

MAR 31 1997

DEPT. OF INSURANCE
BY Katly

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

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In the Matter of the Withdrawal of:)	Docket No. 97A-041-INS
)	
BAYBANKS LIFE INSURANCE COMPANY)	ORDER
(NAIC No. 71765),)	
)	
Petitioner.)	
_____)	

On March 31, 1997, 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 \$100,000.00 and that the statutory deposit will be released to the Petitioner after the Department has received the following: (a) payment of \$323.84 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.


7 6. The Petitioner will file its 1997 Annual Statement with the Department, together
8 with all applicable fees unless Petitioner files its Articles of Dissolution with the Arizona Corporation
9 Commission on or before December 31, 1997.

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11 NOTIFICATION OF RIGHTS

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

15 The final decision of the Director may be appealed to the Superior Court of Maricopa
16 County for judicial review pursuant to A.R.S. § 20-166. A party filing an appeal must notify the Office of
17 Administrative Hearings of the appeal within ten days after filing the complaint commencing the appeal,
18 pursuant to A.R.S. §41-1092.10.

19 DATED this 31 day of March, 1997

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22 
23 John A. Greene
Director of Insurance

1 A copy of the foregoing mailed
this 31 day of March, 1997

2 Charles R. Cohen, Deputy Director
3 Mary Butterfield, Assistant Director
4 Catherine O'Neil, Assistant Director
5 Gary Torticill, Assistant Director
6 Kurt Regner, Examiner
7 Deloris Williamson, Assistant Director
8 Scott Greenberg, Business Administrator
9 Department of Insurance
10 2910 N. 44th Street, Suite 210
11 Phoenix, AZ 85018

12 Office of Administrative Hearings
13 1700 W. Washington, Suite 602
14 Phoenix, AZ 85007

15 Thomas E. Haney
16 1421 E. Thomas Road
17 Phoenix, AZ 85014

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IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of the Withdrawal of

No. 97A-041-INS

**BAYBANKS LIFE INSURANCE
COMPANY (NAIC No. 71765),**

**RECOMMENDED DECISION
OF ADMINISTRATIVE
LAW JUDGE**

Petitioner.

HEARING: March 31, 1997

APPEARANCES: Thomas E. Haney, Esq. on behalf of the Petitioner and Kurt
Regner on behalf of the Arizona Department of Insurance.

ADMINISTRATIVE LAW JUDGE: Lewis D. Kowal

Based upon the entire record in this matter, the following Recommended
Findings of Fact, Conclusions of Law and Proposed 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.
3. The Petitioner has no insurance obligations owing to it, whether by policies written direct or by reinsurance ceded to it.
4. The Petitioner has filed its certified financial statement as of January 31, 1997, with the Department.

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

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

6 6. The Petitioner has a \$100,000.00 statutory deposit with the Department
7 and a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").

8 7. The Petitioner has complied with the provisions of A.R.S. §20-588 and with
9 A.A.C. R20-6-303, relating to the release of its \$100,000.00 statutory deposit.

10 8. Petitioner currently owes \$323.84 to the IERF.

11 **RECOMMENDED ORDER**

12 The undersigned Administrative Law Judge recommends that:

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

15 2. The Petitioner is entitled to the release of its statutory deposit in the sum of
16 \$100,000.00 and that the statutory deposit shall be released to the Petitioner
17 after the Department has received the following: (a) payment of \$323.84 to the IERF;
18 (b) a copy of Petitioner's Articles of Dissolution certified as filed by the Arizona
19 Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit
20 Release). The statutory deposit cannot be released until the Department receives a
21 fully executed copy of the official State Treasurer Release Receipt.

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

24 4. The Petitioner file its 1996 Annual Statement with the Department, together
25 with all applicable fees.

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1 5. The Petitioner shall file its 1997 Annual Statement with the Department,
2 together with all applicable fees unless Petitioner files its Articles of Dissolution with the
3 Arizona Corporation Commission on or before December 31, 1997.

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5 Done this day, March 31, 1997.

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10 *Lewis D. Kowal*

11 _____
12 LEWIS D. KOWAL
13 Administrative Law Judge

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15
16 Original transmitted by mail this
17 31 day of March, 1997, to:

18 John A. Greene
19 Director
20 ATTN: Curvey Burton
21 Department of Insurance
22 2910 North 44th Street, #210
23 Phoenix, AZ 85018-7256

24 By *Chris Crawford Thomison*