

DEC 24 1997

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE
BY ED

1 In the Matter of the Merger of:)
 2)
 3)
 4 OAK BROOK LIFE INSURANCE)
 5 COMPANY (NAIC No. 82635),)
 6 Insurer,)
 7 into)
 8 CONCORD LIFE INSURANCE COMPANY)
 9 (NAIC No. 73482),)
 10 Petitioner.)

Docket No. 97A-197-INS

ORDER

11
 12 On December 19, 1997, the Office of Administrative Hearings, through Administrative
 13 Law Judge Lewis D. Kowal submitted Recommended Decision of Administrative Law Judge
 14 ("Recommended Decision"), a copy of which is attached and incorporated by this reference. The
 15 Director of the Arizona Department of Insurance has reviewed the Recommended Decision and enters
 16 the following order:

- 17 1. The recommended findings of fact and conclusions of law are adopted.
- 18 2. The Plan and Agreement of Merger between the Insurer and the Petitioner is
 19 approved.
- 20 3. The statutory deposit of the Insurer in the amount of \$100,000.00 is released upon
 21 receipt by the Department of Insurance of the following: (1) copies of the Articles of Merger of the
 22 Insurer and the Petitioner certified as having been filed with the Arizona Corporation Commission; (2)

1 payment of \$174.90 to the Insurance Examiners' Revolving Fund ("IERF"); and (3) a fully executed
2 Form E126 (Notice of Statutory Deposit). The statutory deposit will not be released until the
3 Department receives a fully executed copy of the official State Treasurer Release Receipt.

4 4. The sum of \$100.00 previously credited to the IERF will be refunded to the
5 Insurer.

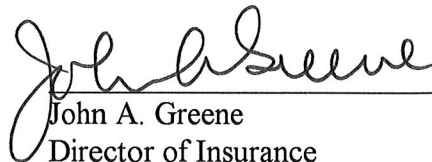
6 5. The Insurer will file a 1997 Annual Statement with the Department together with
7 all applicable fees unless Petitioner files its Articles of Merger with the Arizona Corporation Commission
8 on or before December 31, 1997.

9 NOTIFICATION OF RIGHTS

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

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

17 DATED this 24 day of December, 1997

18
19
20 
21 John A. Greene
22 Director of Insurance
23

1 A copy of the foregoing mailed
this 24th day of December, 1997

2 Charles R. Cohen, Deputy Director
3 Gregory Y. Harris, Executive Assistant Director
Mary Butterfield, Assistant Director
4 Catherine O'Neil, Assistant Director
Gary Torticill, Assistant Director
5 Deloris Williamson, Assistant Director
Scott Greenberg, Business Administrator
6 Arizona Department of Insurance
2910 N. 44th Street, Suite 210
7 Phoenix, AZ 85018

8 Office of Administrative Hearings
1700 W. Washington, Suite 602
9 Phoenix, AZ 85007

10 Philip T. Paris
2929 N. 44th Street, Suite 120
11 Phoenix, AZ 85018

12
13 Esther Davis

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1 5. No evidence has been produced at the hearing of this matter that would
2 indicate or form the basis for a finding that the Plan and Agreement of Merger
previously filed:

3 a) Is contrary to law.

4 b) Is unfair in the terms and conditions of the issuance and exchange of
5 securities.

6 c) Would substantially reduce the security of and service to be rendered to
7 policyholders of the Insurer in this state or elsewhere.

8 6. The Insurer has surrendered its certificate of authority to the Department.

9 7. Special notice to creditors and policyholders of the Petitioner, setting forth
10 the date, place, nature and purpose of the hearing was published and mailed at least
11 ten (10) business days before said hearing, and known creditors received individual
notice by mail, as evidenced by the affidavit of publication.

12 8. Based upon the Department's review of Petitioner's filing which indicated
13 that the Petitioner has complied with the provisions of A.R.S. §20-731, the Department
14 recommended that the Director approve the Plan and Agreement of Merger filed in this
matter.

15 9. The Petitioner requested that the \$100,000.00 statutory deposit held by the
16 State Treasurer in the name of the Insurer be transferred into a statutory deposit
17 account in the name of the Petitioner.

18 10. The Petitioner requested that the \$100.00 deposit Insurer made to the
IERF be refunded.

19 11. The Insurer owes the Insurance Examiners' Revolving Fund ("IERF") the
20 sum of \$174.90.

21 **RECOMMENDED ORDER**

22 The undersigned Administrative Law Judge recommends that:

23 1. The Plan and Agreement of Merger between the Insurer and the Petitioner
24 be approved.

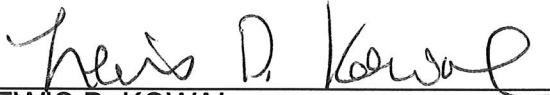
25 2. The statutory deposit of the Insurer in the amount of \$100,000.00 be
26 released upon receipt by the Department of Insurance of the following: (1); copies of
27 the Articles of Merger of the Insurer and the Petitioner certified as having been filed with
28 the Arizona Corporation Commission; (2) payment of \$174.90 to the IERF; and (3) a
29 fully executed Form E126 (Notice of Statutory Deposit). The statutory deposit not be
30

1 released until the Department receives a fully executed copy of the official State
2 Treasurer Release Receipt.

3 3. The sum of \$100.00 previously credited to the IERF be refunded to Insurer.

4 4. The Insurer file a 1997 Annual Statement with the Department together
5 with all applicable fees unless Petitioner files its Articles of Merger with the Arizona
6 Corporation Commission on or before December 31, 1997.

7 Done this day, December 19, 1997.

8 
9 LEWIS D. KOWAL
10 Administrative Law Judge

11 Original transmitted by mail this
12 19 day of December, 1997, to:

13 Mr. John A. Greene, Director
14 Department of Insurance
15 ATTN: Curvey Burton
16 2910 North 44th Street, #210
17 Phoenix, AZ 85018-7256

18 By 
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