

STATE OF ARIZONA

MAR 27 1998

DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE  
BY ED

1  
2  
3 In the Matter of the Withdrawal of: ) Docket No. 98A-026-INS  
4 )  
5 ) ORDER  
6 )  
7 )  
8 )  
9 )  
10 )  
11 )  
12 )  
13 )  
14 )  
15 )  
16 )  
17 )  
18 )  
19 )  
20 )  
21 )  
22 )  
23 )  
24 )  
25 )  
26 )  
27 )  
28 )

NANSEEKAY LIFE INSURANCE  
COMPANY (NAIC No. 86797),  
  
Petitioner.

---

9 On March 24, 1998, the Office of Administrative  
10 Hearings, through Administrative Law Judge Lewis D. Kowal,  
11 submitted "Recommended Decision of Administrative Law Judge"  
12 ("Recommended Decision"), a copy of which is attached and  
13 incorporated by this reference. The Director of the Arizona  
14 Department of Insurance has reviewed the Recommended Decision and  
15 enters the following order:

16 1. The recommended findings of fact and conclusions of  
17 law are adopted.

18 2. Petitioner is granted an exemption pursuant to  
19 A.R.S. §20-481.17 from the filing of "Form B" registration  
20 statements for the years ending December, 1995 and December, 1996.

21 3. The Petitioner may file its Articles of Amendment  
22 to its Articles of Incorporation ("Articles of Amendment") with  
23 the Arizona Corporation Commission.

24 4. The Petitioner is entitled to the release of its  
25 statutory deposit in the sum of \$125,000.00 and Petitioner's  
26 statutory deposit will be released to the Petitioner after the  
27 Department has received the following: (a) a copy of Petitioner's  
28

1 Articles of Amendment certified as having been filed with the  
2 Arizona Corporation Commission; (b) a fully executed Form E-126  
3 (Notice of Trust Deposit Release); (c) Balance sheets for the  
4 Petitioner for the years ending December 31, 1995 and December  
5 31, 1996 prepared and certified by the Trustee for Thomas Warmus  
6 (the "Trustee") as being based upon the best information and  
7 records available; (d) Annual Tax and Fees Report Form E-168 for  
8 calendar years 1995 and 1996 signed by the Trustee; Remittance of  
9 annual fees due for calendar years 1995, 1996 and 1997, which  
10 total \$7,425.00; and (e) Certificate of Disclosure Form E-178  
11 notarized by the Trustee for calendar years 1995 and 1996,  
12 containing information regarding the bankruptcy petition  
13 pertaining to Petitioner.

14 5. The sum of \$100.00 previously credited to the  
15 Insurance Examiners' Revolving Fund will be refunded to the Peti-  
16 tioner, pursuant to A.R.S. §20-159.

17 6. The Petitioner will pay its certificate of  
18 authority renewal fee, file an Annual Tax and Fees Report Form  
19 E-168, and file a Certificate of Disclosure Form E-178 if  
20 Petitioner's Articles of Amendment are not filed with the Arizona  
21 Corporation on or before March 31, 1998.


#### 22 NOTIFICATION OF RIGHTS

23 The aggrieved party may request a rehearing with  
24 respect to this Order by filing a written petition with the  
25 Office of Administrative Hearings within 30 days of the date of  
26 this Order, setting forth the basis for such relief pursuant to  
27 A.A.C. R20-6-114(B).  
28

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

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

DATED this 26 day of March, 1998.

  
John A. Greene  
Director of Insurance

COPY of the foregoing mailed this 27<sup>th</sup> day of March, 1998 to:

Charles R. Cohen, Deputy Director  
Gregory Y. Harris, Executive Assistant Director  
Mary Butterfield, Assistant Director  
Catherine O'Neil, Assistant Director  
Gary Torticill, Assistant Director  
Deloris E. Williamson, Assistant Director  
Scott Greenberg, Business Administrator  
Arizona Department of Insurance  
2910 N. 44th Street, Suite 210  
Phoenix, AZ 85018

Office of Administrative Hearings  
1700 West Washington, Suite 602  
Phoenix, Arizona 85007

Kevin G. Hunter  
Lewis and Roca LLP  
40 North Central Avenue  
Phoenix, Az 85004-4429



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30

**IN THE OFFICE OF ADMINISTRATIVE HEARINGS**

In the Matter of the Withdrawal of:

No. 98A-026-INS

**NANSEEKAY LIFE INSURANCE  
COMPANY (NAIC No. 86797),**

**RECOMMENDED DECISION  
OF ADMINISTRATIVE  
LAW JUDGE**

Petitioner.

---

**HEARING:** March 20, 1998

**APPEARANCES:** Kevin G. Hunter, Esq. for the Petitioner

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

---

On March 20, 1998, a hearing took place, to consider the application of Nanseekay Life Insurance Company (the "Petitioner"), to withdraw from the insurance business and for the release of its statutory deposit pursuant to A.R.S. §20-588 and A.A.C. R20-6-303.

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

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

1. The Petitioner has filed an Affidavit of Lost Certificate of Authority with the Arizona Department of Insurance ("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) to withdraw from the insurance business, to amend its articles of incorporation to eliminate its insuring powers, and to adopt a new corporate name which shall not include the word "insurance".

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, 1997, with the Department.

5. At least ten 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 an affidavit of publication.  
2 Petitioner also represented that it has no creditors in the State of Arizona other than its  
3 sole shareholder who received notice of this proceeding and has no remaining  
4 obligations or liabilities in the State of Arizona.

5 6. The Petitioner has a \$125,000.00 statutory deposit with the Department  
6 and a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").

7 7. The Petitioner has complied with the provisions of A.R.S. §20-588 and with  
8 A.A.C. R20-6-303, relating to the release of its \$125,000.00 statutory deposit.

9 8. Petitioner has requested and the Department did not object to an  
10 exemption pursuant to A.R.S. §20-481.17 from the filing of "Form B" registration  
11 statements for the years ending December, 1995 and December, 1996.

### 12 RECOMMENDED ORDER

13 The undersigned Administrative Law Judge recommends that:

14 1. Petitioner is granted an exemption pursuant to A.R.S. §20-481.17 from the  
15 filing of "Form B" registration statements for the years ending December, 1995 and  
16 December, 1996.

17 2. The Petitioner may file its Articles of Amendment to its Articles of  
18 Incorporation ("Articles of Amendment") with the Arizona Corporation Commission.


19 3. The Petitioner is entitled to the release of its statutory deposit in the sum of  
20 \$125,000.00 and Petitioner's statutory deposit shall be released to the Petitioner after  
21 the Department has received the following: (a) a copy of Petitioner's Articles of  
22 Amendment certified as having been filed with the Arizona Corporation Commission;  
23 (b) a fully executed Form E126 (Notice of Trust Deposit Release); (c) Balance sheets  
24 for the Petitioner for the years ending December 31, 1995 and December 31, 1996  
25 prepared and certified by the Trustee for Thomas Warmus (the "Trustee") as being  
26 based upon the best information and records available; (d) Annual Tax and Fees  
27 Report Form E-1668 for calendar years 1995 and 1996 signed by the Trustee;  
28 Remittance of annual fees due for calendar years 1995, 1996 and 1997, which total  
29 \$7,425.00; and (e) Certificate of Disclosure Form E-178 notarized by the Trustee for  
30 calendar years 1995 and 1996, containing information regarding the bankruptcy petition  
pertaining to Petitioner.

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

5. The Petitioner shall pay its certificate of authority renewal fee, file an  
Annual Tax and Fees Report Form E-168, and file a Certificate of Disclosure Form E-

1 178 if Petitioner's Articles of Amendment are not filed with the Arizona Corporation on  
2 or before March 31, 1998.

3 Done this day, March 24, 1998.

4  
5   
6 LEWIS D. KOWAL  
7 Administrative Law Judge

8 Original transmitted by <sup>fax</sup> mail this  
9 24 day of March, 1998, to:

10 Mr. John A. Greene, Director  
11 Department of Insurance  
12 ATTN: Curvey Burton  
13 2910 North 44th Street, #210  
14 Phoenix, AZ 85018-7256

15 By   
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30