

STATE OF MISSOURI

DEPARTMENT OF



INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

IN RE: The Proposed Acquisition of Lyndon)
Property Insurance Company and) **Case No. 991116927C**
Lyndon Life Insurance Company by)
Protective Life Insurance Company)

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

Based on the testimony and other evidence presented, I, Keith A. Wenzel, Director of the Department of Insurance, State of Missouri, ("Director") hereby enter the following findings of fact, conclusions of law, and order:

Findings of Fact and Conclusions of Law

1. On or about November 15, 1999, Protective Life Insurance Company (the "Applicant") filed a Form A statement with the Missouri Department of Insurance (the "Department") seeking the Department's approval of the Applicant's acquisition of control of Lyndon Property Insurance Company ("Lyndon Property") and Lyndon Life Insurance Company ("Lyndon Life") or collectively the ("Lyndons"), Missouri domestic stock insurance companies. Applicant is a life insurance company organized under the laws of the

State of Tennessee. On November 29, 1999, the Department issued a Notice of Hearing, ordering that a public hearing on the proposed acquisition be held at 10:00 a.m. on December 15, 1999 in Room 630 of the Harry S Truman Building, 301 West High Street, Jefferson City, Missouri. A public hearing was held on December 15, 1999 at 10:00 a.m. in Room 630 of the Harry S Truman Building, 301 West High Street, Jefferson City, Missouri. The Applicant waived its right to 20-days' notice it; and the Department's Division of Financial Regulation appeared by counsel.

2. After the acquisition of the Lyndons by the Applicant, the Lyndons will be able to satisfy the requirements for the issuance of a license to write the lines of insurance for which they are presently licensed.

3. The acquisition of the Lyndons by the Applicant will not substantially lessen competition in insurance or tend to create a monopoly in this state.

4. In connection with the proposed acquisition, the Division of Financial Regulation requested and Applicant provided certain additional information relating to Applicant's financial condition, including information regarding Applicant's liabilities regarding funding agreements and investments in commercial mortgage loans. After reviewing and analyzing such information, which is a matter of record, the Department concludes that the financial condition of the Applicant is not such as might jeopardize the financial stability of the Lyndons or prejudice the interests of their policyholders.

5. Applicant has no plans to liquidate or sell the Lyndons or to consolidate or merge them with other companies or to make any other material change in the Lyndons' business, corporate structure, or management. Applicant's plans set forth in the record are

not unfair or unreasonable to policyholders of the Lyndons or contrary to the public interest.

6. The competence, experience and integrity of the Applicant's management are such that it would not be contrary to the interest of policyholders of the Lyndons and of the public to permit the acquisition of the Lyndons by the Applicant.

7. The proposed acquisition of the Lyndons by the Applicant is not likely to be hazardous or prejudicial to the insurance buying public.

Order

Based on the foregoing findings and conclusions, the proposed acquisition of Lyndon Property Insurance Company and Lyndon Life Insurance Company by Protective Life Insurance Company is **APPROVED**.

So ordered, signed and official seal affixed this December 16, 1999

KEITH A. WENZEL, Director