DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

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

IN RE:	**Proposed Acquisition of**	)
		)
	Fidelity Security Life Insurance Company	) **Case No. 160614304C**
		)
	by	)
		)
	Richard and Sandra Jones Family GST Trust	)
	For Richard F. Jones, Jr.,	)
	Richard and Sandra Jones Family GST Trust	)
	For Bradford R. Jones, and	)
	Richard and Sandra Jones Family GST Trust	)
	For Bryson L. Jones.	)

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

Based on the testimony and evidence on the whole record, I, John M. Huff, Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration ("Director" of the "Department"), find and conclude that:

1. On June 8, 2016, Richard F. Jones, Jr., Bradford R. Jones, Bryson L. Jones, and Steven C. Krueger (collectively, the "Applicant Co-Trustees"), through the Richard Sandra Jones Family GST Trust for Richard F. Jones, Jr., Richard and Sandra Jones Family GST Trust for Bradford R. Jones, and Richard and Sandra Jones Family GST

Trust for Bryson L. Jones (collectively, the "Applicant Trusts", and collectively with the Applicant Co-Trustees, the "Applicants") filed a Form A Statement with the Department, in connection with the proposed acquisition of control of Fidelity Security Life Insurance Company, a Missouri domestic life insurance company (the "Domestic Insurer").

2. On June 15, 2016, the Director issued Notice of Hearing and Order Appointing Hearing Officer, setting this matter for a public hearing on July 13, 2016, and appointing Mary S. Erickson as the Hearing Officer.

3. The Applicants provided timely notice of the hearing to the Domestic Insurer. At the July 13, 2016 hearing, the Applicants appeared by Richard F. Jones, Jr., Bradford R. Jones, and Bryson L. Jones, and by counsel, Bruce E. Baty. The Domestic Insurer appeared by counsel, Martha E. Madden. The Department's Division of Insurance Company Regulation ("Division") appeared by counsel, Kelly A. Hopper.

4. At the July 13, 2016 hearing, the Hearing Officer ordered the record to remain open pending receipt of third-party verifications by the Division. On August 17, 2016, the Applicant Trusts filed their Unopposed Motion to Close Record. On August 18, 2016, the Hearing Officer ordered the record closed.

5. The Applicants will acquire control of the Domestic Insurer pursuant to an Agreement for Purchase and Sale of Stock dated March 17, 2016, by and between Richard F. Jones and Sandra L. Jones and the Applicants, whereby the Applicant Trusts will each acquire an approximate 23.8% ownership interest in the Domestic Insurer, as well as ownership interests in other entities as more fully described in the Form A Statement. Steven C. Krueger is a co-trustee of each of the three Applicant Trusts, while

Richard F. Jones, Jr., Bradford R. Jones, and Bryson L. Jones are each a co-trustee of the Applicant Trust that bears their respective name. Subsequent to the acquisition, the Domestic Insurer will be ultimately controlled by the Applicant Co-Trustees.

6. After a public hearing pursuant to § 382.060 RSMo, the Director fails to find that:

A. After the acquisition of the Domestic Insurer by the Applicants, the Domestic Insurer will be unable to satisfy the requirements for the issuance of a license to write the lines of business for which it is presently licensed.

B. The effect of the acquisition of the Domestic Insurer will be to substantially lessen competition in insurance or tend to create a monopoly in this State.

C. The financial condition of the Applicants is such as might jeopardize the financial stability of the Domestic Insurer or prejudice the interests of its policyholders.

D. The Applicants' plans or proposals, if any, to liquidate the Domestic Insurer, or sell its assets, to consolidate or merge it with any person, or to make any other material change in its business or corporate structure or management, are unfair or unreasonable to its policyholders or contrary to the public interest.

E. The competence, experience and integrity of the Applicants are such that it would be contrary to the interests of policyholders of the Domestic Insurer and of the public to permit the acquisition of the Domestic Insurer by the Applicants.

F. The proposed acquisition of the Domestic Insurer by the Applicants is likely to be hazardous or prejudicial to the insurance buying public.

ORDER

Based on the foregoing findings and conclusions, the proposed acquisition of control of Fidelity Security Life Insurance Company by Richard F. Jones, Jr., Bradford R. Jones, Bryson L. Jones, and Steven C. Krueger, through the Richard and Sandra Jones Family GST Trust for Richard F. Jones, Jr., Richard and Sandra Jones Family GST Trust for Bradford R. Jones, and Richard and Sandra Jones Family GST Trust for Bryson L. Jones, is hereby **APPROVED**.

So ordered, signed and official seal affixed this 22nd day of August, 2016.

JOHN M. HUFF
DIRECTOR
Department of Insurance, Financial Institutions
and Professional Registration
State of Missouri