

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

R&Q REINSURANCE COMPANY
(NAIC NO. 22705)

Respondent.

No. 23A-014-INS

**ORDER SUMMARILY SUSPENDING
CERTIFICATE OF AUTHORITY AND
NOTIFICATION OF RIGHTS**

The Arizona Department of Insurance and Financial Institutions (the “Department”) alleges that **R&Q Reinsurance Company (“Respondent”)** has violated provisions of Arizona Revised Statutes (“A.R.S.”), Title 20. In light of the serious nature of these allegations, the Director of the Department (“Director”) finds that the public health, safety and welfare imperatively require emergency action, within the meaning of A.R.S. § 41-1092.11(B).

FINDINGS OF FACT

1. Respondent is a Pennsylvania domiciled insurer and presently holds a certificate of authority, issued by the Department on November 12, 1974, authorizing Respondent to transact the following kinds of insurance in Arizona: casualty and workers’ compensation; disability; marine and transportation; property; surety; and vehicle.

2. Respondent’s continued operation of insurance business in the State of Arizona is deemed to be hazardous to its policyholders, creditors and/or the general public for the following reason(s):

- a. On or about February 27, 2023, Respondent filed its Annual Statement of the Condition and Affairs for the year ended December 31, 2022 (“Financial Statement”). The Financial Statement revealed Respondent’s surplus, as regards policyholders, in the **negative amount**

1 by any party. The Department will serve a “Notice of Hearing” in accordance with A.R.S. § 41-
2 1092.05(D) that will inform you of the date, time and location of the hearing as well as the issues to be
3 determined.

4 If you file an appeal, you may also request an “informal settlement conference” pursuant to
5 A.R.S. § 41-1092.06 by filing a **written request no more than twenty (20) days before the**
6 **scheduled hearing**. The conference will be held within 15 days after our receipt of your request. If an
7 informal settlement conference is requested, a person with the authority to act on behalf of the
8 Department will be present. Please note that you waive any right to object to participation of the
9 Department’s representative in the final administrative decision of the matter if it is not settled.

10 Your notice of appeal and/or request for an information settlement conference may be addressed
11 to the attention of:

12 **Arizona Department of Insurance and Financial Institutions**
13 **Hearing Administration – Notice of Appeal**
14 **100 N. 15th Ave., Suite 261**
15 **Phoenix, Arizona 85007-2630**
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1 **COPY** of the foregoing mailed by U.S. First Class
and Certified Mail, Electronic Receipt Requested
2 this 11th day of April, 2023, to:

3 R&Q Reinsurance Company
Attn: John William Fischer, President
4 Two Logan Square, Suite 600
Philadelphia, PA 19103
5 Respondent 9489 0090 0027 6486 6714 57

6 Cogency Global Inc.
RE: R&Q Reinsurance Company
7 300 West Clarendon Avenue, Suite 240
Phoenix, AZ 85013
8 Statutory Agent for Respondent 9489 0090 0027 6486 6714 40

9 **COPY** of the foregoing emailed/delivered same date to:

10 Kurt Regner, Deputy Assistant Director
Cary Cook, Assistant Financial Compliance Officer
11 Deian Ousounov, Assistant Director
Gio Espinosa, Regulatory Legal Affairs Officer
12 Liane Kido, Financial Affairs Division
Arizona Department of Insurance and Financial Institutions
13 100 N. 15th Ave., Suite 261
Phoenix, Arizona 85007-2630

14 **COPY** of the foregoing delivered electronically same date to:

15 R&Q Reinsurance Company
16 Attn: John William Fischer, President
John.Fischer@rqih.com
17 Respondent

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19 Ana Starovic

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