

DEC 16 1998

DEPT. OF INSURANCE
BY Kalle

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

In the Matter of the Withdrawal of:)
)
THE PEOPLE'S LIFE INSURANCE)
COMPANY (NAIC No. 74497),)
)
Petitioner.)
_____)

Docket No. 98A-177-INS

ORDER

On December 11, 1998, the Office of Administrative Hearings, through Administrative Law Judge Casey J. Newcomb, 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.
3. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00. The statutory deposit shall be released to the Petitioner after the Department has received the following: (a) payment of \$0.00 to the Insurance Examiners' Revolving Fund ("IERF"); (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 cannot be released until the Department receives a fully executed copy of the official State Treasurer Release Receipt.

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


5. The Petitioner shall file its 1998 Annual Statement with the Department, together with all applicable fees, unless Petitioner files its Articles of Dissolution 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 15th of December, 1998



Charles R. Cohen
Director of Insurance

1 A copy of the foregoing mailed
this 16 day of December, 1998
2 Sara M. Begley, Deputy Director
3 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 Kathy Lender

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1 **IN THE OFFICE OF ADMINISTRATIVE HEARINGS**

2
3 In the Matter of the Withdrawal of:

Docket No. 98A-177-INS

4 **THE PEOPLE'S LIFE INSURANCE**
5 **COMPANY (NAIC No. 74497),**

RECOMMENDED DECISION
OF THE ADMINISTRATIVE
LAW JUDGE

6 Petitioner.

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9 **HEARING:** December 11, 1997

10 **APPEARANCES:** Attorney Philip T. Paris represented the Petitioner; Kurt
11 Regner appeared on behalf of the Arizona Department of Insurance.

12 **ADMINISTRATIVE LAW JUDGE:** Casey J. Newcomb

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14 On December 11, 1998, a hearing was held to consider the application of
15 The People's 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. Based upon the entire record in this matter, the following Findings
18 of Fact, Conclusions of Law and Recommended Order are made:

19 **FINDINGS OF FACT**

- 20 1. The Petitioner has surrendered its certificate of authority to the Arizona Department
21 of Insurance ("Department").
- 22 2. The Petitioner has filed with the Department certified copies of the Resolutions of
23 the Petitioner's Board of Directors and of the Petitioner's shareholder(s) authorizing the
24 Petitioner to withdraw from the insurance business by dissolution.
- 25 3. The Petitioner has no insurance obligations owing to it, whether by policies written
26 directly or by reinsurance ceded to it.
- 27 4. The Petitioner has filed its certified financial statement as of August 31, 1998
28 with the Department.

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Office of Administrative Hearings 1700 West Washington, Suite 602 Phoenix, Arizona 85007 (602) 542-9826
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1 5. At least 10 business days before the hearing of this matter, the 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 an affidavit.

6 6. 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 7. The Petitioner currently owes \$0.00 to the IERF.

9 8. The Petitioner waived the notice requirements set forth in A.R.S. §41-1092.05(D).
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11 **CONCLUSIONS OF LAW**

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

15 **RECOMMENDED ORDER**

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

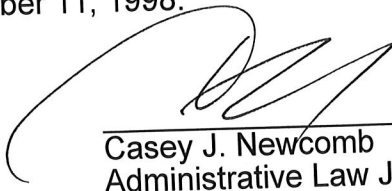
19 2. The Petitioner is entitled to the release of its statutory deposit in the sum of
20 \$100,000.00 and that the statutory deposit shall be released to the Petitioner after the
21 Department has received the following: (a) payment of \$0.00 to the IERF; (b) a copy of
22 Petitioner's Articles of Dissolution certified as having been filed with the Arizona
23 Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit
24 Release). The statutory deposit cannot be released until the Department receives a
25 fully executed copy of the official State Treasurer Release Receipt.

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

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

2 Done this day, December 11, 1998.

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5 _____
6 Casey J. Newcomb
7 Administrative Law Judge

8 Original transmitted by mail this
9 14 day of December, 1998, to:

10 Mr. Charles R. Cohen, Director
11 Department of Insurance
12 2910 North 44th Street, Ste. 210
13 Phoenix, AZ 85018
14 ATTN: Curvey Burton

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16
17 By Chris Crawford Thomas