

STATE OF ARIZONA

SEP 9 2013

DEPARTMENT OF INSURANCE

DEPT OF INSURANCE  
BY 

In the Matter of )  
 )  
Houston General Insurance Exchange )  
 )  
(NAIC No. 11988) )  
 )  
Petitioner. )

Docket No. 13A-106-INS

ORDER RELEASING  
EXCESS DEPOSIT

Arizona Revised Statutes ("A.R.S.") § 20-588(A)(2) provides that deposited funds shall be released and returned to the Petitioner to the extent such deposit is in excess of the amount required, upon application to and written order of the Director of Insurance.

FINDINGS OF FACT

1. Houston General Insurance Exchange ("Petitioner"), a Texas domiciled insurance company, received its certificate of authority to transact property and casualty insurance in Arizona on August 16, 2005.
2. On February 11, 2011, in *Order*, Docket No. 11A-018-INS, the Arizona Department of Insurance ("Department") accepted surrender of Petitioner's certificate of authority and ordered the Petitioner to maintain a Security Deposit ("Deposit") in the amount of approximately \$2,600,000 for the benefit of Arizona policyholders and claimants only.
3. On August 20, 2013, Petitioner filed an application for release of the Deposit.
4. Petitioner has no outstanding obligations under any policy of insurance, whether written direct or through reinsurance ceded to it, to policyholders or claimants who are residents of this State.

1 5. Petitioner is not the subject of any pending investigation or market conduct  
2 examination and does not owe this Department any filings or fees.

3 **CONCLUSIONS OF LAW**

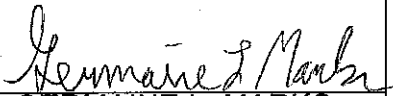
4 1. The Director has no personal liability for the release of such deposit so made by  
5 her in good faith as provided in A.R.S. § 20-588(B).

6 2. Petitioner is entitled to the release of the Deposit pursuant to A.R.S. § 20-  
7 588(A)(2).

8 **ORDER**

9 THEREFORE, IT IS ORDERED that the Deposit in the amount of approximately  
10 \$2,600,000 shall be released to Petitioner.

11 Effective this 9<sup>th</sup> day of September, 2013.

12   
13 GERMAINE L. MARKS  
14 Director Of Insurance

15 COPY of the foregoing mailed/delivered  
16 this 9<sup>th</sup> day of September 2013, to:

17 James G. Jordan, Associate General Counsel  
18 OneBeacon Insurance Group  
19 601 Carlson Parkway, Suite 600  
20 Minnetonka, Minnesota 55305

21 Germaine L. Marks, Director of Insurance  
22 Kurt Regner, Assistant Director  
23 Cary W. Cook, Chief Financial Compliance Officer  
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