

FEB 7 1997

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE
BY CWB

In the Matter of:)	Docket Number 97A-019
)	
FIRST NATIONAL LIFE INSURANCE COMPANY)	
)	SUSPENSION ORDER
NAIC No. 63517)	
)	

Upon information obtained by the Assistant Director of Corporate and Financial Affairs Division of the Arizona Department of Insurance, the Director of Insurance makes the following findings of fact and conclusions of law and issues the following order:

1. First National Life Insurance Company ("Respondent") is domiciled in Alabama and presently holds a certificate of authority issued by the Arizona Department of Insurance to transact life and disability insurance business.
2. On January 3, 1997, Respondent consented to a "Final Order of Rehabilitation, Permanent Injunction, Appointment of Receiver and Other Relief" in the Circuit Court of Montgomery County, Alabama.
3. Respondent no longer meets the requirements for the authority originally granted, within the meaning of A.R.S. § 20-219(2).
4. Respondent's assets are not of sufficient fair market value, liquidity, and diversity to assure its ability to meet its outstanding obligations as they mature, within the meaning of A.A.C. R20-6-308(A)(5).
5. Respondent is experiencing cash flow or liquidity problems, within the meaning of A.A.C. R20-6-308(A)(18).

1 6. Respondent is in an unsound condition or in such condition as to render its further transaction of
2 insurance in this state hazardous to the policyholders or to the people of this state within the meaning
3 of A.R.S. § 20-220(A)(3) and A.A.C. R20-6-308.

4 7. The public health, safety and welfare imperatively require emergency action, within the meaning
5 of A.R.S. § 41-1064(C).

6 IT IS HEREBY ORDERED that Respondent's certificate of authority to transact insurance in
7 Arizona is suspended effective this date.

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9 DATED this 7th day of February, 1997.

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13 JOHN A. GREENE
14 Director of Insurance
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NOTICE

The determination set forth in this order is an “appealable agency action” pursuant to A.R.S. § 41-1092. Consequently, you have the right to obtain a hearing on this determination by filing a Notice of Appeal within thirty (30) days after your receipt of this order. If your Notice of Appeal is received after that thirty (30) day period, it will not be accepted without a demonstration of good cause for the late filing. The Notice of Appeal must identify the party appealing, the party’s address, the determination being appealed, and must contain a concise statement of the reasons for the appeal. Your hearing will be held within sixty (60) days after your Notice of Appeal is filed, unless the hearing is advanced or delayed by agreement or a showing of good cause by any party. The Department of Insurance will serve a Notice of Hearing at least thirty (30) days before the hearing, which will inform you of the date, time and location of the hearing as well as the issues in controversy.

If you file a Notice of Appeal, you may also request an Informal Settlement Conference by filing a written request no later than twenty (20) days before the scheduled hearing. The conference will be held within fifteen (15) days after receipt of your request. If an Informal Settlement Conference is requested, a person with the authority to act on behalf of the Department of Insurance will be present. Please note that you waive any right to object to the participation of the Department’s representative in the final administrative decision of the matter if it is not settled.

The Notice of Appeal and request for an Informal Settlement Conference described above may be addressed to:

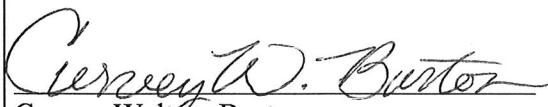
Deputy Director
Arizona Department of Insurance
2910 North 44th Street, Suite 210
Phoenix, Arizona 85018
Attn.: Hearing Administration

1 COPY of the foregoing mailed/delivered
2 this 7th day of February, 1997, to:

3 Reyn Norman
4 Acting Receiver
5 c/o First National Life Insurance Company In Receivership
6 7 Clayton Street
7 Montgomery, Alabama 36104-4089

8 Michael DeBellis
9 Commissioner of Insurance
10 Alabama Department of Insurance
11 P.O. Box 303351
12 Montgomery, Alabama 36130-3351

13 Charles R. Cohen, Deputy Director
14 Gary Torticill, Assistant Director / Chief Examiner
15 Catherine O'Neil, Assistant Director
16 Erin Klug, Market Conduct Examinations Chief Examiner
17 Deloris Williamson, Assistant Director
18 Sara Begley, Deputy Receiver
19 Scott Greenberg, Business Administrator
20 2910 North 44th Street, Suite 210
21 Phoenix, Arizona 85018

22 
23 Curvey Walters Burton