STATE OF ARIZONA FILED

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DEPT OF HYSURANCE

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In the Matter of the Acquisition of Control of	)	. (
·	ý	Docket No. 12A-114-INS
Banner Medisun, Inc.	ý	
(NAIC No. 95982)	ý	
•	ý	ORDER APPROVING
	í	ACOLUSITION

Insurer,

By

Veritage, LLC,

Petitioner.

On July 23, 2012, Veritage, LLC ("Petitioner") submitted an application for the acquisition of control of Banner Medisun, Inc. ("Insurer") to the Arizona Department of Insurance (the "Department") for approval of Petitioner as the controlling person of the Insurer pursuant to the provisions of A.R.S. §20-1070.

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 finds as follows:

## **FINDINGS OF FACT**

- 1. The Insurer is a domestic health care services organization as referred to in A.R.S. §20-1051.
  - 2. The Petitioner filed a statement as referred to in A.R.S. §20-1070.

- 3. The Petitioner has demonstrated that Insurer will continue to maintain the requirements for a certificate of authority as required by A.R.S. §20-1070(D) subsequent to the change in control.
- 4. The Petitioner furnished completed fingerprint cards to the Department to enable the Department to determine if Petitioner's officers or directors have been charged with or convicted of a felony or misdemeanor other than minor traffic violations. The results of the analysis of the fingerprint cards submitted by the Petitioner's officers and directors have not been received by the Department. The Petitioner's officers and directors made representations material to the issuance of the Order in this matter that none of its officers or directors have been charged with or convicted of a felony or misdemeanor other than minor traffic violations.

## **CONCLUSIONS OF LAW**

- 1. The application established that none of the enumerated grounds set forth in A.R.S. §20-1070(D) exist so as to provide a basis for disapproval or rejection of Petitioner's acquisition of control of the Insurer.
- 2. Petitioner presented credible evidence for approval of its acquisition of control of the Insurer and the Petitioner to be a controlling person pursuant to the provisions of A.R.S. §20-1070.

## ORDER

THEREFORE, I, GERMAINE L. MARKS, Acting Director of Insurance of the State of Arizona, for the purpose of protecting and preserving the public health, safety and welfare, and by virtue of the authority vested in me by A.R.S. §§20-142 and 20-1070 hereby order that:

1. The acquisition of control of the Insurer by the Petitioner is approved, subject to the following express condition:

If the completed fingerprint cards furnished to the Department of Insurance reveal that Petitioner's officers or directors have been charged with or convicted of a felony or misdemeanor other than minor traffic violations, the individual(s) shall be removed as an officer and/or director of the Petitioner within 30 days after notice to Petitioner by the Department and shall be replaced with an officer or director acceptable to the Director. If Petitioner fails to take the prescribed action within 30 days, this failure will constitute an immediate danger to the public and the Director may immediately suspend or revoke Insurer's Certificate of Authority without further proceedings.

- 2. Subject to A.R.S. §20-481.21, all documents, materials and other information that is in the possession or control of the Department and that was obtained by or disclosed to the Director or any other person in the course of filing the application is confidential and privileged, is not subject to Title 39, Chapter 1, Article 2 and is not subject to subpoena.
- 3. The Petitioner shall advise the Director in writing of the effective date of the change of control.
- 4. The failure to adhere to one or more of the above terms and conditions shall result without further proceedings in the suspension or revocation of the Insurer's Certificate of Authority.

Effective this 5th day of September, 2012.

Hermaine L. Maules

GERMAINE L. MARKS

**Acting Director** 

1	COPY of the foregoing mailed/delivered this 5th day of september, 2012, to:
2	Gregory Y. Harris
3	Lewis and Roca LLP 40 North Central Avenue, 19 <sup>th</sup> Floor
4	Phoenix, Arizona 85004-4429
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