

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of the Acquisition of Control of )  
 ) Docket No. 22A-065-INS  
4 **American Reliable Insurance Company** )  
(NAIC No. 19615) )  
5 ) **ORDER APPROVING**  
 ) **ACQUISITION**  
6 **Insurer,** )  
By )  
7 )  
8 **Everett Cash Mutual Insurance Company** )  
(NAIC No. 17043), )  
**Petitioner.** )

On August 19, 2022, Everett Cash Mutual Insurance Company (“Petitioner”) submitted an application for the acquisition of control of American Reliable Insurance Company (“Insurer”) to the Arizona Department of Insurance and Financial Institutions (the “Department”) for approval of Petitioner as the controlling person of the Insurer pursuant to the provisions of Arizona Revised Statutes (A.R.S.) §§20-481 through 20-481.32 and Arizona Administrative Code (A.A.C.) R20-6-1402.

Based upon reliable evidence provided to the Director of Insurance and Financial Institutions (“Director”) by the Assistant Director of the Financial Affairs Division of the Department, the Director finds as follows:

**FINDINGS OF FACT**

1. The Insurer is a domestic insurer as referred to in A.R.S. §20-481.
2. The Petitioner filed a statement as referred to in A.R.S. §§20-481.02 and 20-481.03, in the form required by A.A.C. R20-6-1402.
3. The Insurer and its security holders waived the ten (10) day advance filing notice to be given as required by A.R.S. §20-481.07(D).

1           4.     No evidence has been produced that would indicate or form the basis for a  
2 finding that the Petitioner's acquisition of control of the Insurer:

3           a.     Is contrary to law;

4           b.     Is inequitable to the shareholders of any domestic insurer involved;

5           c.     Would substantially reduce the security of and service to be rendered to the  
6 policyholders of the domestic insurer in this State or elsewhere;

7           d.     After the change of control, the domestic insurer would not be able to satisfy the  
8 requirements for the reissuance of a Certificate of Authority to write the line or lines of  
9 insurance for which it is presently licensed;

10          e.     Would have the effect of substantially lessening competition in insurance in this  
11 state, or tend to create a monopoly;

12          f.     Might jeopardize the financial stability of the Insurer or prejudice the interest of its  
13 policyholders, based upon the financial condition of any acquiring party;

14          g.     Is unfair and unreasonable to policyholders of the Insurer and is not in the public  
15 interest, based upon the plans or proposals that the acquiring party has to liquidate the insurer,  
16 sell its assets or consolidate or merge it with any person, or to make any other material change  
17 in its business or corporate structure or management;

18          h.     Would not be in the public interest of policyholders of the Insurer and of the  
19 public to permit the merger or other acquisition of control based upon the competence,  
20 experience and integrity of those persons who would control the operation of the Insurer; or

21          i.     Would likely be hazardous or prejudicial to the insurance-buying public.  
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1           2.     Subject to A.R.S. §20-481.21(A), all documents, materials and other information  
2 that is in the possession or control of the Department and that was obtained by or disclosed to  
3 the Director or any other person in the course of filing the application is confidential and  
4 privileged, is not subject to Title 39, Chapter 1, Article 2 and is not subject to subpoena.

5           3.     The Petitioner shall advise the Director in writing of the effective date of the  
6 change of control.

7           4.     Upon consummation of this acquisition, the Insurer shall file its registration  
8 statement in the form required by A.A.C. R20-6-1403(B) and within the time period prescribed  
9 by A.R.S. §20-481.13. If the registration statement would duplicate the information previously  
10 submitted by the Petitioner in the statement filed with the Department pursuant to A.R.S. §20-  
11 481.03 and there have been no material changes since the filing of that statement, then the  
12 Insurer shall submit a statement to that effect incorporating by reference the statement  
13 previously filed with the Department in lieu of the registration statement;

14           5.     The failure to adhere to one or more of the above terms and conditions shall  
15 result without further proceedings in the suspension or revocation of the Insurer's Certificate of  
16 Authority.

17           Effective this 1st day of December, 2022.

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20           EVAN G. DANIELS, Director  
21           **Arizona Department of Insurance and Financial Institutions**

21           COPY of the foregoing mailed/delivered  
22 this 2nd day of December, 2022, to:

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