

NOV 30 2007

DEPT OF INSURANCE
BY CB

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of the
Merger of
Freedom Financial Life Insurance
Company
(NAIC No. 86657),
Insurer,
Into
The Huntington National Life Insurance
Company
(NAIC No. 92150),
Petitioner.

) Docket No. 07A-209-INS

ORDER APPROVING
MERGER

On November 13, 2007, pursuant to A.R.S. § 20-731, The Huntington National Life Insurance Company ("Petitioner") submitted an application to the Arizona Department of Insurance (the "Department") for the merger of Freedom Financial Life Insurance Company ("Insurer") with and into Petitioner.

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

1 **FINDINGS OF FACT**

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

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

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 \$100,000 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. Insurer shall file its 2007 Annual Statement including applicable fees with
7 the Department unless Petitioner files its Articles of Merger with the Arizona Corporation
8 Commission on or before December 31, 2007.

9 4. Insurer shall pay its Certificate of Authority renewal fee and file its 2007
10 Annual Form "B" Registration Statement if the Articles of Merger are not filed on or
11 before March 31, 2008.

12 5. Petitioner is entitled to the release of Insurer's statutory deposit in the sum
13 of \$100,000. Insurer's statutory deposit shall be released to the Petitioner after the
14 Department receives the following: (a) a copy of Petitioner's Articles of Merger certified
15 as having been filed with the Arizona Corporation Commission; (b) a fully executed
16 Form E126CD (Request for Release of Certificate of Deposit) and a Treasurer Release
17 Receipt Form E101, and (c) payment of any outstanding invoices owing to the IERF.
18 The Director has no personal liability for the release of such deposit so made by her in
19 good faith as provided in A.R.S. §20-588(B).

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