



**COMMONWEALTH OF KENTUCKY  
DEPARTMENT OF INSURANCE  
FRANKFORT, KENTUCKY**

**IN THE MATTER OF:**

Acquisition of

Investor's Heritage Life Insurance Company  
direct wholly owned subsidiary of  
Investor's Heritage Capital Corporation

by

Aquarian Holdings I L.P., a Delaware limited partnership  
Aquarian Holdings I GP LLC, a Delaware limited liability company  
Aquarian Holdings Management LLC, a Delaware limited liability company  
Aquarian Investors Heritage Holdings LLC, a Kentucky corporation and a direct, wholly-owned  
subsidiary of Direct Parent LLC  
Aquarian Investors Heritage Acquisition Company, a Kentucky corporation and a direct, wholly-  
owned subsidiary of Direct Parent LLC

and

Other Individual Applicants

DOI No.: 300363

Case No.: 2018-0013

**ORDER APPROVING ACQUISITION**

WHEREAS, the Kentucky Department of Insurance ("Department") received a Statement  
Regarding the Acquisition or Control of Merger with a Domestic Insurer ("Form A filing") from

Aquarian Holdings I L.P., Aquarian Holdings I GP LLC, Aquarian Holdings Management LLC, Aquarian Investors Heritage Holdings LLC Aquarian Investors Heritage Acquisition Company, Rudrabhishek Sahay, and Henry R. Silverman (“Applicants”) requesting the Department’s approval of the acquisition of a Kentucky domestic insurer, Investors Heritage Life Insurance Company (“Domestic Insurer”),

WHEREAS, the Department has reviewed the Form A filing, all supplemental filings, and the Applicant’s responses to questions raised during the Department’s review;

WHEREAS, the Form A filing, is required to be filed with the Department in accordance with KRS 304.37-120;

WHEREAS, the Commissioner shall approve a merger or other acquisition of control, unless the Commissioner finds that the transaction fails to meet the standards set forth in KRS 304.37-120(4);

WHEREAS, the Commissioner finds the following:

1. After the change of control, the Domestic Insurer will be able to satisfy the requirements for issuance of a certificate of authority to write the lines of insurance for which it is presently authorized.

2. The effect of the acquisition of control will not substantially lessen competition in insurance in Kentucky or tend to create a monopoly; and this transaction is otherwise exempt under KRS 304.37-130(2)(b)(5)(b).

3. The financial condition of the acquiring party does not jeopardize the financial stability of the Domestic Insurer or prejudice the interest of its policyholders.

4. The plan of the acquiring party is not unfair or unreasonable to policyholders of the Domestic Insurer and is not contrary to public interest.

5. The competence, experience, and integrity of persons who would control the operation of the Domestic Insurer would not be contrary to the interest of the policyholders of the insurer or the public.

6. The acquisition is not likely to be hazardous or prejudicial to the insurance buying public.

**NOW THEREFORE**, the Commissioner being duly and sufficiently advised, it is hereby **ORDERED** that the acquisition of the Domestic Insurer by the Applicant is hereby **APPROVED**, pursuant to KRS 304.37-120 and the standards in KRS 304.37-120(4).

It is further **ORDERED** that the Domestic Insurer shall, on a continuing basis and in addition to any and all other generally applicable requirements, disclose on Form D and subject to the 30 day prior-notice requirements consistent with KRS 304.37-030(2)(a), any of the transactions identified in KRS 304.37-020(2)(c)(1)-(6) and (8) between the Domestic Insurer and any limited partner of Aquarian Holdings I L.P. who is a direct owner of ten (10%) percent or more of Aquarian Holdings I L.P..

It is further **ORDERED** that the Domestic Insurer shall publish this order on its website and further specify that, if requested in writing within sixty (60) days of the effective date of this order, a public hearing shall be held by the Department on this matter pursuant to KRS 304.2-310.

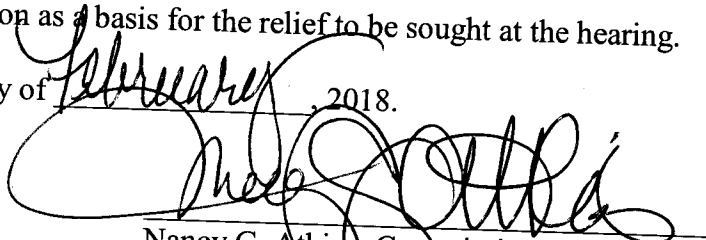
It is finally **ORDERED** that the Approval of the transaction described in the Form A by this Order shall not limit, inhibit, or restrict the Department's ability to investigate any matters, regardless of their source, which may involve the Applicant or the Domestic Insurer; nor shall this

Order limit, inhibit, or restrict in any manner the Department's ability to take disciplinary action against the Applicant or Domestic Insurer for any proven violation identified through the course of any specific investigation, complaint, or examination.

### APPEAL RIGHTS

Pursuant to KRS 304.2-310, please take notice that any person aggrieved by and desiring to appeal an order of the Commissioner shall make application for a hearing with the Department within sixty (60) days after the person knew, or reasonably should have known, of the order. The application for a hearing shall briefly state the respects in which the applicant is so aggrieved, together with the grounds to be relied upon as a basis for the relief to be sought at the hearing.

Done and effective this 20<sup>th</sup> day of February, 2018.

  
Nancy G. Atkins, Commissioner  
Kentucky Department of Insurance

**CERTIFICATE OF SERVICE**

This is to certify that the original of the foregoing Order was hand-delivered to:

Department of Insurance  
Attn: Records Custodian  
215 W. Main Street  
Frankfort, Kentucky 40601

and to certify that a true copy of the foregoing Order was hand-delivered to:

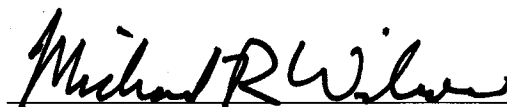
Rodney Hugle, Assistant Director  
Financial Standards and Examination Division  
215 W. Main Street  
Frankfort, Kentucky 40601

and to certify that a true copy of the foregoing Order was served, by certified mail, return receipt requested, to:

Counsel for Applicants

Greg E. Mitchell, Esq.  
Frost Brown Todd, LLC  
250 West Main Street, Ste. 2800  
Lexington, KY 40507-1749

on this 21<sup>st</sup> day of FEBRUARY, 2018.



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