

NOV 19 1996

DEPT. OF INSURANCE
BY SR

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

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In the Matter of the Withdrawal of:)	Docket No. 96A-165-INS
)	
BLACK BUTTE LIFE INSURANCE)	ORDER
COMPANY (NAIC No. 98310),)	
)	
Petitioner.)	
)	
)	

On November 13, 1996, the Office of Administrative Hearings, through Administrative Law Judge Lewis D. Kowal, submitted "Recommended Decision of Administrative Law Judge ("Recommended Decision"), a copy of which is attached and incorporated by this reference. The Director of the Arizona 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 \$110,000.00 and that the statutory deposit will be released to the Petitioner after the Department has received the following: (a) a copy of Petitioner's Articles of Dissolution certified as filed by the Arizona Corporation Commission; and (b) a fully executed Form E126 (Notice of Trust Deposit Release). The

1 statutory deposit will not be released until the Department receives a fully executed copy of the official
2 State Treasurer Release Receipt.

3 4. The sum of \$100.00 previously credited to the Insurance Examiners' Revolving
4 Fund will be refunded to the Petitioner, pursuant to A.R.S. § 20-159.


5 5. The Petitioner will file its 1996 Annual Statement with the Department, together
6 with all applicable fees, unless Petitioner files its Article of Dissolution with the Arizona Corporation
7 Commission on or before December 31, 1996.

8 NOTIFICATION OF RIGHTS

9 The aggrieved party may request a rehearing with respect to this Order by filing a written
10 petition with the Office of Administrative Hearings within 30 days of the date of this Order, setting forth
11 the basis for such relief pursuant to A.A.C. R20-6-114(B).

12 The final decision of the Director may be appealed to the Superior Court of Maricopa
13 County for judicial review pursuant to A.R.S. § 20-166.

14 EFFECTIVE this 18th day of November, 1996

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16 
17 John King
18 Director of Insurance

18 ...
19 ...
20 ...
21 ...
22 ...
23 ...

1 A copy of the foregoing mailed
this 19th day of November, 1996

2 Charles R. Cohen, Deputy Director
3 Gregory Y. Harris, Executive Assistant Director
Mary Butterfield, Assistant Director
4 Catherine O'Neil, Assistant Director
Deloris Williamson, Assistant Director
5 Gary Torticill, Assistant Director
Scott Greenberg, Business Administrator
6 Rose McNabb, Solvency Support Unit Supervisor
Kurt Regner, Examiner
7 Arizona Department of Insurance
2910 North 44th Street, Suite 210
8 Phoenix, AZ 85018

9 Office of Administrative Hearings
1700 West Washington, Suite 602
10 Phoenix, AZ 85007

11 Maxine Penny
J. Huell Briscoe & Associates, Inc.
12 4700 East Thomas Road, Suite 204
Phoenix, AZ 85018

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14 Rosemary D. Padilla
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1 **IN THE OFFICE OF ADMINISTRATIVE HEARINGS**

2

3 In the Matter of the Withdrawal of

No. 96A-165-INS

4 **BLACK BUTTE LIFE INSURANCE**
5 **COMPANY (NAIC No. 98310),**

RECOMMENDED DECISION
OF ADMINISTRATIVE
LAW JUDGE

6 Petitioner.

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10 **HEARING:** November 6, 1996

11 **APPEARANCES:** Frederick C. Berry, Jr. , Esq. for the Petitioner and Kurt
12 Regner for the Arizona Department of Insurance.

13 **ADMINISTRATIVE LAW JUDGE:** Lewis D. Kowal

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16 On November 6, 1996, a hearing took place to consider the application of Black
17 Butte Life Insurance Company (the "Petitioner"), that was filed with the Arizona
18 Department of Insurance (the "Department") to withdraw from the insurance business
19 and for the release of its statutory deposit pursuant to A.R.S. §20-588 and A.A.C. R20-
20 6-303.

21 Based upon the entire record in this matter, the following Recommended
22 Findings of Fact, Conclusions of Law and Recommended Order are made:

23 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

- 24 1. The Petitioner has surrendered its Certificate of Authority to the
25 Department.
- 26 2. The Petitioner has filed with the Department certified copies of Resolutions
27 of the Petitioner's Board of Directors and of the Petitioner's shareholder(s) authorizing
28 Petitioner to withdraw from the insurance business by dissolution.
- 29 3. The Petitioner has no insurance obligations owing to it, whether by policies
30 written direct or by reinsurance ceded to it.

Office of Administrative Hearings
1700 West Washington, Suite 602
Phoenix, Arizona 85007
(602) 542-9826

1 4. The Petitioner has filed its certified financial statement as of July 31, 1996
2 with the Department.

3 5. At least 10 business days before the hearing of this matter, Petitioner gave
4 special notice to creditors and policyholders of the Petitioner, setting forth the date,
5 place, nature and purpose of the hearing, as evidenced by an affidavit of publication.
6 Petitioner also provided individual notice by mail to its known creditors, as evidenced by
7 an affidavit.

8 6. The Petitioner has a \$110,000.00 statutory deposit with the Department
9 and a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").

10 7. The Petitioner has complied with the provisions of A.R.S. §20-588 and with
11 A.A.C. R20-6-303, relating to the release of its \$110,000.00 statutory deposit.

12 **RECOMMENDED ORDER**

13 The undersigned Administrative Law Judge recommends that:

14 1. The Petitioner may file its Articles of Dissolution with the Arizona
15 Corporation Commission.

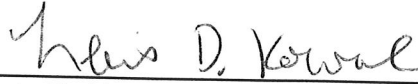
16 2. The Petitioner is entitled to the release of its statutory deposit in the sum of
17 \$110,000.00 and that the statutory deposit shall be released to the Petitioner
18 after the Department has received the following: (a) a copy of Petitioner's Articles of
19 Dissolution certified as filed by the Arizona Corporation Commission; and (b) a fully
20 executed Form E126 (Notice of Trust Deposit Release). The statutory deposit cannot
21 be released until the Department receives a fully executed copy of the official State
22 Treasurer Release Receipt.

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

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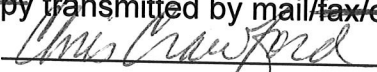
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2 4. The Petitioner file its 1996 Annual Statement with the Department, together
3 with all applicable fees, unless Petitioner files its Article of Dissolution with the Arizona
4 Corporation Commission on or before December 31, 1996.

5 Done this day, November 13, 1996.

6
7 

8 _____
9 Lewis D. Kowal
10 Administrative Law Judge

11 *Original*

12 ~~Copy transmitted by mail/fax/certified~~
13 by  ; to:

14 John King
15 Director
16 ATTN: Curvey Burton
17 Department of Insurance
18 2910 North 44th Street, #210
19 Phoenix, AZ 85018-7256
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