

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

**REINSURANCE COMPANY OF
AMERICA, INC.**

IN LIQUIDATION

(SBS No. 49208663)

Petitioner.

No. 22A-059-INS

**ORDER FOR RELEASE OF
WORKERS' COMPENSATION
DEPOSIT**

Arizona Revised Statutes ("A.R.S.") § 23-961 provides that workers' compensation deposits shall be held by the Director of the Arizona Department of Insurance and Financial Institutions ("Director") as security for fulfillment of the obligations of an insurer under Title 23. Upon proper order of a court of competent jurisdiction to the receiver, the Director shall issue an Order releasing deposited funds pursuant to A.R.S. § 20-588(A)(3).

FINDINGS OF FACT

1. Reinsurance Company of America, Inc. ("RCA" or "Petitioner") is an Illinois domiciled casualty insurer conducting business in Arizona.

2. On April 27, 2011, the Circuit Court of Cook County, Illinois, in case No. 10 CH 6207 entered the Agreed Order of Liquidation with a Finding of Insolvency ("Order"). The court found that RCA is "insolvent and its further transaction of business would be hazardous to its policyholders, creditors or to the public." The court further ordered that "Director of Insurance of the State of Illinois, and his successors in office, is

1 affirmed as the statutory Liquidator (the “Liquidator”) of RCA, with all of the powers
2 appurtenant thereto.”

3 3. In order to transact insurance business in Arizona, RCA placed a workers’
4 compensation deposit (“Deposit”) with the Arizona State Treasurer to protect Arizona
5 workers’ compensation claimants in the approximate amount of \$608,278.25.

6 4. On November 2, 2022, the Arizona Department of Insurance and Financial
7 Institutions (“Department”) entered into a Special Deposit Release Agreement with
8 Petitioner for the purpose of releasing the special deposit proceeds; paying the claims of the
9 Arizona Property and Casualty Insurance Guaranty Fund and the Special Fund of the
10 Industrial Commission of Arizona; paying the Department’s administrative expenses; and
11 turning over the remaining balance to the Liquidator.

12 **CONCLUSIONS OF LAW**

13 5. Petitioner is entitled to the release of the Deposit pursuant to A.R.S. § 20-
14 588(A)(3).

15 6. The Director has no personal liability for the release of the Deposit made in
16 good faith as provided in A.R.S. § 20-588(B).

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ORDER

THEREFORE IT IS ORDERED that the Deposit in the approximate amount of \$608,278.25 shall be released and distributed pursuant to the instructions in the Arizona Special Deposit Release Agreement.

Effective this 8th day of **November**, 2022.



Evan G. Daniels, Director
Arizona Department of Insurance and Financial Institutions

1 COPY of the foregoing mailed/delivered
this 8th day of **November**, 2022 to:

2 Jacob Stuckey, Special Deputy
3 Illinois' Office of the Special Deputy Receiver
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4 Chicago, Il 60654
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6 Lori D. Nestor, Executive Director
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9 Deian Ousounov, Assistant Director
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