

1 CERTIFIED MAILED
2 RETURN RECEIPT REQUESTED

3
4 STATE OF ALASKA
5 DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
6 DIVISION OF INSURANCE
7 P.O. BOX 110805
8 JUNEAU, AK 99811-0805

9 Order No. SR 97-02(c)) Order under the Provisions
10 In the Matter of) Of AS 21.09.150(c) Continuing
11 LIFE INSURANCE COMPANY OF) Suspension of Certificate of
12 ALASKA) Authority No D-0422
13 NAIC NO. 65420)
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23 **WHEREAS**, the director has filed with the Superior Court
24 for the State of Alaska, Third Judicial District at Anchorage,
25 an Application for Appointment of Receiver in Liquidation and
26 Order of Liquidation; and

WHEREAS, within the above filing there are listed
numerous instances of noncompliance with Alaska Statute 21
including, but not limited to, failure to file required annual
and quarterly financial statements, to pay required fees and
to pay a policyholder judgement against it for extra
contractual damages; and

WHEREAS, since the above filing there is no evidence of a
resolution of these instances on non compliance with AS 21;
and

WHEREAS, Life Insurance Company of Alaska has filed for
protection under the federal bankruptcy laws in the United
States Bankruptcy Court, District of Connecticut, in the case
entitled: In Re: Life Insurance Company of Alaska (Case No.
96-50067) which it voluntarily dismissed; and

WHEREAS, the court filings in the above case reflected
that Life Insurance Company of Alaska is insolvent; and

WHEREAS, there is no evidence of a termination of this
insolvent status; and

STATE OF ALASKA
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
3601 C STREET, SUITE 1324
ANCHORAGE, ALASKA 99503-5948
PHONE (907) 269-7900
FAX (907) 269-7910
TDD (907) 465-5437

1 **WHEREAS**, the assets and liabilities of **Life Insurance**
2 **Company of Alaska** indicated in court filings in the above
3 cases include assets and liabilities acquired and incurred by
4 **Life Insurance Company of Alaska** during its business
5 activities in Alaska; and

6 **WHEREAS**, AS 21.09.150(c) provides: "The director may,
7 without advance notice or a hearing, immediately suspend the
8 certificate of authority of an insurer against which
9 proceedings for receivership, conservatorship, rehabilitation,
10 or other delinquency proceedings, have been commenced in any
11 state."; and

12 **WHEREAS**, the Certificate of Authority for Life Insurance
13 Company of Alaska was suspended effective January 25, 1997,
14 and that suspension has been continued to the present; and

15 **WHEREAS**, AS 21.09.170(c) provides: "Upon expiration of
16 the suspension period, if within this period the certificate
17 of authority has not been terminated, the insurer's
18 certificate of authority shall automatically reinstate, unless
19 the director finds that the practices that led to the
20 suspension have not been discontinued, or that the insurer is
21 otherwise not in compliance with the requirements of this
22 title, notice of which the director shall give the insurer not
23 less than 30 days in advance of the expiration of the
24 suspension period."; and

25 **WHEREAS**, the director finds that the practices that led
26 to suspension order SR 97-02 have not been discontinued and
that **Life Insurance Company of Alaska** is not in compliance
with the requirements of AS 21; and

WHEREAS, the 30 days advance notice of AS 21.09.170 (c)
has been given;

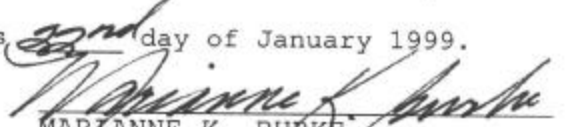
 IT IS ORDERED, pursuant to the provision of AS 21.09 that
Certificate of Authority No D-0422 issued to **LIFE INSURANCE**
COMPANY OF ALASKA to transact the business of insurance in the
State of Alaska shall be suspended for a period of one year
unless terminated sooner as permitted by statute.

 During the period of suspension, **LIFE INSURANCE COMPANY**
OF ALASKA shall not solicit or write any new business in
Alaska, but shall file the Annual Statement, pay fees and any
taxes due as provided by AS 21.09.170(b).

 It is further ordered that Certificate of Authority No.
D-0422 will continue to be held in safekeeping by **LIFE**
INSURANCE COMPANY OF ALASKA until such time as this Order of
Suspension is lifted or is replaced by an Order of Revocation.

 This order is effective 25th day of January 1999.

 Date this *22nd* day of January 1999.


MARIANNE K. BURKE,
DIRECTOR DIVISION OF INSURANCE