ORDERED this the 21st day of June 2010.



MARK HAIRE
DEPUTY COMMISSIONER OF INSURANCE