

JUN 1 2010

DEPT OF INSURANCE
BY CB

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of)
)
 SOUTHWEST RISK)
 ASSURANCE COMPANY, INC.)
 (No. 3256))
)
 Respondent.)

Docket No. 10A-068-INS

CONSENT ORDER

The State of Arizona, Department of Insurance (the "Department") received evidence that **Southwest Risk Assurance Company, Inc.** ("Respondent") violated provisions of Title 20, Arizona Revised Statutes ("A.R.S."). Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to the entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent is a captive insurer domiciled in Arizona and presently holds a certificate of authority issued by the Department to transact property and casualty without workers' compensation and without employer liability insurance.
2. Respondent's report of financial condition for the year ended December 31, 2009 filed on March 31, 2010 reported no assets or surplus in violation of the minimum surplus requirements under A.R.S. § 20-1098.03.
3. Respondent failed to renew its captive manager agreement with its captive manager and has failed to secure a new captive manager.
4. Respondent failed to seek or obtain approval of this business plan change regarding its captive manager.
5. Respondent's required written business plan change and new captive manager agreement remains unfiled as of this date.

CONCLUSIONS OF LAW

1. The Director has jurisdiction over this matter.

1 3. Respondent is aware of its right to notice and a hearing at which it may be
2 represented by counsel, present evidence and cross-examine witnesses. Respondent
3 irrevocably waives its right to such notice and hearing and to any court appeals relating to this
4 Consent Order.

5 4. Respondent states that no promise of any kind or nature whatsoever, except as
6 expressly contained in this Consent Order was made to it to induce it to enter into this Consent
7 Order and that it has entered into this Consent Order voluntarily.

8 5. Respondent acknowledges that the acceptance of this Consent Order by the
9 Director is solely to settle this matter against it and does not preclude any other agency, officer
10 or subdivision of this State from instituting civil or criminal proceedings as may be appropriate
11 now or in the future.

12 6. W. David Thompson represents that he is the President and Chief Executive
13 Officer of Southwest Risk Assurance Company, Inc., and as such is authorized to enter this
14 Consent Order on its behalf.

SOUTHWEST RISK ASSURANCE
COMPANY, INC.

15 29 May 2010
16 Date

17 
18 By: W. David Thompson
19 Its: President & CEO

20 COPY of the foregoing mailed/delivered
21 this 1st day of June, 2010 to:

22 W. David Thompson
23 President & CEO
24 Southwest Risk Assurance Company, Inc.
25 2020 W. Guadalupe Road, Suite 5
26 Gilbert, AZ 85233
27 Respondent

28 Lee Filener
29 Marsh Management Services
30 3131 E. Camelback Rd, Suite 400
31 Phoenix, AZ 85016
32 Former Captive Manager of Respondent

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Phoenix, AZ 85007

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