

STATE OF ARIZONA

DEC 24 1997

DEPARTMENT OF INSURANCE

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In the Matter of Withdrawal of:	)	Docket No.97A-187-INS
	)	
UNION INVESTORS LIFE	)	ORDER
INSURANCE COMPANY	)	
(NAIC NO. 94765),	)	
	)	
	)	
Petitioner.	)	
_____	)	

On December 10, 1997, the Office of Administrative Hearings, through Administrative Law Judge Lewis D. Kowal, submitted "Recommended Decision of Administrative Law Judge" ("Recommended Decision"), a copy of which is attached and incorporated by this reference. The Director of the Arizona Department of Insurance has reviewed the Recommended Decision and enters the following order:

1. The recommended findings of fact and conclusions of law are adopted.
2. The Petitioner may file its Articles of Amendment to its Articles of Incorporation ("Articles of Amendment") with the Arizona Corporation Commission.
3. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00 and Petitioner's statutory deposit will be released to the Petitioner after the Department has received the following: (a) payment of \$43.70 to the Insurance Examiners' Revolving Fund; (b) a copy of Petitioner's Articles of Amendment certified as having been filed with the Arizona Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit Release). The statutory

1 deposit cannot be released until the Department receives a fully  
2 executed copy of the official State Treasurer Release Receipt.

3 4. The sum of \$100.00 previously credited to the  
4 Insurance Examiners' Revolving Fund will be refunded to the  
5 Petitioner, pursuant to A.R.S. §20-159.

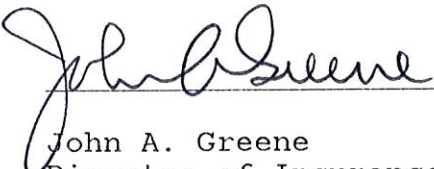
6 5. The Petitioner will file its 1997 Annual Statement  
7 with the Department, together with all applicable fees, unless  
8 Petitioner files its Articles of Amendment with the Arizona  
9 Corporation Commission on or before December 31, 1997.

10 NOTIFICATION OF RIGHTS

11 The aggrieved party may request a rehearing with  
12 respect to this Order by filing a written petition with the  
13 Office of Administrative Hearings within 30 days of the date of  
14 this Order, setting forth the basis for such relief pursuant to  
15 A.A.C. R20-6-114(B).

16 The final decision of the Director may be appealed to  
17 the Superior Court of Maricopa County for judicial review  
18 pursuant to A.R.S. § 20-166. A party filing an appeal must  
19 notify the Office of Administrative Hearings of the appeal within  
20 ten days after filing the complaint commencing the appeal,  
21 pursuant to A.R.S. §41-1092.10.

22 DATED this 24 day of December, 1997

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26 John A. Greene  
27 Director of Insurance  
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COPY of the foregoing mailed  
this 24<sup>th</sup> day of December, 1997 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  
Arizona Department of Insurance  
2910 N. 44th Street, Suite 210  
Phoenix, AZ 85018

Office of Administrative Hearings  
1700 West Washington, Suite 602  
Phoenix, AZ 85007

Werner J. Meyer  
Ryley, Carlock & Applewhite  
101 North First Avenue, Suite 2700  
Phoenix, AZ 85003-1973

Esther Davis

1 **IN THE OFFICE OF ADMINISTRATIVE HEARINGS**

2  
3 In the Matter of the Withdrawal of

No. 97A-187-INS

4 **UNION INVESTORS LIFE**  
5 **INSURANCE COMPANY**  
(NAIC NO. 94765),

**RECOMMENDED DECISION**  
**OF ADMINISTRATIVE**  
**LAW JUDGE**

6 Petitioner.  
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10 **HEARING:** December 9, 1997

11 **APPEARANCES:** Werner Meyer, Esq. on behalf of the Petitioner; Kurt Regner  
12 on behalf of the Arizona Department of Insurance

13 **ADMINISTRATIVE LAW JUDGE:** Lewis D. Kowal  
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15 On December 9, 1997, a hearing took place, to consider the application of Union  
16 Investors Life Insurance Company (the "Petitioner"), to withdraw from the insurance  
17 business and for the release of its statutory deposit pursuant to A.R.S. §20-588 and  
18 A.A.C. R20-6-303.

19 Based upon the entire record in this matter, the following Findings of Fact,  
20 Conclusions of Law and Recommended Order are made:

21 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

22 1. The Petitioner has surrendered its certificate of authority to the Arizona  
Department of Insurance ("Department").

23 2. The Petitioner has filed with the Department certified copies of Resolutions  
24 of the Petitioner's Board of Directors and of the Petitioner's shareholder(s) to withdraw  
25 from the insurance business, to amend its articles of incorporation to eliminate its  
26 insuring powers, and to adopt a new corporate name which shall not include the word  
"insurance".

27 3. The Petitioner has no insurance obligations owing to it, whether by policies  
28 written direct or by reinsurance ceded to it.  
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Office of Administrative Hearings  
1700 West Washington, Suite 602  
Phoenix, Arizona 85007  
(602) 542-9826

1           4.    The Petitioner has filed its certified financial statement as of August 31,  
2    1997, with the Department.

3           5.    At least ten business days before the hearing of this matter, Petitioner gave  
4    special notice to creditors and policyholders of the Petitioner, setting forth the date,  
5    place, nature and purpose of the hearing, as evidenced by an affidavit of publication.  
6    Petitioner also provided individual notice by mail to its known creditors, as evidenced by  
7    affidavit.

8           6.    The Petitioner has a \$100,000.00 statutory deposit with the Department  
9    and a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").

10          7.    The Petitioner has complied with the provisions of A.R.S. §20-588 and with  
11    A.A.C. R20-6-303, relating to the release of its \$100,000.00 statutory deposit.

12          8.    Petitioner currently owes \$43.70 to the IERF.

13                                 **RECOMMENDED ORDER**

14    The undersigned Administrative Law Judge recommends that:

15          1.    The Petitioner may file its Articles of Amendment to its Articles of  
16    Incorporation ("Articles of Amendment") with the Arizona Corporation Commission.

17          2.    The Petitioner is entitled to the release of its statutory deposit in the sum of  
18    \$100,000.00 and Petitioner's statutory deposit shall be released to the Petitioner after  
19    the Department has received the following: (a) payment of \$43.70 to the IERF; (b) a  
20    copy of Petitioner's Articles of Amendment certified as having been filed with the  
21    Arizona Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust  
22    Deposit Release). The statutory deposit cannot be released until the Department  
23    receives a fully executed copy of the official State Treasurer Release Receipt.

24          3.    The sum of \$100.00 previously credited to the IERF shall be refunded to  
25    the Petitioner, pursuant to A.R.S. §20-159.

26          4.    The Petitioner file its 1997 Annual Statement with the Department, together  
27    with all applicable fees, unless Petitioner files its Articles of Amendment with the  
28    Arizona Corporation Commission on or before December 31, 1997.

29                                 Done this day, December 10, 1997.

30   *Lewis D. Kowal*  
  Lewis D. Kowal  
  Administrative Law Judge

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Original transmitted by mail this  
11 day of December, 1997, to:

Mr. John A. Greene, Director  
Department of Insurance  
2910 North 44th Street, #210  
ATTN: Curvey Burton  
Phoenix, AZ 85018-7256

By Chris Crawford Thomson