STATE OF ARIZONA FILED

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STATE OF ARIZONA

DEPT. OF INSURANCE BY BB

DEPARTMENT OF INSURANCE

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4	In the Matter of the Merger of:) Docket No. 98A-170-INS
5	JOCAMAR LIFE INSURANCE COMPANY) (NAIC No. 75574), ORDER
6	
7	Insurer,)
8	into)
9	RESOURCE LIFE INSURANCE COMPANY) (NAIC No. 61506),
10	Petitioner.
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12	On December 16, 1998, the Office of Administrative Hearings, through Administrative
13	Law Judge Lewis D. Kowal, issued a Recommended Decision of Administrative Law Judge
14	("Recommended Decision"), a copy of which is attached and incorporated by this reference. The
15	Director of the Department of Insurance has reviewed the Recommended Decision and enters the
16	following Order:
17	1. The recommended Findings of Fact and Conclusions of Law are adopted.
18	2. The Petitioner may file its Articles of Merger with the Arizona Corporation
19	Commission.
20	3. The Plan and Agreement of Merger between the Insurer and the Petitioner shall be
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- 4. The statutory deposit of the Insurer in the amount of \$100,000.00 shall be released upon receipt by the Department of Insurance of the following: (a) copies of Articles of Merger of the Insurer and the Petitioner certified as having been filed with the Arizona Corporation Commission; and (b) a fully executed Form E126 (Notice of Statutory Deposit). The statutory deposit cannot be released until the Department receives a fully executed copy of the official State Treasurer Release Receipt Form E101.
- 5. The sum of \$100.00 previously credited to the Insurance Examiners' Revolving Fund shall be refunded to the Insurer pursuant to A.R.S. § 20-159.
- 6. The Insurer shall file its 1998 Annual statement with the Department, together with all applicable fees, unless the Petitioner files its Articles of Merger with the Arizona Corporation Commission on or before December 31, 1998.

NOTIFICATION OF RIGHTS

Pursuant to A.R.S. § 41-1092.09, the aggrieved party may request a rehearing with respect to this Order by filing a written motion with the Director of the Department of Insurance within 30 days of the date of this Order, setting forth the basis for relief under A.A.C. R20-6-114(B).

The final decision of the Director may be appealed to the Superior Court of Maricopa County for judicial review pursuant to A.R.S. §§ 12-904 and 20-166. A party filing an appeal must notify the Office of Administrative Hearings of the appeal within ten days after filing the complaint commencing the appeal, pursuant to A.R.S. § 12-904(B).

DATED this U of December, 1998

Charles R. Cohen

Director of Insurance

1	A copy of the foregoing mailed this day of December, 1998
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3	Sara M. Begley, Deputy Director Mary Butterfield, Assistant Director Catherine O'Neil, Legal Affairs Officer
4	Gary Torticill, Assistant Director Deloris Williamson, Assistant Director
5	Scott Greenberg, Business Administrator Kurt Regner, Examiner
6	Department of Insurance 2910 N. 44th Street, Suite 210
7	Phoenix, AZ 85018
8	Office of Administrative Hearings 1700 W. Washington, Suite 602
9	Phoenix, AZ 85007
10	Philip T. Paris 2929 N. 44th Street, Suite 120
11	Phoenix, AZ 85018
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13	Betty Bryont
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IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of the Merger of

No. 98A-170-INS

JOCAMAR LIFE INSURANCE COMPANY (NAIC No. 75574),

Insurer,

into

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RECOMMENDED DECISION OF ADMINISTRATIVE LAW JUDGE

RESOURCE LIFE INSURANCE COMPANY (NAIC No. 61506),

Petitioner.

HEARING: December 15, 1998

APPEARANCES: Philip T. Paris, Esq. on behalf of the Petitioner

ADMINISTRATIVE LAW JUDGE: Lewis D. Kowal

On December 15, 1998, a hearing was held to consider the Plan and Agreement of Merger whereby Jocamar Life Insurance Company (the "Insurer") will merge into Resource Life Insurance Company (the "Petitioner").

Based upon the entire record in this matter, the following Findings of Fact, Conclusions of Law and Recommended Order are made:

FINDINGS OF FACT

- 1. Insurer is duly qualified and authorized as an insurer in the State of Arizona.
- 2. Petitioner is duly qualified and authorized as an insurer in the State of Illinois.
- 3. Both the Insurer and the Petitioner have waived notice requirements of A.R.S. §41-1092.05(D).
- 4. The shareholder(s) of the Insurer and the shareholder(s) of the Petitioner have waived notice of the hearing.
- 5. No evidence has been produced at the hearing of this matter that would indicate or form the basis for a finding that the Plan and Agreement of Merger

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previously filed with the Department:

- a. Is contrary to law.
- b. Is unfair in the terms and conditions of the issuance and exchange of securities.
- c. Would substantially reduce the security of and service to be rendered to policyholders of the Insurer in this State or elsewhere.
 - 6. The Insurer has surrendered its certificate of authority to the Department.
- 7. Special notice to creditors and policyholders of the Petitioner, setting forth the date, place, nature and purpose of the hearing was published and mailed at least ten (10) business days before said hearing, and known creditors received individual notice by mail, as evidenced by an affidavit of publication.
- 8. Based upon the Department's review of Petitioner's filing, the Department recommended that the Director approve the Plan and Agreement of Merger filed in this matter.
- 9. The Petitioner has requested that the \$100,000.00 statutory deposit held by the State Treasurer in the name of the Insurer be refunded to the Insurer.
- 10. The Petitioner has prepared Articles of Merger it intends to file with the Arizona Corporation Commission.

CONCLUSIONS OF LAW

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

RECOMMENDED ORDER

The undersigned Administrative Law Judge recommends that:

- 1. The Petitioner may file its Articles of Merger with the Arizona Corporation Commission.
- 2. The Plan and Agreement of Merger between the Insurer and the Petitioner be approved .
- 3. The statutory deposit of the Insurer in the amount of \$100,000.00 be released upon receipt by the Department of Insurance of the following: (1); copies of the Articles of Merger of the Insurer and the Petitioner certified as having been filed with the Arizona Corporation Commission; and (2) a fully executed Form E126 (Notice of Statutory Deposit). The statutory deposit cannot be released until the Department

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receives a fully executed copy of the official State Treasurer Release Receipt Form E101.

- 4 The sum of \$100.00 previously credited to the IERF be refunded to the Insurer pursuant to A.R.S. §20-159.
- 5 The Insurer shall file its 1998 Annual Statement with the Department, together with all applicable fees, unless the Petitioner files its Articles of Merger with the Arizona Corporation Commission on or before December 31, 1998.

Done this day, December 16, 1998.

Lewis D. Kowal

Administrative Law Judge

Original transmitted by mail this _//_ day of December, 1998, to:

Charles R. Cohen, Director Department of Insurance Attention: Curvey Burton 2910 North 44th Street, Ste. 210

Phoenix, AZ 85018