



DEPARTMENT OF INSURANCE
STATE OF ARIZONA
Financial Affairs Division
2910 North 44th Street, Suite 210
Phoenix, Arizona 85018-7269
Phone: (602) 364-3999
Fax: (602) 364-3989

**INSTRUCTIONS FOR THE COMPLETION OF THE FORM A STATEMENT
REGARDING THE ACQUISITION OF CONTROL OF,
OR MERGER WITH, A DOMESTIC INSURER**

This Form "A" outline is provided for informational purposes only and is not intended to be an exhaustive description of all information required by A.R.S. § 20-481.03. Refer to the appropriate statutes for complete details.

The Director may request additional information in order to confirm compliance with A.R.S. § 20-481.03 and A.R.S. § 20-481.07.

Form A statements regarding the acquisition of control of, or merger with, a domestic insurer should be prepared with a proper title page. TITLE PAGE:

FORM A

**STATEMENT REGARDING THE ACQUISITION OF
CONTROL OF OR MERGER WITH A DOMESTIC INSURER**

[Name of Domestic Insurer]

[NAIC No.]

By

[Name of Acquiring Person (Applicant)]

[NAIC No. or Federal I.D. No.]

Filed with the Arizona Department of Insurance

DATED:

Name, title, address and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:

**INSTRUCTIONS FOR THE COMPLETION OF THE FORM A STATEMENT REGARDING
THE ACQUISITION OF CONTROL OF, OR MERGER WITH, A DOMESTIC INSURER**

ITEM 1 INSURER AND METHOD OF ACQUISITION

State the name and address of the domestic insurer to which this application relates and a brief description of how control is to be acquired. State the federal identification number and the NAIC number of the domestic insurer.

ITEM 2 IDENTITY AND BACKGROUND OF THE APPLICANT

- a. State the name and address of the applicant seeking to acquire control over the insurer.
- b. If the applicant is not an individual, state the nature of its business operations for the past five years or for such lesser period as such person and any predecessors thereof shall have been in existence. Briefly describe the business intended to be done by the applicant and the applicant's subsidiaries.
- c. Furnish a chart or listing clearly presenting the identities of the inter-relationships among the applicant and all affiliates of the applicant, including NAIC numbers for all insurers. No affiliate need be identified if its total assets are equal to or less than 1/2 of 1% of the total assets the ultimate controlling person affiliated with the applicant. Indicate in such chart or listing the percentage of voting securities of each such person which is owned or controlled by the applicant or by any such person. If control of any person is maintained other than by the ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing indicate the type of organization (e.g. corporation, trust, partnership) and the state or other jurisdiction of domicile. If court proceedings involving a reorganization or liquidation are pending with respect to any such person, indicate which person, and set forth the title of the court, nature of proceedings and the date when commenced. .

ITEM 3 IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANT

The applicant if (s)he is an individual, or all persons who are directors, executive officers or owners of 10% or more of the voting securities of the applicant if the applicant is not an individual shall provide the following information in affidavit form (NAIC Form 11):

1.
 - a. Affiant's full name, other names used at any other time, home and business addresses and telephone numbers, social security number, date and place of birth, and residences for the last ten years;
 - b. Affiant's education, including dates, names of institutions, locations and degrees awarded;
 - c. Affiant's membership in professional societies and associations;
 - d. Affiant's employment history for the past twenty years, including positions held, dates, employers, names and mailing addresses;
 - e. Whether Affiant has ever been in a position which imposed a fidelity bond, and if so, name of the insuring company and/or place of employment, whether any claims were made on the bond, and whether Affiant has ever been denied a fidelity bond or had a bond canceled or revoked;
 - f. Any professional, occupational or vocational licenses issued to Affiant by any public or governmental licensing agent or regulatory authority presently held or held in the past, including dates licenses issued, issuer of license, date of termination and reasons for termination, and whether any such license has ever been refused, suspended or revoked;
 - g. Whether Affiant controls directly or indirectly or owns legally or beneficially one percent or more of the outstanding stock of any insurer, and if so, name and type of insurer, percent of ownership, how insurer is controlled, and details related to any pledging of the stock, with or without title transfer;
 - h. Whether members of Affiant's immediate family subscribe or own, beneficially or of record, shares of stock of the applicant organization or its affiliates and whether any of the shares are pledged or hypothecated in any way;
 - i. Whether Affiant has been adjudged or designated a bankrupt or a debtor under the United States Bankruptcy Code, Title 11 of the United States Code;
 - j. Whether Affiant has been convicted, served with a criminal summons, questioned, arrested, taken into custody, indicted, charged with, tried for or ever been the subject of an investigation concerning the violation of any law, including convictions or judgments that have been expunged, set aside,

**INSTRUCTIONS FOR THE COMPLETION OF THE FORM A STATEMENT REGARDING
THE ACQUISITION OF CONTROL OF, OR MERGER WITH, A DOMESTIC INSURER**

- reversed or dismissed, excluding only traffic violations which resulted in a penalty not exceeding \$200 and those incidents which occurred prior to the individual's 18th birthday;
- k. Whether Affiant has ever been the subject of disciplinary proceedings before any federal or state regulatory authority;
 - l. Whether Affiant has ever been a management consultant, administrator, officer, director, trustee, investment committee member, key employee or controlling stockholder of any company or company affiliate which became insolvent or was placed under supervision or in receivership, rehabilitation, liquidation or conservatorship or had its certificate of authority suspended or revoked while you occupied such position.
2. Such persons shall also submit fingerprints and the fingerprint processing fee in accordance with A.R.S. § 20-481.03(B). **USE ONLY BLUE AND WHITE F.B.I. FINGERPRINT CARDS.**

ITEM 4 NATURE, SOURCE AND AMOUNT OF CONSIDERATION

- a. Describe the nature, source and amount of funds or other considerations used or to be used in effecting the merger or other acquisition of control. If any part of the same is represented or is to be represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding or trading securities, furnish a description of the transaction, the names of the parties thereto, the relationship, if any, between the borrower and the lender, the amounts borrowed or to be borrowed, and copies of all agreements, promissory notes and security arrangements relating thereto.
- b. Explain the criteria used in determining the nature and amount of such consideration.
- c. If the source of the consideration is a loan made in the lender's ordinary course of business and if the applicant wishes the identity of the lender to remain confidential, he must specifically request that the identity be kept confidential.

ITEM 5 FUTURE PLANS OF INSURER

Describe any plans or proposals which the applicant may have to declare an extraordinary dividend, to liquidate such insurer, to sell its assets to or merge it with any person or persons or to make any other material change in its business operations or corporate structure or management.

ITEM 6 VOTING SECURITIES TO BE ACQUIRED

State the number of shares of the insurer's voting securities which the applicant, its affiliates and any person listed in Item 3 plan to acquire, and the terms of the offer, request, invitation, agreement or acquisition, and a statement as to the method by which the fairness of the proposal was arrived at.

ITEM 7 OWNERSHIP OF VOTING SECURITIES

State the amount of each class of any voting security of the insurer which is beneficially owned or concerning which there is a right to acquire beneficial ownership by the applicant, its affiliates or any person listed in Item 3.

ITEM 8 CONTRACTS, ARRANGEMENTS, OR UNDERSTANDINGS WITH RESPECT TO VOTING SECURITIES OF THE INSURER

Give a full description of any contracts, arrangements or understandings with respect to any voting security of the insurer in which the applicant, its affiliates or any person listed in Item 3 is involved, including but not limited to transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or withholding of proxies. Such description shall identify the persons with whom such contracts, arrangements or understandings have been entered into.

ITEM 9 RECENT PURCHASES OF VOTING SECURITIES

Describe any purchases of any voting securities of the insurer by the applicant, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement. Include in such description the dates of purchase, the names of the purchasers, and the consideration paid or agreed to be paid therefore. State whether any such shares so purchased are hypothecated.

ITEM 10 RECENT RECOMMENDATIONS TO PURCHASE

INSTRUCTIONS FOR THE COMPLETION OF THE FORM A STATEMENT REGARDING THE ACQUISITION OF CONTROL OF, OR MERGER WITH, A DOMESTIC INSURER

Describe any recommendations to purchase any voting security of the insurer made by the applicant, its affiliates or any person listed in Item 3, or by anyone based upon interviews or at the suggestion of the applicant, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement.

ITEM 11 TENDER OFFERS AND SOLICITATION MATERIAL

Copies of all tender offers for, requests of invitations for tenders of, exchange offers for and agreements to acquire or exchange any voting securities of the insurer, and (if distributed) copies of additional soliciting materials relating thereto, shall be filed as exhibits.

ITEM 12 AGREEMENTS WITH BROKER-DEALERS

Describe the terms of any agreement, contract or understanding made with any broker-dealer as to solicitation of voting securities of the insurer for tender and the amount of any fees, commissions or other compensation to be paid to broker-dealers with regard thereto.

ITEM 13 FINANCIAL STATEMENTS AND EXHIBITS

- a. Financial statements and exhibits shall be attached to this statement as an appendix, but list under this item the financial statements and exhibits so attached.
- b. The financial statements shall include the annual financial statements of the persons identified in Item 2 (c) for the preceding five fiscal years (or for such lesser period as such applicant and its affiliates and any predecessors thereof shall have been in existence), and similar information covering the period from the end of such person's last fiscal year, if such information is available. Such statements may be prepared on either an individual basis, or, unless the Director otherwise requires, on a consolidated basis if such consolidated statements are prepared in the usual course of business.

The annual financial statements of the applicant shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the financial position of the applicant and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the applicant is an insurer which is actively engaged in the business of insurance, the financial statements need not be certified, provided they are based on the Annual Statement of such person filed with the insurance department of the person's domiciliary state and are in accordance with the requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of such state.

If the applicant is an individual and annual financial statements have not been prepared for the preceding years, the financial statements for years other than the two most recent years may consist of true and correct copies of the applicant's federal income tax returns which have been signed by the applicant(s) and filed with the Internal Revenue Service.

- c. File as exhibits copies of all tender offers for, requests or invitations for, tenders of, exchange offers for, and agreements to acquire or exchange any voting securities of the insurer and (if distributed) of additional soliciting material relating thereto, any proposed employment, consultation, advisory or management contracts concerning the insurer, annual reports to the stockholders of the insurer and the applicant for the last two fiscal years, and any additional documents or papers required by Form A.

ITEM 14 FINGERPRINTS

Submit fingerprints of any individual named in such statement as an acquiring party or as directors or executive officers of an acquiring party. Fingerprints are also required of all proposed principals, officers, directors, key personnel and shareholders owning directly or indirectly ten percent (10%) or more of the issued and outstanding shares of the domestic insurer. **USE ONLY BLUE AND WHITE F.B.I. FINGERPRINT CARDS.**

**INSTRUCTIONS FOR THE COMPLETION OF THE FORM A STATEMENT REGARDING
THE ACQUISITION OF CONTROL OF, OR MERGER WITH, A DOMESTIC INSURER**

ITEM 15 SIGNATURE AND CERTIFICATION

Signature and Certification required as follows:

SIGNATURE

Pursuant to the requirements of A.R.S. § 20-481.02 _____ has caused this application to be
duly signed on its behalf in the City of _____ and State of _____
on the _____ day of _____, _____.

(SEAL)

(Name of Applicant)

BY _____
(Name)

(Title)

Attest:

(Signature of Officer)

(Title)

CERTIFICATION

The undersigned deposes and says that (s)he has duly executed the attached application dated

_____, _____, for and on the behalf

of _____; that (s)he is the _____
(Name of Applicant) (Title of Officer)

of such company and that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

(Signature)

(Type or Print Name Beneath)