

MAY 5 2006

DEPT OF INSURANCE  
BY CS

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

In the Matter of )  
 )  
WESTERN AGRICULTURAL INSURANCE )  
COMPANY (IA) (NAIC NO. 27871) )  
 )  
 )  
Petitioner. )  
\_\_\_\_\_ )

Docket No. 06A-074-INS

**ORDER RELEASING  
ARIZONA DEPOSITS**

Arizona Revised Statutes § 20-588(A)(2) provides that upon application to and written Order of the Director of Insurance, deposited funds shall be released and returned to the Petitioner to the extent that such deposit is in excess of the amount required.

**FINDINGS OF FACT**

1. Western Agricultural Insurance Company ("Petitioner") was an Arizona domiciled insurer when it received its certificate of authority to transact casualty without workers' compensation, disability, marine and transportation, property, surety and vehicle insurance in Arizona effective January 1, 1972.

2. Petitioner established and continuously maintained a deposit of at least \$500,000 (Five hundred thousand dollars) with the Arizona State Treasurer for the protection of all of its policyholders within the United States in accordance with A.R.S. §§ 20-213 and 20-582.

3. Effective February 4, 1998, Petitioner was granted authority to transact workers' compensation limited to reinsurance in Arizona.

4. In accordance with A.R.S. § 23-961, Petitioner established and continuously maintained a deposit of at least \$100,000 (One hundred thousand dollars) with the Arizona

1 State Treasurer for the protection of its Arizona workers' compensation policyholders and  
2 claimants.

3 5. Effective December 28, 2005, Petitioner redomesticated to Iowa and its workers'  
4 compensation reinsurance authority was terminated.

5 6. Petitioner has no outstanding Arizona workers' compensation insurance  
6 obligations.

7 7. Petitioner provided a certification from the State of Iowa Insurance Division that  
8 Petitioner has deposited \$2,000,000 (Two million dollars) for the benefit of all policyholders.

9 8. Petitioner currently has deposits with the Arizona State Treasurer of  
10 approximately \$110,000 (One hundred ten thousand dollars) for the protection of Arizona  
11 workers' compensation policyholders and claimants and approximately \$1,200,000 (One  
12 million two hundred thousand dollars) for the protection of all policyholders within the United  
13 States (the "Arizona Deposits").

14 9. Petitioner filed an application dated March 21, 2006 for release of the Arizona  
15 Deposits pursuant to A.R.S. § 20-588(A)(2).

#### 16 **CONCLUSIONS OF LAW**

17 1. Petitioner's deposit for the protection of Arizona workers' compensation  
18 policyholders and claimants is no longer required.

19 2. Petitioner's deposit held by the State of Iowa Insurance Division satisfies the  
20 requirements of A.R.S. § 20-213.

21 3. The Director of Insurance has no personal liability for the release of the Arizona  
22 Deposits so made by her in good faith as provided in A.R.S. § 20-588(B).

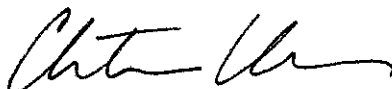
23

1 4. Petitioner is entitled to the release of the Arizona Deposits pursuant to A.R.S. §  
2 20-213 and 20-588(A)(2).

3 **ORDER**

4 THEREFORE IT IS ORDERED that the Arizona Deposits shall be released to Petitioner.

5 Dated this 5<sup>th</sup> day of May, 2006

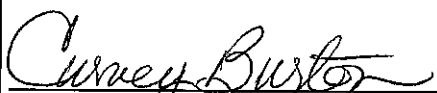
6  
7 

8 CHRISTINA URIAS  
9 **Director of Insurance**

10 COPY of the foregoing mailed/delivered  
11 this 5<sup>th</sup> day of May, 2006, to:

12 Kevin Gene Rogers, President  
13 Western Agricultural Insurance Company  
14 5400 University Avenue  
15 West Des Moines, IA 50266-5997

16 Steve Ferguson, Assistant Director  
17 Ed Caldwell, Chief Analyst – Foreign and Alternative Markets  
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19   
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