

DEC 23 2005

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

DEPT OF INSURANCE  
BY CLB

In the Matter of the  
Merger of  
MHN Reinsurance Company of Arizona  
(NAIC No. 89429),  
Insurer,  
Into  
Health Net Life Insurance Company  
(NAIC No. 66141),  
Petitioner.

) Docket No. 05A-076-INS

ORDER APPROVING  
MERGER

On June 9, 2005, pursuant to A.R.S. § 20-731, Health Net Life Insurance Company ("Petitioner") submitted an application to the Arizona Department of Insurance (the "Department") for the merger of MHN Reinsurance Company of Arizona ("Insurer") with and into Petitioner.

Based upon reliable evidence provided to the Director of Insurance ("Director") by the Assistant Director of the Financial Affairs Division of the Department, the Director makes the following Findings of Fact, Conclusions of Law and enters the following Order:

FINDINGS OF FACT

1. Insurer is duly qualified and authorized as a life and disability reinsurer in the State of Arizona.



1           2.     The Agreement and Plan of Merger between the Insurer and the Petitioner  
2 shall be approved.

3           3.     Petitioner shall file with the Department certified documentation obtained  
4 from the California Department of Insurance showing that agency's approval of the  
5 merger of the Insurer into Petitioner.

6           4.     Insurer shall file its 2005 Annual Statement including applicable fees with  
7 the Department unless Petitioner files its Articles of Merger with the Arizona Corporation  
8 Commission on or before December 31, 2005.

9           5.     Insurer shall pay its Certificate of Authority renewal fee and file its 2005  
10 Annual Form "B" Registration Statement if the Articles of Merger are not filed on or  
11 before March 31, 2006.

12           6.     Petitioner is entitled to the release of Insurer's statutory deposit in the sum  
13 of \$100,000. Insurer's statutory deposit shall be released to the Petitioner after the  
14 Department receives the following: (a) a copy of Petitioner's Articles of Merger certified  
15 as having been filed with the Arizona Corporation Commission; (b) a fully executed  
16 Form E126CD (Request for Release of Certificate of Deposit) and a Treasurer Release  
17 Receipt Form E101, and (c) payment of any outstanding invoices owing to the IERF.  
18 The Director has no personal liability for the release of such deposit so made by her in  
19 good faith as provided in A.R.S. §20-588(B).

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

3  
4           DATED this 27<sup>th</sup> day of December, 2005.

5  
6   
7 CHRISTINA URIAS  
8 Director Of Insurance

9  
10 COPY of the foregoing mailed  
11 this 23<sup>rd</sup> day of December, 2005,

12 Gerrie Marks, Deputy Director  
13 Mary Butterfield, Assistant Director  
14 Catherine O'Neil, Consumer Legal Affairs Officer  
15 Steven Ferguson, Assistant Director  
16 Deloris Williamson, Assistant Director  
17 Leslie R. Hess, Financial Affairs Legal Analyst  
18 Kurt Regner, Chief Financial Analyst  
19 Department of Insurance  
20 2910 North 44<sup>th</sup> Street, Suite 210  
21 Phoenix, Arizona 85018

22 Roupem Berberian, V.P., C.F.O. & Treasurer  
23 Health Net Life Insurance Company  
24 21281 Burbank Boulevard, B3  
25 Woodland Hills, California 91367

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