## STATE OF ARIZONA

SEP 9 1998

DEPARTMENT OF INSURANCE

DEPT.	OF INSURANCE
BY	OF INSURANCE

In the Matter of:

Docket No. 98A-129-INS

STATESMAN NATIONAL LIFE

INSURANCE COMPANY,

NAIC No. 69183

Respondent.

Respondent.

Upon information obtained by the Assistant Director of the Corporate and Financial Affairs

Division of the Arizona Department of Insurance, the Director of Insurance makes the following

findings of fact, conclusions of law and issues the following order:

- 1. Statesman National Life Insurance Company ("Respondent") is domiciled in Texas and presently holds a certificate of authority issued by the Arizona Department of Insurance to transact life and disability insurance business.
- 2. Respondent's Quarterly Financial Statement as of March 31, 1998, filed with the Department, reflects that Respondent's liabilities and required reserves together with its total issued and outstanding capital stock exceed its assets by \$1,349,047.00. Respondent is therefore "insolvent" within the meaning of A.R.S. §20-611(7).
- 3. Pursuant to A.R.S. §20-210, Respondent is required to maintain surplus in the amount of \$100,000.00. Therefore, Respondent's total statutory deficiency is \$1,449,047.00.
- 4. Respondent no longer meets the requirements of the authority originally granted, on account of deficiency of assets, within the meaning of A.R.S. §20-219(2).

1	
2	
3	
4	

- 5. Respondent is in an unsound condition or in such condition as to render its further transaction of insurance in this state hazardous within the meaning of A.R.S. §20-220(A)(3) and A.A.C. R 20-6-308(A)(1).
- 6. The public health, safety, and welfare imperatively require emergency action, within the meaning of A.R.S. §41-1092.11(B).

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

DATED this \_\_\_\_\_ day of September, 1998.

JOHN A. GREENE

## **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.

1	If you file a Notice of Appeal, you may also request an Informal Settlement Conference by filing
2	a written request no later than twenty (20) days before the scheduled hearing. The conference will be
3	held within fifteen (15) days of your request. If an Informal Settlement Conference is requested, a
4	person with authority to act on behalf of the Department of Insurance will be present. Please note that
5	you waive any right to object to the participation of the Department's representative in the final
6	administrative decision of the matter if it is not settled.
7	The Notice of Appeal and request for Informal Settlement Conference described above may be
8	addressed to:
9	Deputy Director
10	Arizona Department of Insurance 2910 North 44th Street, Suite 210 Phoenix, Arizona 85018
11	ATTN: Hearing Administration
12	
13	COPY of the foregoing mailed/delivered
14	this day of September, 1998, to:
15	Eugene L. Ligon President
16	Statesman National Life Insurance Company 3815 Montrose Boulevard
17	Houston, TX 77006
18	Larry J. White Statesman National Life Insurance Company
19	3815 Montrose Boulevard Houston, TX 77006
20	
21	Charles R. Cohen, Deputy Director Sara M. Begley, Deputy Receiver
22	Gary A. Torticill, Assistant Director  Deloris E. Williamson, Assistant Director
23	Erin Haney-Klug, Market Conduct Chief Examiner

1	Scott B. Greenberg, Business Administrator
2	Catherine M. O'Neil, Consumer Services Legal Officer Jeffrey Solem, Chief Analyst
3	Arizona Department of Insurance 2910 North 44th Street, Suite 210  Phoenix A 7, 85018
4	Phoenix, AZ 85018
5	Curvey Walters Burton
6	Curvey Walters Burton
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	