

is owned by Universal American Corp., a New York corporation. Therefore, the ultimate controlling person of The Pyramid Life Insurance Company is Universal American Corp.

5. American Exchange Life Insurance Company desires to transfer ownership of all the outstanding capital stock of all of the subsidiary companies of American Exchange Life Insurance Company, including The Pyramid Life Insurance Company, to a newly formed intermediate holding company.

6. To effectuate the transaction, American Exchange Life Insurance Company intends to form a new wholly-owned subsidiary, UAC Holding, Inc., a Delaware corporation. American Exchange Life Insurance Company would then contribute all of the outstanding capital stock of The Pyramid Life Insurance Company and American Exchange Life Insurance Company's other subsidiaries to UAC Holding, Inc. as part of the organization of UAC Holding, Inc.

7. As a result of the reorganization, The Pyramid Life Insurance Company will be a wholly owned subsidiary of UAC Holding, Inc., to be effective November 16, 2009.

8. Subsequent to the reorganization, UAC Holding, Inc. will be a wholly owned subsidiary of American Exchange Life Insurance Company.

9. Both before and after the reorganization, Universal American Corp. is and will continue to be the ultimate controlling person of The Pyramid Life Insurance Company.

CONCLUSIONS OF LAW

10. K.S.A. 40-3304(a) provides, in part, as follows:

(a) No person other than the issuer shall...enter into any agreement to exchange securities or, seek to acquire, or acquire, in the open market or otherwise, any voting security of a domestic insurer if,... at the time... any such agreement is entered into, ... such person has filed with the commissioner of insurance and has sent to such insurer, a statement containing the information required by this section and such... agreement... has been approved by the commissioner of insurance in the manner hereinafter prescribed.

11. K.S.A. 40-3304(e) provides

(e) The provisions of this section shall not apply to:

Any offer, request, invitation, agreement or acquisition which the commissioner

of insurance by order shall exempt therefrom as: (1)Not having been made or entered into for the purpose and not having the effect of changing or influencing the control of a domestic insurer;...

12. Based upon the information enumerated in the Findings of Fact contained in paragraphs one through nine above, and the representations made on behalf of American Exchange Life Insurance Company, the restructuring of the holding company system whereby the formation of UAC Holding, Inc. and the stock ownership of The Pyramid Life Insurance Company will be contributed from American Exchange Life Insurance Company to UAC Holding, Inc., is not made for the purpose of and will not have the effect of changing or influencing the control of The Pyramid Life Insurance Company, a Kansas domestic insurer.

IT IS THEREFORE, BY THE COMMISSIONER OF INSURANCE, ORDERED THAT:

1. American Exchange Life Insurance Company shall be exempt from the application of the formal filing and approval requirements of K.S.A 40-3304(a) as it may be deemed to apply to the change of the ownership of The Pyramid Life Insurance Company, which will result in UAC Holding, Inc. owning 100% of the common stock of The Pyramid Life Insurance Company, provided the reorganization is effected within sixty (60) days of the date of this Order.

2. American Exchange Life Insurance Company shall comply with all of the provisions and requirements of K.S.A. 40-3301, *et seq.*, in the future.

3. The Commissioner of Insurance retains jurisdiction over this matter to issue any and all further Orders deemed appropriate or to take such further action as necessary to dispose of this matter.

Notice of Rights

American Exchange Life Insurance Company is entitled to a hearing pursuant to K.S.A. 77-537, the Kansas Administrative Procedure Act. If American Exchange Life Insurance Company desires a hearing, it must file a written request for a hearing with:

John W. Campbell, General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612.

This request must be filed within fifteen (15) days from the date of service of this Order. If Applicant requests a hearing, the Kansas Insurance Department will notify them of the time and place of the hearing and information on the procedures, right of representation, and other rights of parties relating to the conduct of the hearing, before commencement of same.

If a hearing is not requested in the time and manner stated above, this Order shall become effective as a Final Order upon the expiration of time for requesting a hearing, pursuant to K.S.A. 77-613. In the event Applicant files a petition for judicial review, pursuant to K.S.A. 77-613(e), the agency officer to be served on behalf of the Kansas Insurance Department is:

John W. Campbell, General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612.

**IT IS SO ORDERED THIS 20th DAY OF November 2009, IN THE CITY OF
TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.**



 /s/ Sandy Praeger
Sandy Praeger
Commissioner of Insurance

By: /s/ JohnW. Campbell
John W. Campbell
General Counsel

Certificate of Service

The undersigned hereby certifies that a true and correct copy of the above order was transmitted by U.S. Mail, postage prepaid, on this 20th day of November, 2009 to:

Brian T. Casey
Locke Lord Bissell & Liddell LLP
1900 The Proscenium,
1170 Peachtree Street NE
Atlanta, GA 30309

_ /s/ Zachary J.C. Anshutz _____
Zachary J.C. Anshutz
Assistant General Counsel