

March 30, 2005

Mr. James Taylor, President
First Continental Life and Accident Insurance Company
12946 Dairy Ashford, Ste. 360
Sugar Land, TX 77478

Re: First Continental Life and Accident Insurance Company
Suspension of Certificate of Authority in Maine
Docket No. INS 05-301

Dear President Taylor:

First Continental Life and Accident Insurance Company has an active Certificate of Authority in the State of Maine. The Company's December 31, 2004 annual statement reported capital and surplus amounts below Maine's minimum capital and surplus requirements. Maine requires a minimum of \$2.5 million each in capital stock and free surplus for a total of \$5 million for a life and health insurer. The Company's common capital stock was reported as \$1,005,000 and its free surplus as \$2,005,103, for a total of \$3,055,103. Therefore, it is necessary to suspend First Continental Life and Accident Insurance Company's Certificate of Authority in Maine.

Pursuant to Title 24-A M.R.S.A. § 416(1)(B), the Certificate of Authority for First Continental Life and Accident Insurance Company is suspended indefinitely, effective immediately. Per Lauri Cooper's recent telephone conversation with Patrick Stoner, Vice President, First Continental Life and Accident Insurance Company has waived the right to a hearing. Thus, a hearing has not been scheduled.

Please be advised that First Continental Life and Accident Insurance Company will still be responsible for the payment of annual licensing and filing fees when billed.

Pursuant to 24-A M.R.S.A. §§ 229 and 419(1), First Continental Life and Accident Insurance Company may, at any time, file with the Superintendent a request to lift the suspension upon a showing that valid grounds for suspension no longer exist, and may petition for an adjudicatory hearing if the request to lift the suspension is denied.

If you have any questions, please contact Lauri Cooper at (207) 624-8464 or via e-mail at laurelyn.s.cooper@maine.gov.

Per Order of

Alessandro A. Iuppa
Superintendent of Insurance

cc: Patrick Stoner, Vice President