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DEPARTMENT OF INSURANCE

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In the Matter of

Provident American Insurance Company
(NAIC No. 68179)

Docket No. 17A-019-INS

ORDER RELEASING EXCESS DEPOSIT

Petitioner.

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. Provident American Insurance Company ("Petitioner"), a Texas domiciled insurance company, received its certificate of authority to transact life and disability insurance in Arizona on October 6, 1983.
- 2. Colonial Bankers Life Insurance Company (CBLIC), an Arizona domiciled insurance company, received its certificate of authority to transact life and disability reinsurance in Arizona on January 9, 1987 and established a \$100,000 statutory deposit.
- 3. CBLIC merged into Petitioner effective December 7, 1995 and the deposit was transferred to Petitioner.
- 4. The Department holds a \$100,000 statutory deposit ("Deposit") on behalf of the Petitioner.
 - 5. Petitioner filed an application for release of the Deposit on December 28, 2016.
- 6. The Texas Department of Insurance has certified that it holds securities of the Petitioner in the amount of \$1,152,000 in trust for the benefit of all policyholders and creditors which satisfies the Petitioner's statutory deposit requirement prescribed in A.R.S. §20-213.

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| 1 | 7. The Deposit that was required of Petitioner to be held by the State of Arizona | | |
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| 2 | pursuant to A.R.S. § 20-213 is no longer required and the Deposit is an excess deposit | | |
| 3 | pursuant to A.R.S. § 20-588(A)(2). | | |
| 4 | CONCLUSIONS OF LAW | | |
| 5 | The Director has no personal liability for the release of such deposit so made by | | |
| 6 | her in good faith as provided in A.R.S. § 20-588(B). | | |
| 7 | 2. Petitioner is entitled to the release of the Deposit pursuant to A.R.S. § 20- | | |
| 8 | 588(A)(2). | | |
| 9 | ORDER | | |
| 10 | THEREFORE, IT IS ORDERED that the \$100,000 Deposit shall be released to | | |
| 11 | Petitioner. | | |
| 12 | Dated this 8th day of February, 2017 | | |
| 13 | | | |
| 14 15 | LESLIE R. HESS | | |
| | Interim Director of Insurance | | |
| 16 17 | COPY of the foregoing mailed/delivered this 10 m day of Selwary, 2017, to: | | |
| 18 | Mary Frazier, President | | |
| 19 | Provident American Insurance Company P.O. Box 287 Houston, Toyog, 77001 | | |
| 20 | Houston, Texas 77001 | | |
| 21 | Mary Kosinski, Regulatory Legal Affairs Officer Kurt A. Regner, CFE, Assistant Director Cary W. Cook, Chief Financial Compliance Officer Arizona Department of Insurance 2910 N. 44 th Street, Suite 210 Phoenix, AZ 85018 | | |
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| 24 | Maidene Scheme | | |
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