

AUG 28 2007

DEPT OF INSURANCE
BY CB

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of)
)
BENICORP INSURANCE COMPANY)
)
(NAIC No. 69752))
)
Respondent.)
_____)

Docket No. 07A-156-INS

ORDER SUMMARILY SUSPENDING
CERTIFICATE OF AUTHORITY
AND NOTIFICATION OF RIGHTS

The Arizona Department of Insurance (the "Department") alleges that Benicorp Insurance Company ("Respondent") violated provisions of Arizona Revised Statutes ("A.R.S."), Title 20.

FINDINGS OF FACT

1. Respondent, a stock insurer, is domiciled in the State of Indiana and presently holds a certificate of authority in Arizona to transact life and disability insurance.

2. On August 9, 2007, the Marion Circuit Court, Marion County, State of Indiana ("Court"), issued an Order of Rehabilitation placing Respondent into rehabilitation pursuant to Indiana law. The Court appointed the Commissioner of the Indiana Department of Insurance as Rehabilitator and directed the Commissioner to take possession of Respondent's assets and administer them under the Court's general supervision. The Respondent consented to the entry of the Order of Rehabilitation.

3. The Court found that Respondent is currently in a financial condition that is hazardous to its policyholders, creditors or the public.

4. The Respondent failed to file its annual audited financial statement with the Department as required by A.R.S. § 20-223.

1 5. In light of the serious nature of these allegations, the Director of Insurance for
2 the State of Arizona ("Director") finds that the public health, safety and welfare imperatively
3 require emergency action. A.R.S. § 41-1092.11(B).

4 **CONCLUSIONS OF LAW**

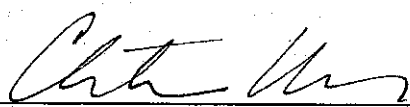
5 1. Respondent is in unsound financial condition or in such condition as to render
6 its further transaction of insurance in this state hazardous to the policyholders or to the
7 people of this state, within the meaning of A.R.S. § 220(A)(3) .

8 2. Respondent's failure to file its annual audited financial statement is a violation of
9 A.R.S. § 20-220(A)(1).

10 **ORDER**

11 IT IS ORDERED summarily suspending Respondent's Arizona certificate of authority
12 and prohibiting Respondent from issuing any new or renewal business, effective immediately.

13 DATED this 27th day of August 2007.

14 
15 _____
16 CHRISTINA URIAS
17 Director of Insurance

18 **NOTIFICATION OF RIGHTS**

19 This Order is an "appealable agency action". A.R.S. §41-1092. You have the
20 right to appeal this order by filing a hearing request after you receive this notice. Your
21 hearing request must identify the party appealing, the party's address, the action you are
22 appealing or contesting and a detailed statement of the reasons for the appeal. In any event,
23 your hearing will be held within 60 days after we receive your request for hearing, unless the

1 hearing is advanced or delayed by agreement or a showing of good cause by any party and
2 the Office of Administrative Hearing Calendar can accommodate the advanced or delayed
3 date. The Department of Insurance will promptly serve you with a "Notice of Hearing" at least
4 30 days before the scheduled hearing that will inform you of the date, time and location of the
5 hearing as well as the issues. A.R.S. §41-1092.05(E).

6 If you file an appeal, you may also request an "informal settlement conference" by filing
7 a written request with the Department. You may request an informal settlement conference at
8 any time but **not later than 20 days before the scheduled hearing**. We will hold the
9 informal settlement conference at the Department within 15 days after our receipt of your
10 request. If you request an informal settlement conference, a person with the authority to act
11 on behalf of the Department will be present. Please note that you waive any right to object to
12 the participation of the Department's representative in the final administrative decision of the
13 matter if it is not settled. A.R.S. §41-1092.06.

14 Your request for hearing and/or request for an informal settlement conference may be
15 addressed to the attention of:

16 Hearing Administration
17 Arizona Department of Insurance
18 Notice of Appeal
2910 North 44th Street, Suite 210
Phoenix, Arizona 85018-7256

19 COPY of the foregoing mailed/hand-delivered
20 this 28th day of August 2007, to:

21 Jim Atterholt
22 Rehabilitator
23 Indiana Department of Insurance
Office of the Commissioner
311 West Washington Street
Indianapolis, IN 46204-2787

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CT Corporation, Statutory Agent
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2394 East Camelback Road
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Paul Hogan, Market Conduct Chief Examiner
Kurt Regner, Chief Financial Analyst
Leslie Hess, Financial Affairs Legal Analyst
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Curvey Walters Burton