

FEB 20 2015

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

DEPT OF INSURANCE

BY MS

In the Matter of)
)
Southland National Insurance Corporation)
(NAIC NO. 79057))
)
Respondent.)

Docket No. 15A-012-INS

RETALIATORY DEPOSIT
ORDER

Arizona Revised Statutes (A.R.S.) § 20-582(3) requires that a deposit required pursuant to the retaliatory provision set forth in A.R.S. § 20-230 shall be held for the purposes specified in the Director's order requiring the deposit.

FINDINGS OF FACT

1. Southland National Insurance Corporation ("Respondent"), a foreign insurer domiciled in the State of North Carolina, has filed an application for a certificate of authority in the State of Arizona to transact disability and life insurance.
2. North Carolina General Statutes (G.S.) § 58-5-50 prescribes a special deposit in the amount of \$400,000, for the benefit of the holders of all insurance contracts of the company who are citizens or residents of the State of North Carolina or who hold policies issued upon property in the State of North Carolina in accordance with G.S. § 58-5-70, by an Arizona insurer as a condition of transacting the business of insurance in North Carolina.
3. G.S. §§ 58-5-20 and 58-5-90(b) further prescribe the types of securities eligible for deposit and the duration of the special deposit, respectively.
4. A.R.S. § 20-230(A) mandates the imposition of a retaliatory deposit.

1 **CONCLUSIONS OF LAW**

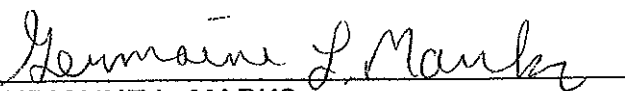
2 1. The Director has jurisdiction over this matter.

3 2. Grounds exist pursuant to A.R.S. § 20-230(A) for the Director to require the
4 Respondent to make a retaliatory deposit with the State of Arizona.

5 **ORDER**

6 IT IS ORDERED requiring Respondent to, within 30 days of the date of this Order,
7 deposit and maintain a retaliatory deposit in the amount of no less than \$400,000 with the
8 State of Arizona for the benefit of the holders of all insurance contracts of the company who
9 are citizens or residents of the State of Arizona or who hold policies issued upon property in
10 the State of Arizona, for as long as Respondent is doing business in the State of Arizona and
11 is under obligation to policyholders or other persons in the State of Arizona for whose benefit
12 the deposit was made.

13 Dated this 20th day of February, 2015

14
15 
16 **GERMAINE L. MARKS**
Director of Insurance

17
18 COPY of the foregoing mailed/delivered
19 this 20th day of February, 2015, to:

20 Ann M. Sapala, Assistant Vice President
21 Southland National Insurance Corporation
22 2200 Jack Warner Parkway, Suite 150
23 Tuscaloosa, AL 35401

24 Germaine L. Marks, Director
Mary Kosinski, Executive Assistant for Regulatory Affairs
Kurt A. Regner, Assistant Director
Cary W. Cook, Chief Financial Compliance Officer

1 Stephen D. Clutter, Public Information Officer
2 Department of Insurance
3 2910 N. 44th Street, Suite 210
4 Phoenix, AZ 85018

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
