

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

**COMMISSIONER OF INSURANCE**

**PETITIONER**

**VERSUS**

**License No.: 0700030  
NAIC No.: 38474  
Cause No.: 10-6115**

**PEGASUS INSURANCE COMPANY**

**RESPONDENT**

**AGREED ORDER TO SUSPEND LICENSE**

**THIS MATTER** came before the Commissioner of Insurance ("Commissioner") for the purpose of reviewing the financial condition of Respondent, Pegasus 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 June 21, 2010, the Respondent entered into a Consent Order of Rehabilitation and Permanent Injunction in the District Court of Oklahoma County, Oklahoma, Case Number CJ-2010-5131. This Order found as follows: "Based upon the findings of the Oklahoma Insurance Department, which Pegasus Insurance Company does not contest, Pegasus Insurance Company is insolvent and a hazard to the policyholders, the creditors of Pegasus and the general public." This Order further placed Respondent into receivership for rehabilitation and appointed Richard Darling as Assistant Receiver in this matter.

III.

The Commissioner has reviewed the Respondent's March 31, 2010 Adjusted Financial Statement and determined that the Respondent's estimated policyholder surplus (including capital) is \$425,507.00. A minimum surplus of \$600,000.00 is required to be maintained by Respondent in accordance with Mississippi Code Annotated, Sections 83-21-3 and 83-19-31(1)(a); resultantly, the Respondent is surplus impaired due to Respondent's failure to meet the minimum surplus requirements of Mississippi law.

Based upon the Consent Order of Rehabilitation and Permanent Injunction entered in the District Court of Oklahoma County, Illinois, and the March 31, 2010 Adjusted Financial Statement, the Respondent's license should be suspended due to its failure to meet the minimum surplus requirements imposed by Mississippi law. Further, Richard Darling, the Assistant Receiver in this matter, has no objection to this Agreed Order of Suspension.

**IT IS, THEREFORE, ORDERED** that License Number 0700030 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 26<sup>th</sup> day of July, 2010.

By: Mike Chaney, Deputy  
MIKE CHANEY  
COMMISSIONER OF INSURANCE  
*Commissioner*

AGREED TO BY:



PEGASUS INSURANCE COMPANY  
RICHARD DARLING  
Assistant Receiver

DATE: 7/1/10