

STATE OF ARIZONA
Department of Insurance and Financial Institutions
FILED January 4, 2024 by AS

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

**THE INSURANCE CORPORATION OF
NEW YORK**

IN LIQUIDATION

(SBS No. 49208206)

Petitioner.

No. 24A-001-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 Cabinet Executive Officer ("CEO") of the Arizona Department of Insurance and Financial Institutions 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, conservator, rehabilitator or liquidator of the insurer, or to any other properly designated official or officials who succeed to the management and control of the insurer's assets, the CEO issues this Order releasing deposited funds pursuant to A.R.S. § 20-588(A)(3).

FINDINGS OF FACT

1. The Insurance Corporation of New York ("InsCorp" or "Petitioner") is a New York domiciled property and casualty insurer conducting business in Arizona.

2. On or about March 4, 2010, the Supreme Court of the State of New York, County of New York, Index No. 401477/09, entered an Order of Liquidation against InsCorp. The court found InsCorp insolvent and ordered its liquidation. Further, the court

1 appointed the Superintendent of Insurance of the State of New York and successors in
2 office as Liquidator of InsCorp. The Superintendent of the Department of Financial
3 Services of the State of New York subsequently succeeded the Superintendent of Insurance
4 as Liquidator of InsCorp (“Receiver”).

5 3. In order to transact insurance business in Arizona, InsCorp placed a workers’
6 compensation deposit (“Deposit”) with the Arizona State Treasurer to protect Arizona
7 workers’ compensation claimants, currently in the approximate amount of \$112,421.72.

8 4. On December 29, 2023, the Arizona Department of Insurance and Financial
9 Institutions (“Department”) entered into the Arizona Special Deposit Release Agreement
10 with Receiver for the purpose of releasing the special deposit proceeds; paying the claims of
11 the Arizona Property and Casualty Insurance Guaranty Fund; and paying associated bank
12 trust/custodial charges.

13 **CONCLUSIONS OF LAW**

14 5. Petitioner is entitled to the release of the Deposit pursuant to A.R.S. § 20-
15 588(A)(3).

16 6. The Director has no personal liability for the release of the Deposit made in
17 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 \$112,421.72 shall be released and distributed pursuant to the instructions in the Arizona Special Deposit Release Agreement.

Effective this 4th day of January, 2024.

Barbara D. Richardson

Barbara D. Richardson
Cabinet Executive Officer
Executive Deputy Director
Arizona Department of Insurance and Financial Institutions

1 COPY of the foregoing mailed/delivered
this 4th day of January, 2024 to:

2 David Axinn, Special Deputy Superintendent and
3 Agent of Adrienne A. Harris, Superintendent of the Department of Financial Services
4 Of the State of New York as Liquidator of The Insurance Corporation of New York
5 c/o New York Liquidation Bureau
6 180 Maiden Lane
7 New York, New York 10038
8 daxinn@nylb.org

9 Lori D. Nestor, Executive Director
10 Arizona Department of Insurance and Financial Institutions
11 Insurance Guaranty Funds Office
12 100 N. 15th Ave., Ste. 261
13 Phoenix, AZ 85007

14 Deian Ousounov, Assistant Director
15 Kurt Regner, Deputy Assistant Director
16 Cary W. Cook, Assistant Financial Compliance Officer
17 Ana Starcevic, Paralegal Project Specialist
18 Arizona Department of Insurance and Financial Institutions
19 100 N. 15th Avenue, Suite 261
20 Phoenix, AZ 85007-2630

21 *Ana Starcevic*

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