

STATE OF ARIZONA

OCT 6 1997

DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE
BY ED

In the Matter of the Withdrawal of:)
)
WESTERN SLOPE LIFE INSURANCE)
COMPANY (NAIC No. 98337),)
)
Petitioner.)
_____)

Docket No. 97A-137-INS

ORDER

On September 29, 1997, the Office of Administrative Hearings, through Administrative Law Judge Lewis D. Kowal, submitted "Recommended Decision of Administrative Law Judge" ("Recommended Decision"), a copy of which is attached and incorporated by this reference. The Director of the Arizona Department of Insurance has reviewed the Recommended Decision and enters the following order:

1. The recommended findings of fact and conclusions of law are adopted.
2. The Petitioner may file its Articles of Dissolution with the Arizona Corporation Commission.
3. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00 and that the statutory deposit will be released to the Petitioner after the Department has received the following: (a) payment of \$40.48 to the Insurance Examiners' Revolving Fund ("IERF") and \$348.75 to the Department; (b) a copy of Petitioner's Articles of Dissolution certified as having been filed with the Arizona Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit Release). The statutory deposit will not be released until the Department receives a fully executed copy of the official State Treasurer Release Receipt.

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


3 5. The Petitioner will file its 1997 Annual Statement with the Department, together
4 with all applicable fees, unless Petitioner files its Article of Dissolution with the Arizona Corporation
5 commission on or before December 31, 1997.
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7 NOTIFICATION OF RIGHTS

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

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

15 DATED this 6 day of October, 1997
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19 John A. Greene
20 Director of Insurance
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1 A copy of the foregoing mailed
this 6th day of October, 1997

2 Charles R. Cohen, Deputy Director
3 Mary Butterfield, Assistant Director
4 Catherine O'Neil, Assistant Director
5 Gary Torticill, Assistant Director
6 Deloris Williamson, Assistant Director
7 Scott Greenberg, Business Administrator
8 Arizona Department of Insurance
9 2910 N. 44th Street, Suite 210
10 Phoenix, AZ 85018

11 Office of Administrative Hearings
12 1700 W. Washington, Suite 602
13 Phoenix, AZ 85007

14 Thomas C. Layton
15 Thomas Layton & Company
16 5729 W. Libby Street
17 Glendale, AZ 85308

18 *Esther Davis*
19 _____
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21
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2 **IN THE OFFICE OF ADMINISTRATIVE HEARINGS**

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4 In the Matter of the Withdrawal of

97A-137-INS

5 **WESTERN SLOPE LIFE INSURANCE**
6 **COMPANY (NAIC No. 98337),**

RECOMMENDED DECISION
OF ADMINISTRATIVE
LAW JUDGE

7 Petitioner.

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10 **HEARING:** September 23, 1997

11 **APPEARANCE:** Thomas Layton on behalf of the Petitioner and Kurt Regner
12 on behalf of the Arizona Department of Insurance

13 **ADMINISTRATIVE LAW JUDGE:** Lewis D. Kowal

14 On September 23, 1997, a hearing took place to consider the application of
15 Western Slope Life Insurance Company (the "Petitioner) to withdraw from the insurance
16 business and for the release of its statutory deposit pursuant to A.R.S. §20-588 and
17 A.A.C. R20-6-303.

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

20 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

21 1. The Petitioner has surrendered its Certificate of Authority to the
Department.

22 2. The Petitioner has filed with the Department certified copies of Resolutions
23 of the Petitioner's Board of Directors and of the Petitioner's shareholder(s) authorizing
24 Petitioner to withdraw from the insurance business by dissolution.

25 3. The Petitioner has no insurance obligations owing to it, whether by policies
26 written direct or by reinsurance ceded to it.

27 4. The Petitioner has filed its certified financial statement as of April 30, 1997
with the Department.

28 5. At least 10 business days before the hearing of this matter, Petitioner gave
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1 special notice to creditors and policyholders of the Petitioner, setting forth the date,
2 place, nature and purpose of the hearing, as evidenced by the affidavit of publication.
3 Petitioner also provided individual notice by mail to its known creditors, as evidenced by
4 affidavit.

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

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

9 8. Petitioner currently owes \$40.48 to the IERF and \$348.75 to the
10 Department for an August 1992 computer fund assessment

11 **RECOMMENDED ORDER**

12 The undersigned Administrative Law Judge recommends that:


13 1. The Petitioner may file its Articles of Dissolution with the Arizona
14 Corporation Commission.

15 2. The Petitioner is entitled to the release of its statutory deposit in the sum of
16 \$100,000.00 and that the statutory deposit shall be released to the Petitioner
17 after the Department has received the following: (a) payment of \$40.48 to the IERF and
18 payment of \$348.75 to the Department; (b) a copy of Petitioner's Articles of Dissolution
19 certified as having been filed with the Arizona Corporation Commission; and (c) a fully
20 executed Form E126 (Notice of Trust Deposit Release). The statutory deposit cannot
21 be released until the Department receives a fully executed copy of the official State
22 Treasurer Release Receipt.

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

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

28 Done this day, September 29, 1997.

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30 Lewis D. Kowal
Administrative Law Judge

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Original transmitted by mail this
30 day of September, 1997, to:

Mr. John A. Greene, Director
Department of Insurance
2910 North 44th Street, #210
Phoenix, AZ 85018-7256

ATTN: Curvey Burton

By Chris Crawford Morrison