

BEFORE THE INSURANCE COMMISSIONER  
FOR THE STATE OF ARKANSAS

IN THE MATTER OF THE ARKANSAS  
PROPERTY and CASUALTY GUARANTY FUND

A.I.D. NO. 2005- 059

**ORDER**

Now on this day pursuant to the provisions of the Arkansas Property and Casualty Insurance Guaranty Act, codified at Ark. Code Ann. §23-90-101, et seq., (“Act”), and other facts, matters and things before her, Julie Benafield Bowman the Insurance Commissioner for the State of Arkansas (“Commissioner”) finds:

1. As a result of Petitions filed in their respective states of domicile, nine (9) foreign insurers were found to be insolvent by their states of domicile. The insurers and their states of domicile are: California Compensation Company, California; Casualty Reciprocal Insurance Company, Missouri; Credit General Insurance Company, Ohio; Equity Mutual Insurance Company, Missouri; Fremont Indemnity Company, California; Legion Insurance Company, Pennsylvania; PHICO Insurance Company, Pennsylvania; Reciprocal of America, Virginia; Villanova Insurance Company, Pennsylvania.

2. In accordance with Ark. Code Ann. §23-90-112, the Commissioner has estimated the amount of additional funds needed to supplement the assets of the insolvent insurers in order to make payment of claims against the insolvent insurers defined as “covered claims” under the Act.

3. The total amount of additional funds needed is estimated to be \$6,740,734.00, which amount is hereby assessed and shall be due and payable by December 9, 2005.

4. The Act empowers the Commissioner to assess each insurer writing those lines of insurance covered by the Act. Each such insurer shall be assessed in proportion to the ratio that the total net direct written premium collected in the State of Arkansas by the insurer during the preceding calendar year bears to the total net direct written premium collected by all insurers, except insolvent insurers, in the State of Arkansas for the preceding calendar year.

**IT IS THEREFORE ORDERED** that the Administrator of the Arkansas Property and Casualty Guaranty Fund compute the amount to be paid by each insurer and to collect from each insurer its respective share of the assessment by December 9, 2005, with the remedies and penalties provided by Ark. Code Ann. §23-90-113 to be enforced against any insurer which fails to timely pay its share of the assessment.

**ORDERED** this 2nd day of November, 2005.

  
JULIE BENAFIELD BOWMAN  
INSURANCE COMMISSIONER