

**BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS**

**IN THE MATTER OF THE ACQUISITION OF
FIDELITY STANDARD LIFE INSURANCE COMPANY A.I.D. No. 2011- 051**

ORDER

On this day is presented the Petition of David G. Elmore (the "Petitioner") whereby the Petitioner would become the direct owner of all of the issued and outstanding capital stock of Fidelity Standard Life Insurance Company (the "Company"). The matter is presented to State Insurance Commissioner Jay Bradford (the "Commissioner") by Amanda Capps Rose, Associate Counsel of the Arkansas Insurance Department (the "Department"), and Allan W. Horne, attorney for the Petitioner. From the documents of record with the Department, the documents filed with the Department by the Petitioner and other facts, matters and things before the Commissioner, the Commissioner finds as follows:

FINDINGS OF FACT

1. The Commissioner has jurisdiction of the parties and the subject matter involved herein.
2. The Company, NAIC No. 84018, is an Arkansas domiciled life and health insurance company with its principal place of business located in Brinkley, Arkansas.
3. The Petitioner is the owner of all of the outstanding capital stock of Old Reliance Insurance Company, an Arizona life and health insurance company ("Old Reliance"). Old Reliance is the direct owner of all of the issued and outstanding capital stock of the Company.

4. Midwest Holding, Inc. ("Midwest") has entered into a Stock Purchase Agreement (the "Agreement") with the Petitioner whereby Midwest and American Life & Security Corp. ("American Life"), a subsidiary of Midwest, will acquire all of the outstanding capital stock of Old Reliance and thus control of Old Reliance from the Petitioner, its sole shareholder. Simultaneously with the acquisition of control of Old Reliance, the Company's direct parent, Old Reliance, will transfer all of the issued and outstanding capital stock of the Company to the Petitioner.

5. Inasmuch as the Petitioner is the ultimate owner of all of the outstanding capital stock of Old Reliance, the proposed acquisition of direct ownership of the Company by Mr. Elmore will not constitute a change of control of the Company.

6. Pursuant to the Form A and Exhibits, including the Agreement, filed with the Arizona Department of Insurance by Midwest and American Life, the Arizona Department has approved the acquisition of Old Reliance. A copy of the Order issued by the Director of Insurance of the Arizona Department has been filed with the Department.

CONCLUSIONS OF LAW

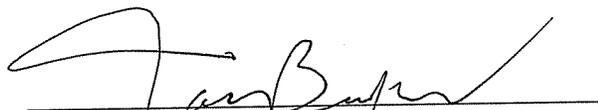
Based upon the foregoing Findings of Fact, the Commissioner concludes as follows:

1. The provisions of Ark. Code Ann. §§ 23-63-506 through 513, *inter alia*, require an administrative hearing prior to the acquisition of control of a domestic insurer.
2. Pursuant to Ark. Code Ann. § 23-63-507, the provisions of Ark. Code Ann. §§ 23-63-506 through 513 do not apply to any "offer, request, invitation, agreement, or acquisition which the Commissioner, by order, shall exempt therefrom . . . as not having the effect of changing or influencing the control of a domestic insurer . . .". Ark. Code Ann. § 23-63-507(3)(A).

3. The proposed acquisition of the Company by the Petitioner, as described in the Findings of Fact, will not effect a change of control of the Company; therefore, the proposed acquisition is not subject to the provisions of Ark. Code Ann. §§ 23-63-506 through 513.

4. An administrative hearing on the proposed acquisition is not required by law.

IT IS, **THEREFORE**, ORDERED that the proposed direct acquisition of Fidelity Standard Life Insurance Company by the Petitioner, as described in the foregoing Findings of Fact, does not constitute a change in control and such acquisition should, therefore, be and it is hereby approved.



JAY BRADFORD
STATE INSURANCE COMMISSIONER

August 2, 2011
DATE