

STATE OF ARIZONA

NOV 14 1997

DEPARTMENT OF INSURANCE

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In the Matter of Withdrawal of:	)	Docket No.97A-165-INS
	)	
TEJAS LIFE INSURANCE COMPANY	)	ORDER
(NAIC No. 93017),	)	
	)	
Petitioner.	)	
_____	)	

On November 4, 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 \$110,000.00 and Petitioner's statutory deposit will be released to the Petitioner after the Department has received the following: (a) payment of \$349.60 to the Insurance Examiners' Revolving Fund ("IERF"); (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 El26 (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 IERF  
4 will be refunded to the Petitioner, pursuant to A.R.S. §20-159.

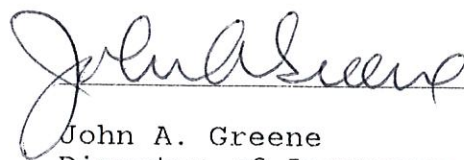
5 5. The Petitioner will file its 1997 Annual Statement  
6 with the Department, together with all applicable fees, unless  
7 Petitioner files its Articles of Amendment with the Arizona  
8 Corporation Commission on or before December 31, 1997.

9 NOTIFICATION OF RIGHTS

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

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

21 DATED this 13 day of November, 1997

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John A. Greene  
Director of Insurance

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COPY of the foregoing mailed  
this 14th day of November, 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

John L. Hay  
Gust Rosenfield  
201 N. Central Avenue, Suite 3300  
Phoenix, AZ 85073-3300

Esther Davis



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**IN THE OFFICE OF ADMINISTRATIVE HEARINGS**

In the Matter of the Withdrawal of:

97A-165-INS

**TEJAS LIFE INSURANCE COMPANY**  
(NAIC No. 93017),

Petitioner,

**RECOMMENDED DECISION  
OF ADMINISTRATIVE  
LAW JUDGE**

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**HEARING:** October 31, 1997

**APPEARANCES:** John Hay, Esq. for the Petitioner; Kurt Regner for the  
Arizona Department of Insurance

**ADMINISTRATIVE LAW JUDGE:** Lewis D. Kowal

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On October 31, 1997, a hearing took place at the Arizona Department of Insurance (the "Department"), to consider the application of Tejas Life Insurance Company (the "Petitioner"), to withdraw from the insurance business and for the release of its statutory deposit pursuant to A.R.S. §20-588 and A.A.C. R20-6-303.

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

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

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1. The Petitioner has surrendered its Certificate of Authority to the Department.
  2. The Petitioner has filed with the Department certified copies of Resolutions of the Petitioner's Board of Directors and of the Petitioner's shareholder(s) to withdraw from the insurance business, to amend its articles of incorporation to eliminate its insuring powers, and to adopt a new corporate name which shall not include the word "insurance".
  3. The Petitioner has no insurance obligations owing to it, whether by policies

1 written direct or by reinsurance ceded to it.

2 4. The Petitioner has filed its certified financial statement as of June 30,  
3 1997, with the Department.

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

9 6. The Petitioner has a \$110,000.00 statutory deposit with the Department  
10 and a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").

11 7. The Petitioner has complied with the provisions of A.R.S. §20-588 and with  
12 A.A.C. R20-6-303, relating to the release of its \$110,000.00 statutory deposit.

13 8. Petitioner currently owes \$349.60 to the IERF.

14 **RECOMMENDED ORDER**

15 The undersigned Administrative Law Judge recommends that:

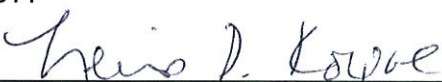
16 1. The Petitioner may file its Articles of Amendment to its Articles of  
17 Incorporation ("Articles of Amendment") with the Arizona Corporation Commission.

18 2. The Petitioner is entitled to the release of its statutory deposit in the sum of  
19 \$110,000.00 and Petitioner's statutory deposit shall be released to the Petitioner after  
20 the Department has received the following: (a) payment of \$349.60 to the IERF; (b) a  
21 copy of Petitioner's Articles of Amendment certified as having been filed with the  
22 Arizona Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust  
23 Deposit Release). The statutory deposit cannot be released until the Department  
24 receives a fully executed copy of the official State Treasurer Release Receipt.

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

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

30 Done this day, November 4, 1997.

  
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Lewis D. Kowal  
Administrative Law Judge

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Original transmitted by mail this  
5 day of November, 1997, to:

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

By *Clara Crawford Thomas*