

MAY 6 2010

DEPT OF INSURANCE
BY *[Signature]*

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of the Merger of)
)
Citizen's Accident & Health Insurance Company)
(NAIC No. 85960))
)
Insurer,)
)
 Into)
)
Protective Life Insurance Company)
(NAIC No. 68136),)
)
Petitioner.)

Docket No. 10A-058-INS

ORDER APPROVING MERGER

On March 23, 2010, pursuant to A.R.S. § 20-731, Protective Life Insurance Company ("Petitioner") submitted an application to the Arizona Department of Insurance ("Department") for the merger of Citizen's Accident & Health Insurance Company ("Insurer") with and into Petitioner.

Based upon reliable evidence provided to the Director of Insurance by the Assistant Director of the Financial Affairs Division of the Department, the Director finds as follows:

FINDINGS OF FACT

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

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

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

a. Is contrary to law;

- 1 b. Is unfair in the terms and conditions of the exchange of securities;
- 2 c. Would substantially reduce the security of and service rendered to the
- 3 policyholders of the Insurer in this State or elsewhere.

4 4. Insurer has a \$100.00 deposit with the Insurance Examiners' Revolving Fund
5 ("IERF").

6 5. The Department holds a \$100,000 statutory deposit on behalf of the Insurer.

7 6. Petitioner has prepared Articles of Merger it intends to file with the Arizona
8 Corporation Commission ("ACC").

9 **CONCLUSIONS OF LAW**

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

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

16 3. Insurer has complied with the provisions of A.R.S. § 20-588 and with A.A.C.
17 R20-6-303 relating to the release of its \$100,000 statutory deposit.

18 **ORDER**

19 1. The Agreement and Plan of Merger between Insurer and Petitioner is approved.

20 2. Petitioner may file its Articles of Merger with the ACC.

21 3. Petitioner shall file with the Department certified documentation obtained from
22 the Tennessee Department of Insurance showing that agency's approval of the merger of
23 Insurer into Petitioner.

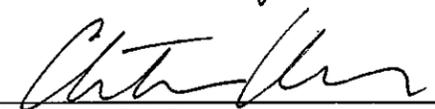
1 4. Insurer shall file its 2010 Annual Statement including applicable fees with the
2 Department unless Petitioner files its Articles of Merger with the ACC on or before December
3 31, 2010.

4 5. Insurer shall pay its Certificate of Authority renewal fee to the Department and
5 file its 2010 Annual Form "B" Registration Statement with the Department unless Petitioner
6 files its Articles of Merger with the ACC on or before March 31, 2011.

7 6. The Department shall release the \$100,000 statutory deposit of the Insurer to the
8 Petitioner after the Department receives the following: (a) an ACC certified copy of Petitioner's
9 ACC filed Articles of Merger; (b) a fully executed Form E126CD (Request for Release of
10 Certificate of Deposit) and a Treasurer Release Receipt Form E101, and (c) payment of any
11 outstanding IERF invoices. The Director has no personal liability for the release of such
12 deposit so made by her in good faith as provided in A.R.S. §20-588(B).

13 7. The Department shall refund to the Insurer the \$100.00 that was previously
14 credited to the IERF, pursuant to A.R.S. § 20-159.

15 Effective this 6th day of May, 2010.

16 
17 _____
18 CHRISTINA URIAS
19 Director of Insurance

20 COPY of the foregoing mailed/delivered
21 this 6th day of May, 2010, to:

22 J. Michael Low
23 Low & Cohen, PLLC
2999 North 44th St, Suite 550
Phoenix, Arizona 85018

Gerrie Marks, Deputy Director
Mary Butterfield, Assistant Director
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