

1 deposit will not be released until the Department receives a fully executed copy of the official State
2 Treasurer Release Receipt.

3 4. The sum of \$100.00 previously credited to the IERF will be refunded to the
4 Petitioner, pursuant to A.R.S. § 20-159.

5 5. The Petitioner will file its 1996 Annual Statement with the Department, together
6 with all applicable fees.

7 6. The Petitioner will pay its Certificate of Authority to the Department unless the
8 Department receives written proof that the Articles of Dissolution was received by the Arizona
9 Corporation Commission on or before March 31, 1997.


10 7. The Petitioner will file its 1997 Annual Statement with the Department, together
11 with all applicable fees unless Petitioner files its Articles of Dissolution with the Arizona Corporation
12 Commission on or before December 31, 1997.

13 NOTIFICATION OF RIGHTS

14 The aggrieved party may request a rehearing with respect to this Order by filing a written
15 petition with the Office of Administrative Hearings within 30 days of the date of this Order, setting forth
16 the basis for such relief pursuant to A.A.C. R20-6-114(B).

17 The final decision of the Director may be appealed to the Superior Court of Maricopa
18 County for judicial review pursuant to A.R.S. § 20-166. A party filing an appeal must notify the Office of
19 Administrative Hearings of the appeal within ten days after filing the complaint commencing the appeal,
20 pursuant to A.R.S. §41-1092.10.

21 DATED this 31 day of March, 1997

22 
23 John A. Greene
Director of Insurance

1 A copy of the foregoing mailed
this 31 day of March, 1997

2
3 Charles R. Cohen, Deputy Director
4 Mary Butterfield, Assistant Director
5 Catherine O'Neil, Assistant Director
6 Gary Torticill, Assistant Director
7 Kurt Regner, Examiner
8 Deloris Williamson, Assistant Director
9 Scott Greenberg, Business Administrator
10 Department of Insurance
11 2910 N. 44th Street, Suite 210
12 Phoenix, AZ 85018

13 Office of Administrative Hearings
14 1700 W. Washington, Suite 602
15 Phoenix, AZ 85007

16 A. Clark Waid, III
17 Pioneer Reinsurance Company
18 1750 E. Golf Road
19 Schaumburg, IL 60173

20 
21
22
23

IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of the Withdrawal of
PIONEER REINSURANCE COMPANY,
(NAIC No. 93920),

Petitioner.

No. 97A-039-INS

**RECOMMENDED DECISION
OF ADMINISTRATIVE
LAW JUDGE**

HEARING: March 31, 1997

APPEARANCES: William Van Vleet on behalf of the Petitioner and Kurt
Regner on behalf of the Arizona Department of Insurance.

ADMINISTRATIVE LAW JUDGE: Lewis D. Kowal

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

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Petitioner filed an Affidavit of Lost Certificate of Authority with the Arizona Department of Insurance (the "Department").
2. The 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. The Petitioner has no insurance obligations owing to it, whether by policies written direct or by reinsurance ceded to it.
4. The Petitioner has filed its certified financial statement as of December 31, 1996, with the Department.
5. At least 10 business days before the hearing of this matter, Petitioner gave special notice to creditors and policyholders of the Petitioner, setting forth the date,

Office of Administrative Hearings
1700 West Washington, Suite 602
Phoenix, Arizona 85007
(602) 542-9826

1 place, nature and purpose of the hearing, as evidenced by the affidavit of publication.
2 Petitioner also represented that it had no known creditors.

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

5 7. The Petitioner currently owes the IERF the sum of \$20.01

6 8. The Petitioner has complied with the provisions of A.R.S. §20-588 and with
7 A.A.C. R20-6-303, relating to the release of its \$100,000.00 statutory deposit.

8 **RECOMMENDED ORDER**

9 The undersigned Administrative Law Judge recommends that:

10 1. The Petitioner may file its Articles of Dissolution with the Arizona
11 Corporation Commission.

12 2. The Petitioner is entitled to the release of its statutory deposit in the sum of
13 \$100,000.00 and that the statutory deposit shall be released to the Petitioner
14 after the Department has received the following: (a) payment of \$20.01 to the IERF; (b)
15 a copy of Petitioner's Articles of Dissolution certified as filed by the Arizona Corporation
16 Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit Release).
17 The statutory deposit cannot be released until the Department receives a fully executed
18 copy of the official State Treasurer Release Receipt.

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

21 4. The Petitioner file its 1996 Annual Statement with the Department, together
22 with all applicable fees.

23 5. The Petitioner shall pay its Certificate of Authority to the Department unless
24 the Department receives written proof that the Articles of Dissolution was received by
25 the Arizona Corporation Commission on or before March 31, 1997.

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29 . . .

6. The Petitioner shall file its 1997 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, 1997.

Done this day, March 31, 1997.

Lewis D. Kowal
LEWIS D. KOWAL
Administrative Law Judge

Original transmitted by mail this
31 day of March, 1997, to:

John A. Greene
Acting Director
ATTN: Curvey Burton
Department of Insurance
2910 North 44th Street, #210
Phoenix, AZ 85018-7256

By Chris Crawford Thomson