

1 4. Arizona Revised Statutes § 20-230(A) mandates the imposition of a retaliatory
2 deposit.

3 **CONCLUSIONS OF LAW**

4 1. The Director has jurisdiction over this matter.

5 2. Grounds exist pursuant to A.R.S. § 20-230(A) for the Director to require the
6 Respondent to make a retaliatory deposit with the State of Arizona.

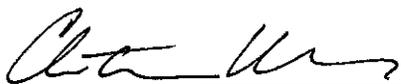
7 **ORDER**

8 THEREFORE IT IS ORDERED:

9 1. Respondent shall deposit and maintain eligible securities having a total Account
10 Value, as defined within Custody Agreement Form E003, of \$100,000 (One Hundred
11 Thousand Dollars) with the Arizona State Treasurer through the Arizona Department of
12 Insurance within thirty (30) days from the date of this Order.

13 2. The deposit shall be held for the sole benefit and protection of policyholders residing
14 in Arizona and any risk that is resident, located or to be performed in Arizona, for as long as
15 there is outstanding any liability of Respondent as to which this deposit was required.

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17 Dated this 24th day of July, 2006

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19 
20 _____
21 CHRISTINA URIAS
22 Director of Insurance
23

1 COPY of the foregoing mailed/delivered
this 26th day of July, 2006, to:

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Tower National Insurance Company
4 120 Broadway, 14th Floor
New York, NY 10271-1699

5 Diane Nergaard
6 SafeHarbor Regulatory & Consulting
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7 Stamford, CT 06902

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12
13 
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