

STATE OF ARIZONA

STATE OF ARIZONA
FILED

DEPARTMENT OF INSURANCE

AUG 12 2015

In the Matter of)
)
 EXCALIBUR REINSURANCE)
 CORPORATION)
 (NAIC No. 39675))
)
 Respondent.)

DEPT OF INSURANCE
Docket No. 15A-104-INS *MS*
ORDER SUMMARILY SUSPENDING
CERTIFICATE OF AUTHORITY
AND NOTIFICATION OF RIGHTS

The Arizona Department of Insurance (the "Department") alleges that Excalibur Reinsurance Corporation ("Respondent") has violated provisions of Arizona Revised Statutes ("A.R.S."), Title 20.

FINDINGS OF FACT

1. Respondent Excalibur Reinsurance Corporation ("Respondent") is domiciled in Pennsylvania and presently holds a certificate of authority issued by the Arizona Department of Insurance ("Department") to transact property, casualty, vehicle, surety, and marine and transportation insurance.

2. Respondent's March 31, 2015 Quarterly Statement disclosed SAP surplus in the amount of \$104,573.

3. Respondent's SAP surplus does not meet the \$1,250,000 minimum required pursuant to A.R.S. §§ 20-210 and 20-211.

4. In light of the serious nature of these allegations, the Director of Insurance for the State of Arizona ("Director") finds that the public health, safety and welfare imperatively require emergency action, within the meaning of A.R.S. §§ 41-1064(C) and 41-1092.11(B).

...

1 **CONCLUSIONS OF LAW**

2 1. Respondent's continued operation of insurance business in this state is be deemed to
3 be hazardous to its policyholders or creditors or the general public based on adverse findings
4 reported in financial condition examination reports, audit reports and actuarial opinions,
5 reports or summaries, pursuant to A.R.S. § 20-220.01(A)(1).

6 2. Respondent is in unsound financial condition or in such condition as to render its
7 further transaction of insurance in this state hazardous to the policyholders or to the people of
8 this state, within the meaning of A.R.S. §20-220(A)(3) and A.A.C. R20-6-308(A)(1).

9 3. Pursuant to A.R.S. § § 20-219 (2), the Director shall suspend or revoke the certificate
10 of authority of any insurer which no longer meets the requirements for the authority originally
11 granted, on account of deficiency in assets or otherwise.

12 **ORDER**

13 IT IS ORDERED summarily suspending the Arizona certificate of authority held by
14 Respondent and effective immediately, prohibiting the issuance of new and renewal Arizona
15 insurance except for guaranteed renewable insurance as provided by Arizona or federal law.

16 DATED this 11th day of August, 2015.

17 
18 GERMAINE L. MARKS
19 Director of Insurance

1 COPY of the foregoing mailed/hand-delivered
this 12th day of August, 2015, to:

2 Katherine Helen Barker, President
3 Excalibur Reinsurance Corporation
4 1880 JFK Boulevard, Suite 801
Philadelphia, PA 19103

5 Robert J. Beal
6 Excalibur Reinsurance Corporation
7 1880 JFK Boulevard, Suite 801
Philadelphia, PA 19103

8 Michael E. Surguine
9 Executive Director
10 Arizona Property and Casualty Insurance Guaranty Fund
11 1110 W. Washington, Suite 270
12 Phoenix, AZ 85007

13 Lynette Evans
14 Assistant Attorney General
15 Arizona Attorney General's Office
16 1275 West Washington
17 Phoenix, Arizona 85007

18 Darren Ellingson, Deputy Director
19 Kurt Regner, Assistant Director
20 Cary Cook, Chief Financial Compliance Officer
21 Shelby Cuevas, Financial Affairs Legal Analyst
22 Arizona Department of Insurance
23 2910 N. 44th Street, Suite 210
Phoenix, Arizona 85018

Maidene Scherer