

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

**IN THE MATTER OF THE CONTROL OF
USABLE LIFE AS IT RELATES TO THE PROPOSED
REORGANIZATION OF BLUE CROSS
AND BLUE SHIELD OF FLORIDA, INC.**

A.I.D. NO. 2013- 065

ORDER

Now on this day the matter of the control of USABLE Life (“Company”) in connection with the proposed reorganization of Blue Cross and Blue Shield of Florida, Inc. (“BCBSFL”), is taken under consideration by Jay Bradford, Insurance Commissioner for the State of Arkansas (“Commissioner”), as presented by Associate Counsel, Amanda Capps Rose, and the Finance Division of the Arkansas Insurance Department (“Department”). From the facts, matters and other things before him, the Commissioner finds as follows:

FINDINGS OF FACT

1. The Company is an Arkansas-domiciled life and health insurer.
2. BCBSFL is a mutual insurance company organized under the laws of the state of Florida.
3. BCBSFL owns an indirect interest in the Company through its parent company, Life & Specialty Ventures, LLC.
4. On or about June 11, 2013, the Commissioner received notice that BCBSFL intends to file a Plan of Reorganization with the Office of Insurance Regulation of the State of Florida, whereby BCBSFL would convert from a not-for-profit mutual insurer into a stock insurance company and simultaneously form a not-for-profit mutual holding company. The membership interest of BCBSFL members will become

membership interest in the mutual holding company, and at all times, as required by Florida law, the mutual holding company will own at least a majority of the capital stock of the newly formed stock insurance company.

4. BCBSFL's proposed reorganization was not made or entered into for the purpose and does not have the effect of changing or influencing control of a domestic insurer.

CONCLUSIONS OF LAW

Based upon the above and foregoing Findings of Fact, the Commissioner makes the following Conclusions of Law:

1. The Commissioner and the Department have jurisdiction over the parties and the subject matter contained herein.

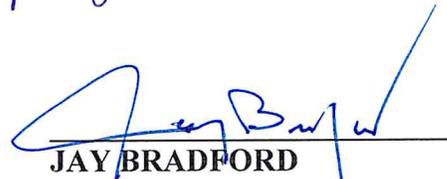
2. The proposed reorganization of BCBSFL does not create a change of control of US Able Life.

3. Pursuant to Ark. Code Ann. § 23-63-507(3)(A), the provisions of Ark. Code Ann. §§ 23-63-506 – 513 do not apply when an agreement was not made or entered into for the purpose, and does not have the effect of changing or influencing control of a domestic insurer.

THEREFORE, pursuant to the provisions of Ark. Code Ann. § 23-63-507 and other provisions of the Arkansas Insurance Code, the Commissioner hereby orders:

1. An exemption from the requirements of Ark. Code Ann. §§ 23-63-506 – 513 is hereby granted, as requested, and the Company is ordered to notify the Department upon the completion of the proposed reorganization.

IT IS SO ORDERED this 1st day of July, 2013.



JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS