

DEC 19 2005

DEPT OF INSURANCE  
BY KAM

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

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3  
4 In the Matter of the ) Docket No. 05A-181-INS  
5 Acquisition of Control of )  
6 Old West Annuity & Life Insurance )  
7 Company )  
8 (NAIC No. 76791), )  
9 Insurer, )  
10 By )  
11 Great American Insurance Company )  
12 (NAIC No. 16691), Great American )  
13 Financial Resources, Inc., AAG Holding )  
14 Company, Inc., and Great American )  
15 Life Insurance Company (NAIC No. )  
16 63312) )  
17 Petitioner. )  
18

ORDER APPROVING  
ACQUISITION

19 On November 25, 2005, Great American Insurance Company, Great American  
20 Financial Resources, Inc., AAG Holding Company, Inc. and Great American Life  
21 Insurance Company, ("Petitioner") submitted an application for the acquisition of control  
22 of Old West Annuity & Life Insurance Company ("Insurer") with the Arizona Department  
23 of Insurance (the "Department") for approval of Petitioner as the controlling person of  
24 the Insurer pursuant to the provisions of A.R.S. §§20-481 through 20-481.30 and A.A.C.  
25 R20-6-1402.

1 Based upon reliable evidence provided to the Director of Insurance ("Director")  
2 by the Assistant Director of the Financial Affairs Division of the Department, the Director  
3 makes the following Findings of Fact, Conclusions of Law and enters the following  
4 Order:

5 FINDINGS OF FACT

- 6 1. The Insurer is a domestic insurer as referred to in A.R.S. §20-481.
- 7 2. The Petitioner filed a statement as referred to in A.R.S. §§20-481.02 and  
8 20-481.03, in the form required by A.A.C. R20-6-1402.
- 9 3. The Insurer and its security holders waived the ten (10) day advance filing  
10 notice to be given as required by A.R.S. §20-481.07.
- 11 4. No evidence has been produced that would indicate or form the basis for a  
12 finding that the Petitioner's acquisition of control of the Insurer:
- 13 a. Is contrary to law;
- 14 b. Is inequitable to the shareholders of any domestic insurer involved;
- 15 c. Would substantially reduce the security of and service to be rendered to  
16 the policyholders of the domestic insurer in this State or elsewhere;
- 17 d. After the change of control the domestic insurer, would not be able to  
18 satisfy the requirements for the reissuance of a Certificate of Authority to write the line  
19 or lines of insurance for which it is presently licensed;
- 20 e. Would have the effect of substantially lessening competition in insurance  
21 in this state, or tend to create a monopoly;
- 22 f. Might jeopardize the financial stability of the Insurer or prejudice the  
23 interest of its policyholders, based upon the financial condition of any acquiring party;
- 24 g. Is unfair and unreasonable to policyholders of the Insurer and is not in the  
25 public interest, based upon the plans or proposals that the acquiring party has to

1 liquidate the insurer, sell its assets or consolidate or merge it with any person, or to  
2 make any other material change in its business or corporate structure or management;

3 h. Would not be in the public interest of policyholders of the Insurer and of  
4 the public to permit the merger or other acquisition of control based upon the  
5 competence, experience and integrity of those persons who would control the operation  
6 of the Insurer; or

7 i. Would likely be hazardous or prejudicial to the insurance-buying public.

8 5. The Petitioner furnished completed fingerprint cards to the Department to  
9 enable the Department to determine if Petitioner's officers or directors have been  
10 charged with or convicted of a felony or misdemeanor other than minor traffic violations.  
11 The results of the analysis of the fingerprint cards submitted by the Petitioner's officers  
12 and directors have not been received by the Department. The Petitioner's officers and  
13 directors made representations material to the issuance of the Order in this matter that  
14 none of its officers or directors have been charged with or convicted of a felony or  
15 misdemeanor other than minor traffic violations.

16 6. The interests of policyholders, shareholders or the public will be served by  
17 the publication of all information, documents and copies, relating to the Insurer and  
18 Petitioner, and obtained by or disclosed to the Director, or any other person in the  
19 course of a filing, an examination, or investigation made pursuant to A.R.S. §§20-  
20 481.03, 20-481.10 and 20-481.20, except the Biographical affidavits and fingerprint  
21 cards of Petitioner's officers and directors.

22 CONCLUSIONS OF LAW

23 1. The application established that none of the enumerated grounds set forth  
24 in A.R.S. §20-481.07(A) exist so as to provide a basis for disapproval or rejection of  
25 Petitioner's acquisition of control of the Insurer.



1 inspection, examination or copying by any person, except the Biographical affidavits  
2 and fingerprint cards of Petitioner's officers and directors.

3 3. The Petitioner shall advise the Director in writing of the effective date of  
4 the change of control.

5 4. Upon consummation of this acquisition, the Petitioner shall file its  
6 registration statement in the form prescribed by A.R.S. §20-481.10 and within the time  
7 period prescribed by A.R.S. §20-481.09. If the registration statement would duplicate  
8 the information previously submitted by the Petitioner in the statement filed with the  
9 Department pursuant to A.R.S. §20-481.03 and there have been no material changes  
10 since the filing of that statement, then the Petitioner shall submit a statement to that  
11 effect incorporating by reference the statement previously filed with the Department in  
12 lieu of the registration statement;

13 5. The failure to adhere to one or more of the above terms and conditions  
14 shall result without further proceedings in the suspension or revocation of the Insurer's  
15 Certificate of Authority.

16 ...

17 ...

18 DATED this 19<sup>th</sup> day of December, 2005.

21   
22 CHRISTINA URIAS  
23 Director Of Insurance  
24  
25

1 COPY of the foregoing mailed  
2 this 19<sup>th</sup> day of December, 2005,

3 Gerrie Marks, Deputy Director  
4 Mary Butterfield, Assistant Director  
5 Catherine O'Neil, Consumer Legal Affairs Officer  
6 Steven Ferguson, Assistant Director  
7 Deloris Williamson, Assistant Director  
8 Leslie R. Hess, Deputy Receiver  
9 Kurt Regner, Chief Financial Analyst  
10 Department of Insurance  
11 2910 North 44<sup>th</sup> Street, Suite 210  
12 Phoenix, Arizona 85018

13 Mark Muething, Esq.,  
14 Executive Vice President and General Counsel  
15 Great American Financial Resources, Inc.  
16 250 East Fifth Street, Suite 1000  
17 Chiquita Building  
18 Cincinnati, Ohio 45202

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