

STATE OF ARIZONA

MAR 31 1997

DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE

BY Kathy

In the Matter of the Withdrawal of:)
)
NORTHEAST CREDIT LIFE INSURANCE)
COMPANY, INC., (NAIC No. 97470),)
)
Petitioner.)
_____)

Docket No. 97A-046-INS

ORDER

On March 31, 1997, the Office of Administrative Hearings, through Administrative Law Judge Lewis D. Kowal, submitted "Recommended Decision of Administrative Law Judge" ("Recommended Decision"), a copy of which is attached and incorporated by this reference. The Director of the Arizona Department of Insurance has reviewed the Recommended Decision and enters the following order:

1. The recommended findings of fact and conclusions of law are adopted.
2. The Petitioner may file its Articles of Dissolution with the Arizona Corporation Commission.
3. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00 and that the statutory deposit will be released to the Petitioner after the Department has received the following: (a) payment of \$167.88 to the Insurance Examiners' Revolving Fund ("IERF"); (b) a copy of Petitioner's Articles of Dissolution certified as filed by the Arizona Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit Release). The statutory

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 file its 1997 Annual Statement with the Department, together
8 with all applicable fees unless Petitioner files its Articles of Dissolution with the Arizona Corporation
9 Commission on or before December 31, 1997.

10 NOTIFICATION OF RIGHTS

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

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

18 DATED this 31 day of March, 1997

19
20
21 
22 John A. Greene
23 Director of Insurance

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

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

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

15 Thomas E. Haney
16 1421 E. Thomas Road
17 Phoenix, AZ 85014

18 
19 _____

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22
23

13:30 ADMIN HEARINGS 7 002 312 8432 NO. 232 001

1 **IN THE OFFICE OF ADMINISTRATIVE HEARINGS**

2
3 In the Matter of the Withdrawal of

No. 97A-046-INS

4 **NORTHEAST CREDIT LIFE INSURANCE**
5 **CO., INC. (NAIC No. 97470),**

RECOMMENDED DECISION
OF ADMINISTRATIVE
LAW JUDGE

6 Petitioner.
7
8

9
10 **HEARING:** March 31, 1997

11 **APPEARANCES:** Thomas E. Haney, Esq. on behalf of the Petitioner and Kurt
12 Regner on behalf of the Arizona Department of Insurance.

13 **ADMINISTRATIVE LAW JUDGE:** Lewis D. Kowal
14

15
16 Based upon the entire record in this matter, the following Recommended
17 Findings of Fact, Conclusions of Law and Proposed Order are made:

18 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

- 19 1. The Petitioner has surrendered its Certificate of Authority to the
20 Department.
21
22 2. The Petitioner has filed with the Department certified copies of Resolutions
23 of the Petitioner's Board of Directors and of the Petitioner's shareholder(s) authorizing
24 Petitioner to withdraw from the insurance business by dissolution.
25
26 3. The Petitioner has no insurance obligations owing to it, whether by policies
27 written direct or by reinsurance ceded to it.
28
29 4. The Petitioner has filed its certified financial statement as of February 27,
30 1997, 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,

1 place, nature and purpose of the hearing, as evidenced by the affidavit of publication.
2 Petitioner also provided individual notice by mail to its known creditors, as evidenced by
3 affidavit.

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

6 7. 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 8. Petitioner currently owes \$167.88 to the IERF.

9 **RECOMMENDED ORDER**

10 The undersigned Administrative Law Judge recommends that:

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

13 2. The Petitioner is entitled to the release of its statutory deposit in the sum of
14 \$100,000.00 and that the statutory deposit shall be released to the Petitioner
15 after the Department has received the following: (a) payment of \$167.88 to the IERF;
16 (b) a copy of Petitioner's Articles of Dissolution certified as filed by the Arizona
17 Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit
18 Release). The statutory deposit cannot be released until the Department receives a
19 fully executed copy of the official State Treasurer Release Receipt.


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

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

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30 . . .

5. 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
Administrative Law Judge

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

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

By 