

**BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA**

FILED
JUN 12 2013
INSURANCE COMMISSIONER
OKLAHOMA

IN RE: Form A: Acquisition of Control of OLD)
SURETY LIFE INSURANCE)
COMPANY by THE DALE L. PHILLIPS)
IRREVOCABLE TRUST DATED 12-31-2012)
AND THE KAREN B. PHILLIPS)
IRREVOCABLE TRUST DATED 12-31-2012)
)
)
)
(No Change in Control))

Case No. 13-0263-TRN

CONSENT ORDER FOR NO CHANGE IN CONTROL FORM A

The State of Oklahoma, ex rel. John D. Doak, Insurance Commissioner, having reviewed the captioned request for exemption pursuant to 36 O.S. § 1653(F) involving domestic insurer Old Surety Life Insurance Company ("the Domestic Company") and The Dale Phillips Irrevocable Trust Dated 12-31-2012 ("The Dale Phillips 2012 Trust") and The Karen B. Phillips Irrevocable Trust Dated 12-31-2012 ("The Karen Phillips 2012 Trust"), finds and orders as follows:

JURISDICTION

1. John D. Doak is the Insurance Commissioner of the State of Oklahoma ("the Insurance Commissioner") and as such is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., including all provisions of 36 O.S. §§ 1651 et seq. regulating insurance holding company systems.

2. More particularly, the Insurance Commissioner has jurisdiction of this Form A exemption request under 36 O.S. § 1653(F) of the Oklahoma Insurance Holding Company Act, which authorizes the Insurance Commissioner to waive the hearing and approval process of an

acquisition where the Insurance Commissioner finds the transaction should be exempted based on fact that it is not made or entered into for the purpose and does not have the effect of changing or influencing the control of a domestic regulated entity, or otherwise is not comprehended within the purposes of 36 O.S. § 1653(E).

3. The Domestic Company is an insurer authorized to conduct business as same in the State of Oklahoma pursuant to Certificate of Authority Number 6320 (NAIC CoCode 67326).

FINDINGS OF FACT

1. The Domestic Company submitted a No Change of Control Form A Application dated March 5, 2013, filed on behalf of the Dale Phillips Trust and the Karen Phillips Trust. Previously, Dale L. Phillips and Karen B. Phillips transferred their respective 93,875 shares of common stock (totaling 187,750 shares) of Enterprise Investments, Inc., the Holding Company of Old Surety Life Insurance Company, to The Dale L. Phillips Family 2004 Irrevocable Trust on August 26, 2004. Said transfer vested full voting authority of said shares to Dale L. Phillips. Such shares represented 42% of all issued shares of Enterprise Investments, Inc.

2. On December 31, 2012, Dale L. Phillips and Karen B. Phillips entered into an Agreement to Distribute the 187,750 shares of Enterprise Investments, Inc. equally to The Dale Phillips 2012 Trust and The Karen Phillips 2012 Trust. Said transfer was made for purposes of estate and longevity planning.

3. The Insurance Commissioner finds that such transfer does not represent a change of control in the Company and recommends approving this Form A as exempt under 36 O.S. § 1653(F).

4. The Insurance Commissioner also finds the Domestic Company was tardy in filing its Form E advising the Insurance Commissioner of the establishment of the two 2012 Trusts and the transfer of shares of the Domestic Company to these Trusts.

CONCLUSIONS OF LAW

1. The Insurance Commissioner has jurisdiction of this Form A exemption request under 36 O.S. § 1653(F) of the Oklahoma Insurance Holding Company Act which authorizes the Insurance Commissioner to waive the hearing and approval process of an acquisition where he finds the transaction should be exempted based on the fact that it is not made or entered into for the purpose and does not have the effect of changing or influencing the control of a domestic regulated entity, or otherwise is not comprehended within the purposes of 36 O.S. § 1653(E).

2. The Insurance Commissioner further finds and makes a conclusion of law that, based on the information and the documentation the Applicant and the Company filed with or later presented to the Insurance Commissioner, the transaction as described and outlined by this Application is not made or entered into for the purpose and does not have the effect of changing or influencing control of the Company.

3. The Insurance Commissioner further finds and makes a conclusion of law that the Domestic Company was late in filing the Form A as the subject transaction had already occurred. The Insurance Commissioner advises the Domestic Company that further late or after the fact filings of required regulatory documents will result in administrative action.


ORDER

IT IS THEREFORE ORDERED that, based on the foregoing, the request of the Company and The Dale Phillips 2012 Trust and The Karen Phillips 2012 Trust for an exemption

pursuant to 36 O.S. § 1653(E) as described in Applicant's filings and documents presented IS
HEREBY APPROVED without hearing.


WITNESS My Hand and Official Seal this 12th day of June, 2013.






PAUL WILKENING
Chief Deputy Insurance Commissioner
Oklahoma Insurance Department

APPROVED:



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ATTORNEYS FOR INSURANCE COMMISSIONER
JOHN D. DOAK




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Law Offices of Lisa Watson Lance
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Pauls Valley, OK 73075
(405) 238-5353
(405) 238-5355 (Facsimile)
ATTORNEY FOR APPLICANT

CERTIFICATE OF MAILING

I, Kelley C. Callahan, hereby certify that a true and correct copy of the above foregoing document was mailed postage prepaid with return receipt requested on this 12th day of June, 2013, to:

Lisa Watson Lance
Law Offices of Lisa Watson Lance
P.O. Box 595
Pauls Valley, OK 73075
(405) 238-5353
(405) 238-5355 (Facsimile)

And that a copy was delivered to the Oklahoma Insurance Department Financial and Examination Division.


Kelley Callahan
Senior Attorney

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 Law Offices of Lisa Watson Lance
 P.O. Box 595
 Pauls Valley, OK 73075
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 City, State, ZIP+4

PS Form 3800, January 2001



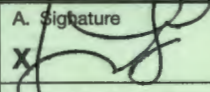
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- Print your name and address on the reverse so that we can return the card to you.
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1. Article Addressed to:

Lisa Watson Lance
 Law Offices of Lisa Watson Lance
 P.O. Box 595
 Pauls Valley, OK 73075
 rlg/13-0263-TRN/Consent Order

COMPLETE THIS SECTION ON DELIVERY

A. Signature  ☐ Agent
☒ Addressee

B. Received by (Printed Name) Lisa Watson Lance C. Date of Delivery 6-17-13

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☒ No, YES, enter delivery address below: ☐ No

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JUN 19 2013

3. Service Type
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☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

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 (Transfer from service label)

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Domestic Return Receipt

102595-02-M-1540