

3. Failure to file these required financial and other reports jeopardizes the Department's ability to evaluate the financial health of Respondent and is hazardous to the policyholders and the people of this state.

4. The public health, safety and welfare imperatively require emergency action.

CONCLUSIONS OF LAW

1. The Director has jurisdiction over this matter.

2. Respondent's failure to file its financial statement and other reports is a violation of A.R.S. §§ 20-1082(2), 20-1083(B), 20-223(C) and (D) and 20-233(B).

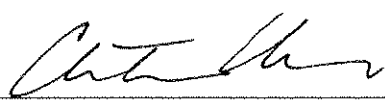
3. Grounds exist for the Director to suspend or revoke Respondent's certificate of authority pursuant to A.R.S. §§ 20-223(C) and 20-233(B).

4. Grounds exist to order a summary suspension within the meaning of A.R.S. § 41-1092.11(B).

ORDER

IT IS ORDERED suspending the Arizona certificate of authority held by Respondent and prohibiting the issuance of new and renewal insurance business effective immediately.

DATED this 3rd day of September 2010.



CHRISTINA URIAS
Director of Insurance

NOTIFICATION OF RIGHTS

You have the right to request a hearing on this determination by filing a notice of appeal after your receipt of this notice. The notice of appeal must identify the party appealing, the party's address, the matter being appealed and must contain a detailed

1 statement of the reason for the appeal. Your hearing will be treated as a "contested case" and
2 promptly instituted and determined as prescribed by A.R.S. §§41-1001(4), 41-1092.11(B) and
3 41-1092.05(E) to the extent the Office of Administrative Hearings calendar permits. In any
4 event, your hearing will be held within sixty (60) days of your notice of appeal is filed, unless
5 the hearing is advanced or delayed by agreement or a showing of good cause by any party.
6 The Department of Insurance will promptly serve a "Notice of Hearing" in accordance with
7 A.R.S. §41-1092.05(E) that will inform you of the date, time and location of the hearing as well
8 as the issues.

9 If you file an appeal, you may also request an "informal settlement conference"
10 pursuant to A.R.S. §41-1092.06 by filing a written request **no more than twenty (20) days**
11 **before the scheduled hearing.** The conference will be held within fifteen (15) days after our
12 receipt of your request. If an informal settlement conference is requested, a person with the
13 authority to act on behalf of the Department of Insurance will be present. Please note that you
14 waive any right to object to the participation of the Department's representative in the final
15 administrative decision of the matter if it is not settled.

16 Your notice of appeal and/or request for an informal settlement conference may be
17 addressed to the attention of:

18 Hearing Administration
19 Arizona Department of Insurance
20 Notice of Appeal
21 2910 North 44th Street, 2nd Floor
22 Phoenix, Arizona 85018-7256

23 COPY of the foregoing mailed/delivered
this 3rd day of September, 2010 to:

Thomas E. Haney, Esq.
101 N. First Avenue, Suite 2460
Phoenix, AZ 85003

1 Les Olson, CPA
East Arkansas Gem Life Insurance Company
2 1919 E. 20th, Suite C
Joplin, MO 64804

3
4 Danny Ford, President
Jeffrey Teague, Secretary/Treasurer
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6 Gerrie Marks, Deputy Director
7 Steve Ferguson, Assistant Director, Financial Affairs
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Curvey Walters Burton

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