

SEP 28 2007

DEPT OF INSURANCE
BY CB

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:

THE WITHDRAWAL OF:

**OMEGA REINSURANCE CORPORATION
(NAIC NO. 85774)**

Petitioner.

No. 07A-148-INS

ORDER

On September 20, 2007, the Office of Administrative Hearings, through Administrative Law Judge ("ALJ") Lewis Kowal, issued an Administrative Law Judge Decision ("Recommended Decision"), received by the Director of the Department of Insurance ("Director") on September 25, 2007, a copy of which is attached and incorporated by this reference. The Director of the Department of Insurance has reviewed the Recommended Decision and enters the following Order:

1. The Recommended Findings of Fact and Conclusions of Law are adopted.
2. Petitioner may file its Articles of Dissolution with the Arizona Corporation Commission.
3. The sum of \$100.00 previously credited to the IERF shall be refunded to the Petitioner, pursuant to A.R.S. § 20-159.
4. Petitioner shall file its 2007 Annual Statement with the Department, together with all applicable fees, unless Petitioner files its Articles of Dissolution with the Arizona Corporation Commission on or before December 31, 2007.
5. Petitioner shall pay its 2008 certificate of authority renewal fee to the Department if its Articles of Dissolution are not filed with the Arizona Corporation by March 31, 2008.

1 The Director of the Department has no personal liability for the prior release of the
2 statutory deposit so made by her in good faith as provided for in A.R.S. § 20-588(B).

3 NOTIFICATION OF RIGHTS

4 Pursuant to Arizona Revised Statutes ("A.R.S.") § 41-1092.09, Petitioner may
5 request a rehearing with respect to this order by filling a written motion with the Director of
6 the Department of Insurance within 30 days of the date of this Order, setting forth the basis
7 for relief under A.A.C. R20-6-114(B). Pursuant to A.R.S. § 41-1092.09, it is not necessary
8 to request a rehearing before filing an appeal to Superior Court.

9 Petitioner may appeal the final decision of the Director to the Superior Court of
10 Maricopa County for judicial review pursuant to A.R.S. § 20-166. A party filing an appeal
11 must notify the Office of Administrative Hearings of the appeal within ten days after filing
12 the complaint commencing the appeal, pursuant to A.R.S. § 12-904(B).

13 DATED this 25th day of September, 2007.

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15 
16 CHRISTINA URIAS, Director
Arizona Department of Insurance

17 COPY of the foregoing mailed this
18 28th day of September, 2007 to:

19 Office of Administrative Hearings
1400 West Washington, Suite 101
Phoenix, Arizona 85007

20 Mary Butterfield, Assistant Director
21 Catherine O'Neil, Consumer Legal Affairs Officer
Steve Ferguson, Assistant Director
22 Leslie R Hess, Financial Affairs Legal Analyst
Kurt A. Regner, Chief Financial Analyst
23 Arizona Department of Insurance
2910 North 44th Street, Suite 210
24 Phoenix, Arizona 85018

25 Lenin Arthanari
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1 Phoenix, Arizona 85018
2 Attorneys for Petitioner

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4 Curvey Burton

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IN THE OFFICE OF ADMINISTRATIVE HEARINGS

STATE OF ARIZONA
RECEIVED

SEP 25 2007

DIRECTOR'S OFFICE
INSURANCE DEPT.

IN THE MATTER OF:

No. 07A-148-INS

THE WITHDRAWAL OF
OMEGA REINSURANCE CORPORATION
(NAIC NO. 85774)

ADMINISTRATIVE
LAW JUDGE DECISION

HEARING: September 10, 2007

APPEARANCES: Lenin Arthanari, Esq. for Omega Reinsurance Corporation;
Kurt Regner for the Arizona Department of Insurance

ADMINISTRATIVE LAW JUDGE: Lewis D. Kowal

On September 10, 2007, a hearing took place at the Office of Administrative Hearings, located at 1400 West Washington, Suite 101, Phoenix, Arizona, to consider the application of Omega Reinsurance Corporation (the "Petitioner"), to withdraw from the insurance business and for the release of its statutory deposit pursuant to A.R.S. §20-588 and A.A.C. R20-6-303.

Based upon the entire record in this matter, the following Findings of Fact, Conclusions of Law and Recommended Order are made:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. Petitioner has filed an Affidavit of Lost Certificate of Authority with the Arizona Department of Insurance ("Department").
2. Petitioner has filed with the Department certified copies of Resolutions of the Petitioner's Board of Directors and of the Petitioner's shareholder(s) authorizing Petitioner to withdraw from the insurance business by dissolution.
3. Petitioner has no insurance obligations, whether by policies written direct or by reinsurance ceded to it.
4. Petitioner has filed its certified financial statement as of March 31, 2007 with the Department. Petitioner's president and secretary verified that the financial statement is true, accurate and represented the financial condition of Petitioner as of

Office of Administrative Hearings
1400 West Washington, Suite 101
Phoenix, Arizona 85007
(602) 542-9826

1 June 7, 2007 was the same as reflected in the March 31, 2007 financial statement.
2 The date of the application was June 22, 2007 and Petitioner's financial condition was
3 verified within 60 days of the date of the application as required by law.

4 5. Petitioner represented that it has no creditors in the State of Arizona and
5 has no remaining obligations or liabilities in the State of Arizona.

6 6. Petitioner had a \$100,000.00 statutory deposit with the Department and
7 has a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").¹

8 7. Petitioner submitted to the Department: a) payment of any examination or
9 assessments that were due; b) the 2006 annual statement with applicable filing fee; c)
10 the 2006 annual form B filing; and d) payment of the 2007 certificate of authority
11 renewal fee.

12 8. Petitioner demonstrated that it was entitled to the release of its statutory
13 deposit pursuant to A.R.S. § 20-588 and with A.A.C. R20-6-303.

14 ORDER

15 1. Petitioner may file its Articles of Dissolution with the Arizona Corporation
16 Commission.

17 2. The sum of \$100.00 previously credited to the IERF shall be refunded to
18 the Petitioner, pursuant to A.R.S. § 20-159.

19 3. Petitioner shall file its 2007 Annual Statement with the Department,
20 together with all applicable fees, unless Petitioner files its Article of Dissolution with the
21 Arizona Corporation Commission on or before December 31, 2007.

22 4. Petitioner shall pay its 2008 certificate of authority renewal fee to the
23 Department if its Articles of Dissolution are not filed with the Arizona Corporation by
24 March 31, 2008.

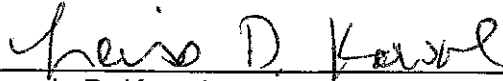
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¹ Petitioner's statutory deposit has already been released in error by the financial institution that held the
29 funds. The Department represented that Petitioner demonstrated through the filings made to the
30 Department that, but for its prior release, Petitioner would have been entitled to the release of the statutory
deposit. Consequently, it would serve no useful purpose to require Petitioner to re-file the statutory
deposit only to then have the deposit be refunded to Petitioner.

1 5. The Director of the Department has no personal liability for the prior
2 release of the statutory deposit.

3 Done this day, September 20, 2007.

4
5 

6 Lewis D. Kowal
7 Administrative Law Judge

8
9
10 Original transmitted by mail this
11 24 day of September, 2007, to:

12
13 Department of Insurance
14 Christina Urias, Director
15 2910 North 44th Street, Ste. 210
16 Phoenix, AZ 85018

17
18
19 By 