

STATE OF ARIZONA

JUN 5 1997

DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE
BY Kathy

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4 In the Matter of:) Docket No. 97A-106-INS
5 GREATER INSURANCE SERVICE COMPANY)
6 FOR LIFE & HEALTH,) **SUSPENSION ORDER**
7 NAIC No. 87670)
_____)

8 Upon information obtained by the Assistant Director of
9 Corporate and Financial Affairs Division of the Arizona
10 Department of Insurance, the Director of Insurance makes the
11 following findings of fact, conclusions of law and issues the
12 following order:

13 1. Greater Insurance Service Company for Life &
14 Health ("Respondent") is domiciled in Arizona and presently holds
15 a certificate of authority issued by the Arizona Department of
16 Insurance to transact life and disability reinsurance business.

17 2. As of March 31, 1997, Respondent's liabilities
18 and required reserves together with its total issued and
19 outstanding capital stock exceed its assets by \$35,997.
20 Respondent is therefore "insolvent" within the meaning of A.R.S.
21 §20-611(6).

22 3. Pursuant to A.R.S. §20-1086, Respondent is required
23 to maintain surplus in the amount of \$25,000. Therefore,
24 Respondent's total statutory deficiency is \$60,997.

25 4. Respondent's assets are not of sufficient fair
26 market value, liquidity and diversity to assure its ability to
27 meet its outstanding obligations as they mature, within the
28 meaning of A.A.C. R20-6-308(A)(5).

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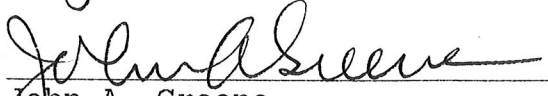
5. Respondent no longer meets the requirements of the authority originally granted, on account of deficiency in assets, within the meaning of A.R.S. §20-219(2).

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

7. The public health, safety, and welfare imperatively require emergency action, within the meaning of A.R.S. §41-1064(C).

IT IS HEREBY ORDERED that Respondent's certificate of authority to transact insurance in Arizona is suspended effective this date.

DATED this 4th day of June, 1997


John A. Greene
Director of Insurance

NOTICE

The determination set forth in this order is an "appealable agency action" pursuant to A.R.S. §41-1092. Consequently, you have the right to obtain a hearing on this determination by filing a Notice of Appeal within thirty (30) days after your receipt of this order. If your Notice of Appeal is received after that thirty (30) day period, it will not be

1 accepted without a demonstration of good cause for the late
2 filing. The Notice of Appeal must identify the party appealing,
3 the party's address, the determination being appealed, and must
4 contain a concise statement of the reasons for the appeal. Your
5 hearing will be held within sixty (60) days after your Notice of
6 Appeal is filed, unless the hearing is advanced or delayed by
7 agreement or a showing of good cause by any party. The
8 Department of Insurance will serve a Notice of Hearing at least
9 thirty (30) days before the hearing, which will inform you of the
10 date, time and location of the hearing as well as the issues in
11 controversy.

12 If you file a Notice of Appeal, you may also request an
13 Informal Settlement Conference by filing a written request no
14 later than twenty (20) days before the scheduled hearing. The
15 conference will be held within fifteen (15) days of your
16 request. If an Informal Settlement Conference is requested, a
17 person with the authority to act on behalf of the Department of
18 Insurance will be present. Please note that you waive any right
19 to object to the participation of the Department's representative
20 in the final administrative decision of the matter if it is not
21 settled.

22 The Notice of Appeal and request for Informal
23 Settlement Conference described above may be addressed to:

24 Deputy Director
25 Arizona Department of Insurance
26 2910 North 44th Street, Suite 210
27 Phoenix, Arizona 85018
28 Attn: Hearing Administration

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A copy of the foregoing
mailed this 5 day of
June, 1997

Philip T. Paris
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