

STATE OF ARIZONA

STATE OF ARIZONA
FILED

DEPARTMENT OF INSURANCE

NOV 25 1998

DEPT. OF INSURANCE
BY Kath

In the Matter of the Withdrawal of:)	Docket No. 98A-155-INS
)	
ATLANTIC INTERNATIONAL LIFE)	ORDER
INSURANCE COMPANY (NAIC No. 89249),)	
)	
Petitioner.)	
)	

On November 23, 1998, the Office of Administrative Hearings, through Administrative Law Judge Lewis D. Kowal, issued a Recommended Decision of Administrative Law Judge ("Recommended Decision"), a copy of which is attached and incorporated by this reference. The Director of the 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 only after the Department receives a fully executed copy of the Termination of Reinsurance Agreement or other arrangements have been made with the Director of the Department to satisfy the remaining outstanding insurance obligations of Petitioner.
3. Upon compliance with the immediately preceding paragraph, Petitioner shall be entitled to the release of its statutory deposit in the sum of \$100,000.00 and the statutory deposit shall be released to the Petitioner after the Department has received the following: (a) a copy of Petitioner's Articles of Dissolution certified as having been filed with the Arizona Corporation Commission; and (b)

1 a fully executed Form E126 (Notice of Trust Deposit Release). The statutory deposit cannot be released
2 until the Department receives a fully executed copy of the official State Treasurer Release Receipt.

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


5 5. The Petitioner shall file its 1998 Annual Statement with the Department, together
6 with all applicable fees, unless Petitioner files its Articles of Dissolution with the Arizona Corporation
7 Commission on or before December 31, 1998.

8 NOTIFICATION OF RIGHTS

9 Pursuant to A.R.S. § 41-1092.09, the aggrieved party may request a rehearing with
10 respect to this Order by filing a written motion with the Director of the Department of Insurance within
11 30 days of the date of this Order, setting forth the basis for relief under A.A.C. R20-6-114(B).

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

16 DATED this 24th of November, 1998

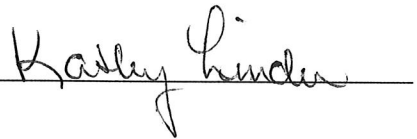
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19 
20 _____
21 Charles R. Cohen
22 Director of Insurance
23

1 A copy of the foregoing mailed
this 25 day of November, 1998

2 Sara M. Begley, Acting Deputy Director
3 Mary Butterfield, Assistant Director
4 Catherine O'Neil, Legal Affairs Officer
5 Gary Torticill, Assistant Director
6 Deloris Williamson, Assistant Director
7 Scott Greenberg, Business Administrator
8 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 Philip T. Paris
15 2929 N. 44th Street, Suite 120
16 Phoenix, AZ 85018

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IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In The Matter Of The Withdrawal Of:

No. 98A-155-INS

**ATLANTIC INTERNATIONAL
LIFE INSURANCE COMPANY**

**RECOMMENDED DECISION
OF ADMINISTRATIVE
LAW JUDGE**

(NAIC NO. 89249),

Petitioner.

HEARING: November 6, 1998

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

ADMINISTRATIVE LAW JUDGE: Lewis D. Kowal

On November 6, 1998, a hearing took place to consider the application of Atlantic International 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.

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

1. The Petitioner has filed an Affidavit of Lost Certificate of Authority with the Arizona Department of Insurance ("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 July 7, 1998, with the Department.
5. Petitioner and its shareholder waived notice of this hearing.

Office of Administrative Hearings
1700 West Washington, Suite 602
Phoenix, Arizona 85007
(602) 542-9826

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

6 7. The Petitioner has a \$100,000.00 statutory deposit with the Department and a
7 \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").

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

10 9. Petitioner represented that the Termination of Reinsurance Agreement (with
11 recapture) regarding American Travellers Life Insurance Company, successor to
12 Transport Life Insurance Company, and Petitioner has not yet been executed although
13 Petitioner anticipates it will be executed shortly.

14 **RECOMMENDED ORDER**

15 The undersigned Administrative Law Judge recommends that:

16 1. The Petitioner may file its Articles of Dissolution with the Arizona
17 Corporation Commission **only after** the Department receives a copy of the fully
18 executed copy of the above-mentioned termination of reinsurance agreement or other
19 arrangements have been made with the Director of the Department to satisfy the
20 remaining outstanding insurance obligations of Petitioner.


21 2. Upon compliance with the immediately preceding paragraph, Petitioner
22 shall be entitled to the release of its statutory deposit in the sum of \$100,000.00 and the
23 statutory deposit shall be released to the Petitioner after the Department has received
24 the following: (a) a copy of Petitioner's Articles of Dissolution certified as having been
25 filed with the Arizona Corporation Commission; and (b) a fully executed Form E126
26 (Notice of Trust Deposit Release). The statutory deposit cannot be released until the
27 Department receives a fully executed copy of the official State Treasurer Release
28 Receipt.

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

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2 4. The Petitioner shall file its 1998 Annual Statement with the Department,
3 together with all applicable fees, unless Petitioner files its Article of Dissolution with the
4 Arizona Corporation Commission on or before December 31, 1998.

5 Done this day, November 23, 1998.

6 
7 Lewis D. Kowal
8 Administrative Law Judge

9
10 Original transmitted by mail this
11 13th day of November 1998, to:

12 Mr. Charles R. Cohen, Director
13 Department of Insurance
14 2910 North 44th Street, Ste. 210
15 Phoenix, AZ 85018

16 Attention: Curvey Burton

17
18
19 By 