

BEFORE THE INSURANCE COMMISSIONER AND THE ATTORNEY GENERAL
FOR THE STATE OF IOWA

In the matter of the application of)	
AVIVA LIFE AND ANNUITY)	
COMPANY for)	FINDINGS OF FACT,
approval of an "Agreement and)	CONCLUSIONS OF LAW
Plan of Merger" with)	AND ORDER
INDIANAPOLIS LIFE INSURANCE)	
COMPANY)	(Iowa Code section 521.2)
)	

I. INTRODUCTION

Pursuant to Iowa Code § 521.2 (2007), an application for approval of an "Agreement and Plan of Merger" ("Agreement") between AVIVA LIFE AND ANNUITY COMPANY ("Aviva Life and Annuity"), an Iowa-domiciled insurer and INDIANAPOLIS LIFE INSURANCE COMPANY ("Indianapolis Life"), a Delaware-domiciled insurer, was heard by the undersigned Commission on September 29, 2008.

The Commission reviewed the Agreement, to be effective September 30, 2008, at 10:59 p.m. Central Daylight Saving Time, along with certified copies of a board resolution from Aviva Life and Annuity, the sole shareholder of Indianapolis Life. The shareholder resolution approves the proposed merger. The Commission also took notice of a board resolution from Indianapolis Life approving the transaction.

The Commission took notice of the Order entered on September 26, 2008, by the Indiana Department of Insurance approving the proposed merger detailing specific provisos relating to Indianapolis Life's closed block that was created in connection to Indianapolis Life's 2001 demutualization. These provisos provide that post-merger, the Indianapolis Life closed block will be subject to the regulatory approval of the Iowa Insurance Division (the Division) and that Aviva Life and Annuity will continue to file copies of documentation related to the closed block with the Indiana Department of Insurance.

The Commission also took notice of the fact that both Aviva Life and Annuity and Indianapolis Life are licensees in good standing with the Iowa Insurance Division (the Division), with current financial statements on file with the Division showing adequate reserves.

II. JURISDICTION

The Commission has jurisdiction over this matter under Iowa Code sections 521.2, 521.3, 521.4, 521.5, and 521.8 (2007).

III. FINDINGS OF FACT

The Plan provides that Aviva Life and Annuity and Indianapolis Life will merge as of September 30, 2008, at 10:59 p.m. Central Daylight Saving Time.¹ The merged entity will continue to do business as Aviva Life and Annuity. Aviva Life and Annuity will, post-merger, possess the combined rights and liabilities held by Aviva Life and Annuity and Indianapolis Life prior to the merger. The rights and interests of Indianapolis Life's policyholders will be transferred to the merged entity. Because both Aviva Life and Annuity and Indianapolis Life are currently in good standing with the Iowa Insurance Division, and have adequate reserves, these merger provisions will properly protect the policyholders of both entities. No reasonable objection to Aviva Life and Annuity's application exists.

IV. CONCLUSIONS OF LAW

The legislature has vested discretion in the Commission not only to make factual findings, but also to interpret and apply the law. Iowa Code sections 521.3 and 521.8 permit the Commission to approve an agreement and plan of merger if it determines that the applicant has demonstrated the two criteria listed in section 521.8 to the Commission.

After a careful review of the record, the Commission concludes upon substantial evidence that the proposed Agreement between Aviva Life and Annuity and Indianapolis Life meets the two requirements of Iowa Code section 521.8 (2007). The Agreement should be approved.

¹ This transaction will not result in a change of control of Aviva Life and Annuity.

ORDER

IT IS THEREFORE ORDERED that:

Aviva Life and Annuity Company's application for approval of its Agreement and Plan of Merger with Indianapolis Life Insurance Company is **CONDITIONALLY APPROVED**. The conditions that Aviva Life and Annuity Company must abide by under the conditional approval of merger granted herein are:

1. The Indianapolis closed block, created in connection with Indianapolis Life's 2001 demutualization (the closed block) shall be operated by Aviva Life and Annuity for the exclusive benefit of policies and contracts included in it. No costs or benefits of any reinsurance existing as of the effective date of the merger shall be charged by Aviva Life and Annuity to the closed block, except as contemplated by the Indianapolis Life Plan of Conversion and Closed Block Memorandum with respect to reinsurance existing at the time the closed block was established in 2000. Aviva Life and Annuity Company shall obtain the approval of the Iowa Insurance Division prior to (i) entering into any new reinsurance arrangements related to the Indianapolis Life closed block after the effective date of the merger; or (ii) effectuating any changes to any such new reinsurance arrangements, including in either case allocation to the closed block of the costs or benefits of such new reinsurance arrangements; and (iii) termination of the closed block. Except upon termination of the closed block, no assets allocated to the closed block or revenue derived from those assets may revert to the benefit of Aviva Life and Annuity Company stockholders or any parent or affiliate.
2. Aviva Life and Annuity Company shall provide the Iowa Insurance Division all reports that were required of Indianapolis Life on a pre-merger basis and obtain approvals, as appropriate, as set forth in the Indianapolis Life Plan of Conversion and Closed Block Memorandum.
3. Pursuant to the Indiana Department of Insurance Order dated September 26, 2008, Aviva Life and Annuity Company shall provide informational copies to the Indiana Department of reports and filings relating to the closed block.

This Order shall be considered final agency action for the purposes of Iowa Code chapter 17A (2007). Any action challenging this Order shall comply with the requirements of Iowa Code chapter 17A (2007).

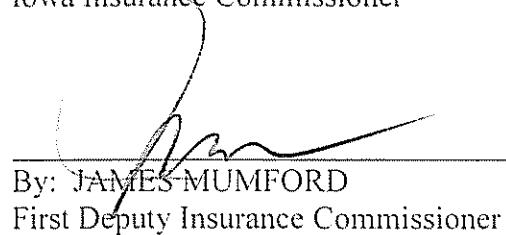
Any application for rehearing shall comply with the requirements of Iowa Code chapter 17A (2007).

The Commissioner retains jurisdiction of this matter to the extent necessary to ascertain and enforce Aviva Life and Annuity Company's compliance with the conditions attendant to the conditional approval set forth above.

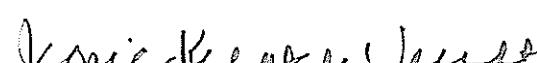
DATED this 29th day of September 2008.

SUSAN E. VOSS
Iowa Insurance Commissioner

By: JAMES MUMFORD
First Deputy Insurance Commissioner



THOMAS J. MILLER
Iowa Attorney General


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