

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION**

BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

In the Matter of the Certificate of Authority of
London Pacific Life & Annuity Company,
Raleigh, North Carolina

SUSPENSION ORDER

Case No. INS 02-08-016

INTRODUCTION

The Director of the Department of Consumer and Business Services (Director) hereby issues a Suspension Order to London Pacific Life & Annuity Company (LPLAC) under Oregon Revised Statutes (ORS) 731.256 and 731.418 because the Director has reason to believe the following:

FINDINGS OF FACT

Since April 1, 1977, LPLAC, a North Carolina corporation, has been issued a certificate of authority pursuant to ORS 731.402 authorizing it to transact health and life including variable life and annuity insurance within the state of Oregon.

On or about August 6, 2002, at the request of the Commissioner of Insurance of the State of North Carolina, the Superior Court of Wake County, North Carolina issued an order, 02CV010454, placing PLAC into rehabilitation.

Rehabilitation is a form of delinquency proceeding. Pursuant to ORS 731.418(2), without advance notice of a hearing thereon, the Director may suspend immediately the certificate of authority of any insurer as to which proceedings for receivership, conservatorship, rehabilitation, or other delinquency proceedings, have been commenced in any state by the public insurance supervisory official of such state.

ULTIMATE FINDINGS OF FACT

The insurance supervisory official of the state of North Carolina commenced a delinquency proceeding against LPLAC.

CONCLUSIONS OF LAW

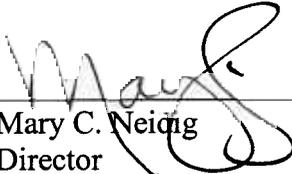
The Director may suspend LPLAC's Oregon certificate of authority without a hearing under 731.418 (2).

ORDER

Pursuant to ORS 731.418(2), the Oregon certificate of authority issued to LPLAC is suspended. The period of suspension shall be continuous from the date of this order until terminated by further written order of the Director, pursuant to ORS 731.426(1). Pursuant to ORS 731.426(2), during the period of suspension, LPLAC shall not solicit or issue new policies of insurance or assume any Oregon risk. LPLAC shall file its annual financial statement and pay any fees and taxes required to be paid. LPLAC may service any existing policies of insurance issued to persons residing in Oregon.

Pursuant to ORS 731.422(2), the authority of all agents to represent LPLAC within the state of Oregon is also suspended. The period of suspension shall be for the same period that the certificate of authority issued to LPLAC is suspended. During the period of suspension, an agent may represent LPLAC only to the extent that LPLAC may transact insurance and that LPLAC has authorized the agent to represent it.

Issued in duplicate the 20TH day of August, 2002.



Mary C. Neigig
Director
Insurance Commissioner
Department of Consumer and Business Services

NOTICE

You are entitled to a hearing under ORS 183.415. You may be represented at a hearing by an attorney licensed in Oregon. If you want a hearing, you must deliver or mail a written request for a hearing to the Director addressed to Insurance Division, Hearings Section, 350 Winter Street NE Room 440-6, Salem, Oregon 97310. The written request must be received by the Director within 21 calendar days after the date this order is delivered or mailed to you.

If you request a hearing within the time allowed, then you will be notified of the time and location of the hearing and information regarding contested case proceedings before the Director.

If you do not request a hearing within the time allowed, then you will waive your right to a hearing. Also, if you do not request a hearing within the time allowed, or if you do not appear at a scheduled hearing, then this order shall become final.