

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

**IN THE MATTER OF THE APPLICATION FOR  
APPROVAL OF THE ACQUISITION OF CONTROL  
OF AMERICAN INTEGRITY LIFE INSURANCE COMPANY**

**AID NO. 2020-019**

**ORDER**

A hearing was held at 2:00 p.m. on January 31, 2020, in the Third Floor Administrative Conference Room of the Arkansas Insurance Department in accordance with the provisions of Ark. Code Ann. § 23-69-142 and other pertinent provisions of the Arkansas Insurance Code, pursuant to an October 14, 2019 Statement Regarding the Acquisition of Control of American Integrity Life Insurance Company ("AILIC") by the Applicant, Indy Health, Inc., and Indy Health Solutions, LLC, Laura Atkinson, Todd Evers, Eric Belldina, Larry Braden, Dawn Butterfield, and Kasey Alford (the "Statement"), which included a Stock Purchase Agreement. The hearing was held before the Managing Attorney, Booth Rand (the "Hearing Officer"), pursuant to his appointment by Commissioner Allen Kerr in accordance with Ark. Code Ann. § 23-61-103. The Arkansas Insurance Department (the "Department") was represented by Amanda Capps Rose, Associate Counsel, and Mel Anderson, Deputy Commissioner for Financial Regulation.

The Applicants' testimony was presented by Laura Atkinson, Chairman of the Board, Amanda Peterson, Chief Executive Officer and Alynn Purdum, Chief Operating Officer of Indy Health, Inc. The Applicants' were represented by its attorneys, Greg E. Mitchell of Frost Brown Todd LLC, pursuant to a pro-hac vice admission through Ashley Hudson of Kutak Rock LLP.

**FINDINGS OF FACT**

From the Statement, related filings, testimony of the witnesses and other evidence introduced at the hearing, including exhibits filed in connection with the Statement, reports and

statements on file with the Department, representations of counsel and other matters and things considered, the Hearing Officer finds as follows:

1. The Statement and related filings were filed herein on October 4, 2019, with supplements filed thereafter in further support. The parties agree that the Commissioner has jurisdiction of the parties and the subject matter under the provisions of Ark. Code Ann. §§ 23-61-103, 23-62-203, 23-69-142 and other pertinent provisions of the Arkansas Insurance Code. The Notice of Hearing was given within the time and in the manner required by law and the parties consented to the holding of this hearing at this time and on this date.

2. The Applicant, Indy Health, Inc., will directly acquire a 100% ownership interest in AILIC pursuant to the Stock Purchase Agreement by and among The Insurance Group, Inc., as the sole owner of AILIC, John Bettis, as the sole owner of the Insurance Group, Inc., and Indy Health, Inc. dated as of October 1, 2019. The remaining Applicants will acquire indirect control of AILIC by virtue of their individual ownership interest in Indy Health Solution LLC. *See* Exhibit 4 to the Hearing Transcript.

3. Laura Atkinson, on behalf of the Applicants, testified that, in her opinion:

(a) The proposed transaction is not inequitable to the owner of AILIC as the nature and amount of consideration to be paid by the Applicant, Indy Health, Inc., was determined through arms' length negotiations between the parties;

(b) After the change of control, AILIC will be able to satisfy the requirements for issuance of a license to write the lines of business for which it is presently licensed;

(c) The proposed transaction will not substantially reduce the security of and service to be rendered to the current policyholders of AILIC in Arkansas which will continue to be administered pursuant to an Administrative Services Agreement between AILIC and The Insurance Group, Inc (“TIG”). TIG has been administering those same policies for AILIC

under a current administrative contract. The Applicant does not anticipate changing any of the services provided by AILIC to its current policyholders and as otherwise provided in the proposed plan of operation;

(d) To the best of her knowledge, neither the Applicant Indy Health, Inc. nor any of its directors or executive officers, as well as the individual Applicants have been subject to any of the following:

(i) a felony or misdemeanor, other than a minor traffic violation in the past twenty (20) years;

(ii) a misconduct order by a regulatory agency or court of competent jurisdiction or a finding of a violation of insurance laws by any state's Commissioner;

(iii) an order by a regulatory agency or court of competent jurisdiction finding any unfair insurance trade practice or fraud; or

(iv) having an insurance producer license or its equivalent denied, suspended, or revoked in any jurisdiction.

4. Laura Atkinson further testified on behalf of the Applicants that Indy Health Inc. would request the Commissioner to approve a change of AILIC's name from American Integrity Life Insurance Company to Indy Health Insurance Company which would be effectuated post-closing of the acquisition.

5. Amanda Peterson and Alynn Purdum both testified that the competence, experience and integrity of those persons who would control and manage the operation of AILIC are such that it would be in the interest of the policyholders of AILIC and the public to permit the acquisition of control.

6. No objections were made at the hearing or otherwise to the proposed acquisition of the Company by the Applicants nor as to the change of the Company name to Indy Health Insurance Company. A letter in support was received by the Insurance Department from the Arkansas Pharmacist Association.

7. The Department has a sufficient record for issuance of an order approving the proposed acquisition of a 100% ownership interest in AILIC by Indy Health, Inc. and the individual indirect interest of AILIC by the individual Applicants.

#### **CONCLUSIONS OF LAW**

8. All filings, hearings and other procedures required by law or otherwise deemed appropriate by the Hearing Officer have been duly completed by the Applicant and the Department.

9. None of the conditions specified in Ark. Code Ann. § 23-69-142 as preclusions for the approval of the proposed acquisition exist.

10. The proposed change of AILIC's name from American Integrity Life Insurance Company to Indy Health Insurance Company would not violate Ark. Code Ann. § 23-63-203.

## RECOMMENDATIONS OF THE HEARING OFFICER

WHEREFORE, based upon the foregoing Findings of Fact, Conclusions of Law, and other matters before her, the Hearing Officer recommends:

1. That the proposed acquisition of control of a 100% ownership interest in AILIC by the Applicant Indy Health, Inc. and indirect control by the individual Applicants should be approved as provided in the Statement and related filings, and as described in this Order; and
2. That the proposed change of AILIC's name from American Integrity Life Insurance Company to Indy Health Insurance Company should be approved.

  
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BOOTH RAND  
MANAGING ATTORNEY AND  
HEARING OFFICER

**CERTIFICATION**

I, Allen Kerr, Insurance Commissioner for the State of Arkansas, do hereby certify that the above Findings of Fact, Conclusions of Law, and Recommendations of the Hearing Officer were made by and under my authority and supervision by Booth Rand, Managing Attorney and Hearing Officer in this proceeding. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law, and Recommendations in full and enter this Order.

THEREFORE, it is hereby ORDERED, based upon the above and foregoing Findings of Facts, Conclusions of Law and other matters, the Insurance Commissioner does hereby approve:

1. The proposed acquisition of control of a 100% ownership interest in AILIC pursuant to and subject to the terms and conditions of the Statement and related filings and submissions, the Findings of Facts and Conclusions of Law; and
2. The proposed change of AILIC's name from American Integrity Life Insurance Company to Indy Health Insurance Company.

**IT IS SO ORDERED THIS 31st DAY OF January, 2020.**



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ALLEN KERR  
INSURANCE COMMISSIONER  
ARKANSAS INSURANCE DEPARTMENT