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STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:

**The Withdrawal of FAIRLANE LIFE
INSURANCE COMPANY
(NAIC NO. 72400)**

Petitioner.

No. 06A-201-INS STATE OF ARIZONA
ORDER FILED

DEC 5 2006

DEPT OF INSURANCE
BY 

On November 21, 2006, the Office of Administrative Hearings, through Administrative Law Judge ("ALJ") Lewis D. Kowal, issued an Administrative Law Judge Decision ("Recommended Decision"), received by the Director of the Department of Insurance ("Director") on November 27, 2006, a copy of which is attached and incorporated by this reference. The Director of the 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. Petitioner may file its Articles of Dissolution with the Arizona Corporation Commission.
3. Petitioner is entitled to the release of its statutory deposit in the sum of \$155,000.00 and Petitioner's statutory deposit shall be released to Petitioner after the Department has received a copy of Petitioner's Articles of Dissolution certified as having been filed with the Arizona Corporation Commission.
4. The Director of the Department has no personal liability for the release of the statutory deposit made by her in good faith as provided in A.R.S. §20-588 (B).
5. The sum of \$100.00 previously credited to the IERF shall be refunded to Petitioner pursuant to A.R.S. §20-159.
6. Petitioner shall file its 2006 Annual Statement with the Department, together

1 with all applicable fees, unless Petitioner files its Articles of Dissolution with the Arizona
2 Corporation Commission on or before December 31, 2006.

3 7. Petitioner shall pay its certificate of authority renewal fee to the Department if
4 Petitioner's Articles of Dissolution are not filed with the Arizona Corporation Commission on
5 or before March 31, 2007.

6 NOTIFICATION OF RIGHTS

7 Pursuant to Arizona Revised Statutes ("A.R.S.") § 41-1092.09, Petitioner may
8 request a rehearing with respect to this order by filing a written motion with the Director of
9 the Department of Insurance within 30 days of the date of this Order, setting forth the basis
10 for relief under A.A.C. R20-6-114(B). Pursuant to A.R.S. § 41-1092.09, it is not necessary
11 to request a rehearing before filing an appeal to Superior Court.

12 Petitioner may appeal the final decision of the Director to the Superior Court of
13 Maricopa County for judicial review pursuant to A.R.S. § 20-166. A party filing an appeal
14 must notify the Office of Administrative Hearings of the appeal within ten days after filing
15 the complaint commencing the appeal, pursuant to A.R.S. § 12-904(B).

16 DATED this 1st day of December, 2006.

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18 
19 CHRISTINA URIAS, Director
Arizona Department of Insurance

20 COPY of the foregoing mailed this
21 5TH day of December, 2006 to:

22 Mary Butterfield, Assistant Director
23 Catherine O'Neil, Consumer Legal Affairs Officer
24 Steve Ferguson, Assistant Director
25 Leslie R. Hess, Financial Affairs Legal Analyst
26 Kurt A. Regner, Chief Financial Analyst
Arizona Department of Insurance
2910 North 44th Street, Suite 210
Phoenix, Arizona 85018

1 Office of Administrative Hearings
1400 West Washington, Suite 101
2 Phoenix, Arizona 85007

3 Travis Leach
Snell & Wilmer, LLP, Law Offices
4 One Arizona Center
Phoenix, Arizona 85004-2202

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Patricia A. Suengvor

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Curvey Burton

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1 5. At least 10 business days before the hearing of this matter, Petitioner
2 gave special notice to creditors and policyholders of the Petitioner, setting forth the
3 date, place, nature and purpose of the hearing, as evidenced by an affidavit of
4 publication. Petitioner also provided individual notice by mail to its known creditors.

5 6. Petitioner has a \$155,000.00 statutory deposit with the Department and a
6 \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").

7 **CONCLUSIONS OF LAW**

8 1. Petitioner has complied with the provisions of A.R.S. § 20-588 and with
9 A.A.C. R20-6-303, relating to the release of its \$155,000.00 statutory deposit.

10 **ORDER**

11 1. Petitioner may file its Articles of Dissolution with the Arizona Corporation
12 Commission.

13 2. Petitioner is entitled to the release of its statutory deposit in the sum of
14 \$155,000.00 and the statutory deposit shall be released to the Petitioner after the
15 Department has received a copy of Petitioner's Articles of Dissolution certified as
16 having been filed with the Arizona Corporation Commission.

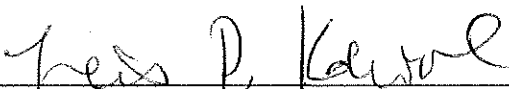
17 3. The Director of the Department has no personal liability for the release of
18 the statutory deposit made by her in good faith as provided in A.R.S. § 20-588(B).

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

21 5. Petitioner shall file its 2006 Annual Statement with the Department,
22 together with all applicable fees, unless Petitioner files its Articles of Dissolution with the
23 Arizona Corporation Commission on or before December 31, 2006.

24 6. Petitioner shall pay to the Department its certificate of authority renewal
25 fee if Petitioner's Articles of Dissolution are not filed with the Arizona Corporation
26 Commission on or before March 31, 2007.

27 Done this day, November 21, 2006.

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30 Lewis D. Kowal
Administrative Law Judge

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Original transmitted by mail this
24 day of November, 2006, to:

Department of Insurance
Christina Urias, Director
2910 North 44th Street, Ste. 210
Phoenix, AZ 85018

By Chris Fishbein