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DEPT. OF INSURANCE  
BY Kath

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

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In the Matter of the Withdrawal of: )  
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BANKERS EXCHANGE LIFE )  
INSURANCE COMPANY (NAIC No. 88846), )  
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Petitioner. )  
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Docket No. 96A-172-INS

**ORDER**

On December 5, 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 \$125,000.00 and that the statutory deposit will be released to the Petitioner after the Department has received the following: (a) payment of \$75.00 to the Insurance Examiners' Revolving Fund ("IERF"); (b) a copy of Petitioner's Articles of Dissolution certified as filed by the Arizona Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit Release). The statutory

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

3 4. The sum of \$100.00 previously credited to the IERF will be refunded to the  
4 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 Articles 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 10<sup>th</sup> day of December, 1996

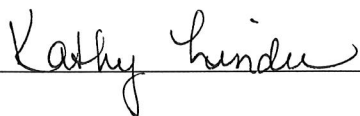
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20 John King  
21 Director of Insurance  
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1 A copy of the foregoing mailed  
this 10<sup>th</sup> day of December, 1996

2 Charles R. Cohen, Deputy Director  
3 Gregory Y. Harris, Executive Assistant Director  
Mary Butterfield, Assistant Director  
4 Catherine O'Neil, Assistant Director  
Gary Torticill, Assistant Director  
5 Deloris Williamson, 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 Kevin G. Hunter  
Lewis and Roca, LLP  
12 40 North Central Avenue  
Phoenix, AZ 85004-4429

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**IN THE OFFICE OF ADMINISTRATIVE HEARINGS**

In the Matter of the Withdrawal of

No. 96A-172-INS

**BANKERS EXCHANGE LIFE  
INSURANCE COMPANY** (NAIC No.  
88846),

**RECOMMENDED DECISION  
OF ADMINISTRATIVE  
LAW JUDGE**

Petitioner.

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**HEARING:** November 25, 1996

**APPEARANCES:** Kevin Hunter, Esq. for the Petitioner and Kurt Regner for the  
Arizona Department of Insurance:

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

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On November 25, 1996, a hearing took place to consider the application of Bankers Exchange Life Insurance Company (the "Petitioner"), that was filed with the Arizona Department of Insurance (the "Department") to withdraw from the insurance business and for the release of its statutory deposit pursuant to A.R.S. §20-588 and A.A.C. R20-6-303.

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

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

1. The Petitioner has surrendered its Certificate of Authority to the Department.
2. The Petitioner has filed with the Department certified copies of Resolutions of the Petitioner's Board of Directors and of the Petitioner's shareholder(s) authorizing Petitioner to withdraw from the insurance business by dissolution.

...

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

1           3.    The Petitioner has no insurance obligations owing to it, whether by policies  
2 written direct or by reinsurance ceded to it.

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

5           5.    At least 10 business days before the hearing of this matter, Petitioner gave  
6 special notice to creditors and policyholders of the Petitioner, setting forth the date,  
7 place, nature and purpose of the hearing, as evidenced by an affidavit of publication.  
8 Petitioner also certified that it has no creditors in the State of Arizona and has no  
9 remaining obligations or liabilities in the State of Arizona.

10          6.    The Petitioner has a \$125,000.00 statutory deposit with the Department  
11 and a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").

12          7.    The Petitioner has complied with the provisions of A.R.S. §20-588 and with  
13 A.A.C. R20-6-303, relating to the release of its \$125,000.00 statutory deposit.

14          8.    Petitioner currently owes \$75.00 to the IERF.

15   **RECOMMENDED ORDER**

16          The undersigned Administrative Law Judge recommends that:

17          1.    The Petitioner may file its Articles of Dissolution with the Arizona  
18 Corporation Commission.

19          2.    The Petitioner is entitled to the release of its statutory deposit in the sum of  
20 \$125,000.00 and that the statutory deposit shall be released to the Petitioner  
21 after the Department has received the following: (a) payment of \$75.00 to the IERF; (b)  
22 a copy of Petitioner's Articles of Dissolution certified as filed by the Arizona Corporation  
23 Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit Release).  
24 The statutory deposit cannot be released until the Department receives a fully executed  
25 copy of the official State Treasurer Release Receipt.

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

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