

JAN 07 2016

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

DEPT OF INSURANCE  
BY MS

1 In the Matter of the Acquisition of Control of )  
 2 )  
 3 **United Dental Care of Arizona, Inc.** )  
 4 **(NAIC No. 47708)** )  
 5 )  
 6 **Insurer,** )  
 7 )  
 8 **By** )  
 9 **Sun Life Financial Inc. and Sun Life Assurance** )  
 10 **Company of Canada,** )  
 11 **Petitioner.** )

Docket No. 16A-002-INS

**ORDER APPROVING  
ACQUISITION**

11 On October 7, 2015, Sun Life Financial Inc. and Sun Life Assurance Company of Canada  
 12 ("Petitioner") submitted an application for the acquisition of control of United Dental Care of  
 13 Arizona, Inc. ("Insurer") to the Arizona Department of Insurance (the "Department") for approval  
 14 of Petitioner as the controlling person of the Insurer pursuant to the provisions of A.R.S. §§20-  
 15 481 through 20-481.32 and A.A.C. R20-6-1402.

16 Based upon reliable evidence provided to the Director of Insurance ("Director") by the  
 17 Assistant Director of the Financial Affairs Division of the Department, the Director finds as  
 18 follows:

**FINDINGS OF FACT**

- 19
- 20 1. The Insurer is a domestic insurer as referred to in A.R.S. §20-481 and a prepaid  
 21 dental plan organization as referred to in A.R.S. §20-1001.
  - 22 2. The Petitioner filed a statement as referred to in A.R.S. §§20-481.02 and 20-  
 23 481.03, in the form required by A.A.C. R20-6-1402.
- 24

1           3.       The Insurer and its security holders waived the ten (10) day advance filing notice  
2 to be given as required by A.R.S. §20-481.07(D).

3           4.       No evidence has been produced that would indicate or form the basis for a  
4 finding that the Petitioner's acquisition of control of the Insurer:

- 5           a.       Is contrary to law;
- 6           b.       Is inequitable to the shareholders of any domestic insurer involved;
- 7           c.       Would substantially reduce the security of and service to be rendered to the  
8 policyholders of the domestic insurer in this State or elsewhere;
- 9           d.       After the change of control the domestic insurer, would not be able to satisfy the  
10 requirements for the reissuance of a Certificate of Authority to write the line or lines of  
11 insurance for which it is presently licensed;
- 12           e.       Would have the effect of substantially lessening competition in insurance in this  
13 state, or tend to create a monopoly;
- 14           f.       Might jeopardize the financial stability of the Insurer or prejudice the interest of its  
15 policyholders, based upon the financial condition of any acquiring party;
- 16           g.       Is unfair and unreasonable to policyholders of the Insurer and is not in the public  
17 interest, based upon the plans or proposals that the acquiring party has to liquidate the insurer,  
18 sell its assets or consolidate or merge it with any person, or to make any other material change  
19 in its business or corporate structure or management;
- 20           h.       Would not be in the public interest of policyholders of the Insurer and of the  
21 public to permit the merger or other acquisition of control based upon the competence,  
22 experience and integrity of those persons who would control the operation of the Insurer; or
- 23           i.       Would likely be hazardous or prejudicial to the insurance-buying public.



1 **ORDER**

2 THEREFORE, I, ANDREW M. TOBIN, Director of Insurance of the State of Arizona, for  
3 the purpose of protecting and preserving the public health, safety and welfare, and by virtue of  
4 the authority vested in me by A.R.S. §§20-142, 20-481 through 20-481.32, and A.A.C. R20-6-  
5 1402 hereby order that :

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

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

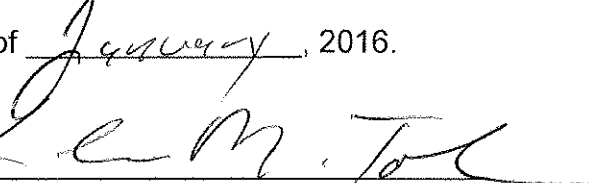
16 2. Subject to A.R.S. §20-481.21(A), all documents, materials and other information  
17 that is in the possession or control of the Department and that was obtained by or disclosed to  
18 the Director or any other person in the course of filing the application is confidential and  
19 privileged, is not subject to Title 39, Chapter 1, Article 2 and is not subject to subpoena.  
20

21 3. The Petitioner shall advise the Director in writing of the effective date of the  
22 change of control.  
23  
24

1           4.       Upon consummation of this acquisition, the Insurer shall file its registration  
2 statement in the form required by A.A.C. R20-6-1403(B) and within the time period prescribed  
3 by A.R.S. §20-481.13. If the registration statement would duplicate the information previously  
4 submitted by the Petitioner in the statement filed with the Department pursuant to A.R.S. §20-  
5 481.03 and there have been no material changes since the filing of that statement, then the  
6 Insurer shall submit a statement to that effect incorporating by reference the statement  
7 previously filed with the Department in lieu of the registration statement;

8           5.       The failure to adhere to one or more of the above terms and conditions shall  
9 result without further proceedings in the suspension or revocation of the Insurer's Certificate of  
10 Authority.

11           Effective this 6 day of January, 2016.

12   
13 \_\_\_\_\_  
14 **ANDREW M. TOBIN**  
**Director of Insurance**

15 COPY of the foregoing mailed/delivered  
16 this 17th day of January, 2016, to:

17 Nicholas F. Potter  
18 Debevoise & Plimpton LLP  
919 Third Avenue  
New York, New York 10022

19 Darren Ellingson, Deputy Director of Insurance  
20 Mary Kosinski, Executive Assistant for Regulatory Affairs  
Consumer Affairs Division, Assistant Director  
21 Kurt A. Regner, CFE, Assistant Director  
Catherine O'Neil, Consumer Legal Affairs Officer  
22 Arizona Department of Insurance  
2910 N. 44<sup>th</sup> Street, Suite 210  
Phoenix, Arizona 85018

23 \_\_\_\_\_  
24 *Maidene Schenier*