

will not be able to satisfy the requirements for the issuance of a license to write the lines of insurance for which it is presently licensed.

B. The effect of the acquisition of Capital Reserve Life by Mr. Warden will be to substantially lessen competition in insurance or tend to create a monopoly in this State.

C. The financial condition of Mr. Warden is such as might jeopardize the financial stability of Capital Reserve Life or prejudice the interests of its policyholders.

D. Mr. Warden's plans, if any, to liquidate or sell Capital Reserve Life or to consolidate or merge it with other companies or to make any other material change in Capital Reserve Life's business, corporate structure, or management, would be unfair or unreasonable to policyholders of Capital Reserve Life or contrary to the public interest.

E. The competence, experience, and integrity of Mr. Warden's management are such that it would be contrary to the interest of policyholders of Capital Reserve Life and to the public to permit the acquisition of Capital Reserve Life by Mr. Warden.

F. The proposed acquisition of Capital Reserve Life by Mr. Warden is likely to be hazardous or prejudicial to the insurance buying public.

4. Insufficient evidence was presented to establish either that the Department has jurisdiction to grant a waiver of the requirement to maintain an interest maintenance reserve (IMR) as part of a Form A proceeding or, assuming such jurisdiction for purposes of argument, that granting such a waiver in the present case is warranted.

ORDER

Based on the foregoing Findings and Conclusions and pursuant to the provisions of sections 382.040 to 382.060, RSMo, the acquisition of control of Capital Reserve Life Insurance Company by Franklin L. Warden as proposed in the Form A Statement filed in this matter, with the exception of the waiver of the interest maintenance reserve, is **APPROVED**.

So ordered, signed and official seal affixed this ____ day of _____, 2002.

SCOTT B. LAKIN, Director
Missouri Department of Insurance