

STATE OF ARIZONA

DEC 12 1997

DEPARTMENT OF INSURANCE DEPT. OF INSURANCE
BY ED

1 In the Matter of Withdrawal of:) Docket No.97A-159-INS
 2)
 3 SOUTHLAWN LIFE INSURANCE) ORDER
 4 COMPANY (NAIC No. 79200),)
 5)
 6 Petitioner.)
 _____)

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 8 On December 9, 1997, the Office of Administrative
 9 Hearings, through Administrative Law Judge Lewis D. Kowal,
 10 submitted "Recommended Decision of Administrative Law Judge"
 11 ("Recommended Decision"), a copy of which is attached and
 12 incorporated by this reference. The Director of the Arizona
 13 Department of Insurance has reviewed the Recommended Decision and
 14 enters the following order:

15 1. The recommended findings of fact and conclusions of
 16 law are adopted.

17 2. The Petitioner may file its Articles of Dissolution
 18 with Arizona Corporation Commission.

19 3. The Petitioner is entitled to the release of its
 20 statutory deposit in the sum of \$100,000.00 and that the
 21 statutory deposit will be released to the Petitioner after the
 22 Department has received the following: (a) a payment of \$349.60
 23 to the Insurance Examiners' Revolving Fund; (b) a copy of
 24 Petitioner's Articles of Dissolution certified as having been
 25 filed with the Arizona Corporation Commission; and (c) a fully
 26 executed Form E126 (Notice of Trust Deposit Release). The
 27 statutory deposit cannot be released until the Department
 28

1 receives a fully executed copy of the official State Treasurer
2 Release Receipt.

3 4. The sum of \$100.00 previously credited to the
4 Insurance Examiners' Revolving Fund will be refunded to the
5 Petitioner, pursuant to A.R.S. §20-159.


6 5. The Petitioner will file its 1997 Annual Statement
7 with the Department, together with all applicable fees, unless
8 Petitioner files its Articles of Dissolution with the Arizona
9 Corporation Commission on or before December 31, 1997.

10 NOTIFICATION OF RIGHTS

11 The aggrieved party may request a rehearing with
12 respect to this Order by filing a written petition with the
13 Office of Administrative Hearings within 30 days of the date of
14 this Order, setting forth the basis for such relief pursuant to
15 A.A.C. R20-6-114(B).

16 The final decision of the Director may be appealed to
17 the Superior Court of Maricopa County for judicial review
18 pursuant to A.R.S. § 20-166. A party filing an appeal must
19 notify the Office of Administrative Hearings of the appeal within
20 ten days after filing the complaint commencing the appeal,
21 pursuant to A.R.S. §41-1092.10.

22 DATED this 11 day of December, 1997

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26 John A. Greene
27 Director of Insurance
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COPY of the foregoing mailed
this 12th day of December, 1997 to:

Charles R. Cohen, Deputy Director
Gregory Y. Harris, Executive Assistant Director
Mary Butterfield, Assistant Director
Catherine O'Neil, Assistant Director
Gary Torticill, Assistant Director
Deloris Williamson, Assistant Director
Scott Greenberg, Business Administrator
Arizona Department of Insurance
2910 N. 44th Street, Suite 210
Phoenix, AZ 85018

Office of Administrative Hearings
1700 West Washington, Suite 602
Phoenix, AZ 85007

Philip T. Paris
2999 North 44th Street, Suite 120
Phoenix, AZ 85018

Esther Davis

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IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of the Withdrawal of

No. 97A-159-INS

**SOUTHLAWN LIFE INSURANCE
COMPANY (NAIC No. 79200),**

**RECOMMENDED DECISION
OF ADMINISTRATIVE
LAW JUDGE**

Petitioner.

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HEARING: November 25, 1997

APPEARANCES: Philip T. Paris, Esq. on behalf of the Petitioner; Kurt Regner
on behalf of the Arizona Department of Insurance

ADMINISTRATIVE LAW JUDGE: Lewis D. Kowal

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On November 25, 1997, a hearing took place to consider the application of Southlawn Life Insurance Company (the "Petitioner"), to withdraw from the insurance business and for the release of its statutory deposit pursuant to A.R.S. §20-588 and A.A.C. R20-6-303.

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

FINDINGS OF FACT AND CONCLUSIONS OF LAW

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1. The Petitioner has surrendered its Certificate of Authority to the Department.
 2. The Petitioner has filed with the Department certified copies of Resolutions of the Petitioner's Board of Directors and of the Petitioner's shareholder(s) authorizing Petitioner to withdraw from the insurance business by dissolution.
 3. The Petitioner has no insurance obligations owing to it, whether by policies written direct or by reinsurance ceded to it.
 4. The Petitioner has filed its certified financial statement as of June 30, 1997, with the Department.
 5. At least 10 business days before the hearing of this matter, Petitioner gave special notice to creditors and policyholders of the Petitioner, setting forth the date, place, nature and purpose of the hearing, as evidenced by an affidavit of

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1700 West Washington, Suite 602
Phoenix, Arizona 85007
(602) 542-9826

1 publication. Petitioner also represented that it has no creditors in the State of Arizona
2 and has no remaining obligations or liabilities in the State of Arizona.

3 6. The Petitioner has a \$100,000.00 statutory deposit with the Department
4 and a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").

5 7. The Petitioner has complied with the provisions of A.R.S. §20-588 and
6 with A.A.C. R20-6-303, relating to the release of its \$100,000.00 statutory deposit.

7 8. Petitioner currently owes \$349.60 to the IERF.

8 **RECOMMENDED ORDER**

9 The undersigned Administrative Law Judge recommends that:


10 1. The Petitioner may file its Articles of Dissolution with the Arizona
11 Corporation Commission.

12 2. The Petitioner is entitled to the release of its statutory deposit in the sum of
13 \$100,000.00 and that the statutory deposit shall be released to the Petitioner after the
14 Department has received the following: (a) payment of \$349.60 to the IERF; (b) a copy
15 of Petitioner's Articles of Dissolution certified as having been filed with the Arizona
16 Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit
17 Release). The statutory deposit cannot be released until the Department receives a
18 fully executed copy of the official State Treasurer Release Receipt.

19 3. The sum of \$100.00 previously credited to the IERF be refunded to the
20 Petitioner, pursuant to A.R.S. §20-159.

21 4. The Petitioner file its 1997 Annual Statement with the Department, together
22 with all applicable fees, unless Petitioner files its Article of Dissolution with the Arizona
23 Corporation Commission on or before December 31, 1997.

24 Done this day, December 9, 1997.

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LEWIS D. KOWAL
Administrative Law Judge

1 Original transmitted by mail this
2 9 day of December, 1997, to:

3 Mr. John A. Greene, Director
4 Department of Insurance
5 ATTN: Curvey Burton
6 2910 North 44th Street, #210
7 Phoenix, AZ 85018-7256

8 By Chris Crawford Thomas
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