

MAY 31 2012

DEPT OF INSURANCE  
BY 

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

In the Matter of )  
 )  
 SENIOR AMERICAN LIFE )  
 INSURANCE COMPANY )  
 (NAIC No. 76759) )  
 Respondent. )

Docket No. 12A-050-INS  
  
CONSENT ORDER

The State of Arizona, Department of Insurance (the "Department"), has received evidence that Senior American Life Insurance Company ("Respondent") violated provisions of Title 20, Arizona Revised Statutes. Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to the entry of the following Conclusions of Law and Order.

**FINDINGS OF FACT**

1. Respondent Senior American Life Insurance Company ("Respondent") is domiciled in Pennsylvania and presently holds a certificate of authority issued by the Arizona Department of Insurance ("Department") to transact disability and life insurance.

2. Respondent reports that, due to the Respondent's weakened financial condition, it ceased writing new business on February 25, 2005 pursuant to a Letter Agreement with the Pennsylvania Department of Insurance.

3. Respondent wrote long-term care accident and health insurance (including nursing home and assisted living facility stays) and stand-alone home health care policies primarily for senior citizens.

4. Respondent's Annual Statement for the year ending December 31, 2011, reported a negative surplus in the amount of (\$2,077,420), which is less than the \$100,000

1 statutorily required minimum free surplus Respondent is required to maintain, in violation of  
2 A.R.S. §§ 20-210 and 20-211, and an adverse finding within the meaning of A.A.C. R20-6-  
3 308(A)(1).

4 5. Respondent is in unsound financial condition or in such condition as to render its  
5 further transaction of insurance in this state hazardous to the policyholders or to the people of  
6 this state, within the meaning of A.R.S. §20-220(A)(3) and A.A.C. R20-6-308(A).

7 6. Respondent no longer meets the requirements for the authority originally  
8 granted, on account of deficiency in assets or otherwise, within the meaning of A.R.S. §20-  
9 219(2).

10 **CONCLUSIONS OF LAW**

11 7. The Director has jurisdiction over this matter.

12 8. Grounds exist for the Director to suspend or revoke Respondent's certificate of  
13 authority pursuant to A.R.S. §§20-219, 20-220 and A.A.C. R20-6-308.

14 **ORDER**

15 **IT IS ORDERED:**

16 9. Suspending the certificate of authority held by Respondent Senior American Life  
17 Insurance Company, effective immediately;

18 10. Respondent shall immediately cease the writing of any new and/or renewal  
19 insurance except for guaranteed renewable insurance business.

20 DATED AND EFFECTIVE this 30<sup>th</sup> day of May, 2012.

21  
22   
23 \_\_\_\_\_  
CHRISTINA URIAS  
Director of Insurance



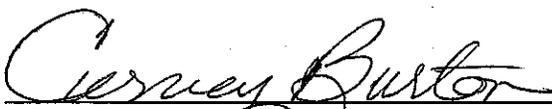
1 COPY of the foregoing mailed  
this 31st day of May, 2012, to:

2 Benedict John Iacovetti  
3 Chief Executive Officer  
4 Senior American Life Insurance Company  
5 165 Veterans Way, Suite 300  
6 Warminster, PA 18974

7 Michael E. Surguine  
8 Executive Director  
9 Arizona Life and Disability Insurance Guaranty Fund  
10 1110 W. Washington, Suite 270  
11 Phoenix, AZ 85007

12 Lynette Evans  
13 Assistant Attorney General  
14 Arizona Attorney General's Office  
15 1275 West Washington  
16 Phoenix, Arizona 85007

17 Gerrie Marks, Deputy Director  
18 Kurt Regner, Assistant Director  
19 Cary Cook, Chief Financial Compliance Officer  
20 Leslie Hess, Financial Affairs Legal Analyst  
21 Arizona Department of Insurance  
22 2910 N. 44th Street, Suite 210  
23 Phoenix, Arizona 85018

24   
25 \_\_\_\_\_  
26 Curvey Walters Burton