

1 FINDINGS OF FACT

2 1. Insurer is duly qualified and authorized as a life insurer in the State of
3 Arizona.

4 2. Petitioner is duly qualified and authorized as a life and disability insurer in
5 the State of Ohio.

6 3. No evidence has been produced that would indicate or form the basis for a
7 finding that the Agreement and Plan of Merger previously filed with the Department:

- 8 a. Is contrary to law;
- 9 b. Is unfair in the terms and conditions of the exchange of securities;
- 10 c. Would substantially reduce the security of and service to be rendered to

11 the policyholders of the Insurer in this State or elsewhere.

12 4. Insurer has a \$100 deposit with the Insurance Examiners' Revolving Fund
13 ("IERF").

14 5. The Department holds a statutory deposit in the amount of \$1,000,000 on
15 behalf of the Insurer.

16 6. Petitioner has prepared Articles of Merger it intends to file with the Arizona
17 Corporation Commission.

18 CONCLUSIONS OF LAW

19 1. The application established that none of the enumerated grounds set forth
20 in A.R.S. § 20-731 exist so as to provide a basis for disapproval or rejection of the
21 Agreement and Plan of Merger.

22 2. The evidence established that Petitioner has complied with the provisions
23 of A.R.S. § 20-731 and established by credible evidence that the Agreement and Plan
24 of Merger between Insurer and Petitioner should be approved.

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ORDER

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2 1. Petitioner may file its Articles of Merger with the Arizona Corporation
3 Commission.

4 2. The Agreement and Plan of Merger between the Insurer and the Petitioner
5 shall be approved.

6 3. Petitioner shall file with the Department certified documentation obtained
7 from the Ohio Department of Insurance showing that agency's approval of the merger of
8 the Insurer into Petitioner.

9 4. Insurer shall file its 2006 Annual Statement including applicable fees with
10 the Department unless Petitioner files its Articles of Merger with the Arizona Corporation
11 Commission on or before December 31, 2006.

12 5. Insurer shall pay its Certificate of Authority renewal fee and file its 2006
13 Annual Form "B" Registration Statement if the Articles of Merger are not filed on or
14 before March 31, 2007.

15 6. Petitioner is entitled to the release of Insurer's statutory deposit in the sum
16 of \$1,000,000. Insurer's statutory deposit shall be released to the Petitioner after the
17 Department receives the following: (a) a copy of Petitioner's Articles of Merger certified
18 as having been filed with the Arizona Corporation Commission; (b) payment of any
19 outstanding invoices owing to the IERF, and (c) payment of any outstanding Computer
20 Fund Assessments owing to the Department. The Director has no personal liability for
21 the release of such deposit so made by her in good faith as provided in A.R.S. §20-
22 588(B).

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