

APR 7 1998

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

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In the Matter of the)	
Surrender of the Certificate)	Docket No. 98A-041-INS
of Authority of)	
)	
KENTUCKY CENTRAL INSURANCE)	ORDER
COMPANY (NAIC No. 11657),)	
)	
)	
Petitioner.)	
_____)	

Based upon reliable evidence provided to the Director of Insurance by the Assistant Director of the Corporate and Financial Affairs Division of the Department of Insurance, the Director finds as follows:

1. Petitioner Kentucky Central Insurance Company, NAIC No. 11657, is a foreign insurer domiciled in Kentucky. Petitioner received its certificate of authority to transact property and casualty insurance in Arizona on December 18, 1974.
2. Petitioner seeks to terminate its certificate of authority and to withdraw entirely from all lines of insurance business which it transacts in the State of Arizona. Further, Petitioner wishes to "nonrenew" its policies, including personal lines policies.
3. Petitioner has voluntarily surrendered its certificate of authority to the Director.
4. Petitioner has no obligations under any policy of insurance to any policyholders or claimants who are residents of Arizona, except personal lines automobile policies.
5. Petitioner is not the subject of any pending investigation or market conduct examination.

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2 6. Petitioner has posted a \$50,000.00 special deposit
3 on July 25, 1996, for the protection of Arizona policyholders,
4 pursuant to A.R.S. §20-217(D).

5 7. Petitioner has deposited \$100.00 which has been
6 credited to the Insurance Examiners' Revolving Fund ("IERF")
7 pursuant to A.R.S. §20-159.

8 8. Effective November 3, 1995, Petitioner, the
9 non-surviving entity, merged into Kentucky National Insurance
10 Company, the surviving entity, a foreign insurer domiciled in
11 Kentucky.

12 IT IS ORDERED that:

13 1. The surrender of the Petitioner's certificate of
14 authority is accepted, and the sum of \$100.00 credit to the
15 IERF shall be released to Petitioner.

16 2. Petitioner shall maintain reserves in the amount
17 required by A.R.S. §20-217 until it has completed its withdrawal
18 from the State of Arizona. Petitioner shall be entitled to the
19 release of its \$50,000.00 special deposit for Arizona
20 policyholders only upon compliance with A.A.C. R20-6-303.

21 4. Upon compliance with the provisions of A.A.C.
22 R20-6-303, Petitioner's application to terminate its certificate
23 of authority and to withdraw entirely from all lines of insurance
24 business which it transacts in the State of Arizona will be fully
25 considered by the Director.


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EFFECTIVE this 7 day of April, 1998.



JOHN A. GREENE
Director of Insurance

COPY of the foregoing mailed/delivered
this 7th day of April, 1998, to:

Charles R. Cohen, Deputy Director
Gregory Y. Harris, Executive Assistant Director
Mary Butterfield, Assistant Director
Catherine O'Neil, Assistant Director
Gary Torticill, Assistant Director
Deloris Williamson, Assistant Director
Scott Greenberg, Business Administrator
Department of Insurance
2910 N. 44th Street, Suite 210
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Enoch G. Roberts
Kentucky National Insurance Company
Kincaid Towers
Lexington, Kentucky 40507