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ARIZONA CORPORATION COMMISSION

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MARK SENDROW
DIRECTOR

SECURITIES DIVISION
1300 West Washington, Third Floor
Phoenix, AZ 85007-2996
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E-MAIL: accsec@ccsd.cc.state.az.us

April 9, 2003

Gove L. Allen
935 East main Street #101
Mesa, AZ 85203

RE: American Savings Life Insurance Company
A.R.S. Section 44-1801.9

Dear Mr. Allen:

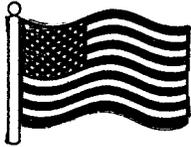
The Securities Division has reviewed the no-action letter dated February 21, 2003, submitted on behalf of the company referenced above. On the basis of the information set forth in the letter, the Securities Division declines to issue a no-action letter. We have attached photocopies of the letter containing the facts upon which this position is based.

Very truly yours,

A handwritten signature in cursive script that reads "Mark Sendrow".

Mark Sendrow
Director of Securities

MS/LRP/ld
Attachment



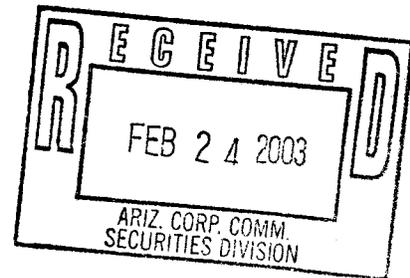
Gove L. Allen
Attorney at Law

935 E. Main St., Ste. 101
Mesa, AZ 85203

Tlp 480-964-0141
Fax 480-964-1796

February 21, 2003

SECURITIES DIVISION
ARIZONA CORPORATION COMMISSION
1300 W WASHINGTON 3RD FLR
PHOENIX AZ 85007



ATT: Lee R. Poole, Senior Counsel

Re: American Savings Life Insurance Company

On November 13, 2002 I sent you a request for a no-action request letter (NARL) regarding American Savings stock bulletin board. On January 23, 2003 you responded with some suggestions that would enhance the NARL. Except for this paragraph, the remainder of this letter is presented as a complete revision of the request.

I represent American Savings Life Insurance Company, an Arizona corporation, with offices at 935 E. Main, Suite 100, Mesa, AZ 85203. On behalf of American Savings, pursuant to ARS § 44-1826, I request a no-action letter confirming that American Savings will not be a dealer or salesperson within the meaning of ARS § 44-1801(9) and (20), if it operates a stock bulletin board (SBB), as described herein and in the attached copy. A \$200.00 opinion request fee is attached.

American Savings has been in business as a life insurance company since 1954. The Company is also licensed in the State of Utah. There are 5,315,199 outstanding shares of stock owned by approximately 1,500 stockholders. There is no public market for the Company stock. The stock is not traded by any broker. The Company does not intend to offer stock to the public in the near future. The Company does not have a right of first refusal to purchase its stock before a shareholder sells their stock to third persons.

As the rate of return on investments in the general market has declined and the rate of return on the Company stock has increased, existing stockholders have expressed an interest in acquiring outstanding Company stock from other stockholders as an investment. The Company wants to operate a SBB that would allow stockholders desiring to sell their stock and persons desiring to buy Company stock to get together and discuss possible transactions. A SBB would be in the public interest to all of the Company shareholders. Without the SBB, a person interested in purchasing Company stock would be required to mail an offer to 1,5000 shareholders, most of whom are not interested in selling.

Current employees (who are not officers or directors) own 85,203 or 1.603% of the Company stock. Current officers and directors (including those who are also employees) own 855,682 or 16.099% of the Company stock. Former employees own 690,886 or 12.998 % of the Company stock. It is anticipated that the officers and employees of the Company may use the SBB to sell or purchase stock in their individual capacity, on the condition that all transactions will be carried out on their personal time and away from and outside the offices of the Company. Thus, the Company does not intend to impose any limits on transactions by employees, officers and directors.

The Company does not believe operation of the SBB would cause it to be a dealer or salesperson within the meaning of ARS § 44-1801(9) and (20) because it would be acting as a passive intermediary for the exchange of information between interested buyers and sellers. It will not receive any direct or indirect compensation for providing this service. A fuller description of the SBB is set forth in the four page attachment. American Savings' SBB is similar to the plan in NARL regarding David Edwards and Associates, Inc. 2002 CCH Blue Sky Law ¶ 9696W.

The operation of the stock bulletin board will not require the Company to register with the SEC pursuant to 15 USC § 78c(a)(4) and (5) [Securities Exchange Act of 1934 § 3(a)(4) and (5)]. The SEC currently does not even respond to requests for no-action letters regarding stock bulletin boards similar to the one the Company desires to use. Orincon Corp SEC No-Action Letter (12-11-91); Flamemaster Corp, SEC No-Action Letter (11-29-96)

The SBB may result in the Company's stock being traded by means of interstate commerce thereby requiring the Company to file financial information with the SEC, unless it is exempt as an insurance company. The estimated cost of filing financial information with the SEC is about \$30,000.00 a year. 15 USC §

781(g)(2)(G) [Securities Exchange Act of 1934, § 12(g)(2)(G).] exempts the Company, as a life insurance company, from SEC financial statement filings on three conditions:

1. The Company files an annual statement with the Director of Insurance following the report format of the National Association of Insurance Commissioners. The Company has been complying with this requirement for years.
2. The Company is subject to regulation by the Director of Insurance regarding proxies. ARS § 20-143(B)(2) provides that the Director regulate proxies of insurance companies. The Director formerly regulated proxies by AAC R20-6-403 but this rule was allowed to expire. The Company has petitioned the Director to reinstate this or a similar rule. A proposed rule is in progress through the Department and is without opposition to date.
3. The Company must be subject to regulations applicable to beneficial owners of 10% of the company stock and directors and officers of the Company. The Company can comply with this requirement pursuant to ARS § 20-726.01.

The SBB does not have a market period (MP) because the Company is neither purchasing nor selling its stock through the SBB. The Company would use the SBB as long as its shareholders make substantial use of it. For several years the Company has retired its stock at a price based on 67% of its book value. The Company intends to continue to offer to retire its stock on the same type of discount basis in the future and will note this fact in the SBB.

The Company has authorized me to certify that:

- A. To the knowledge of the Company it is not engaged directly or indirectly in any pending or final judicial, self-regulatory organization or administrative proceeding concerning its stock, except the pending application with the Director of Insurance regarding regulation of proxy statements. It is further certified that the Company is not aware of any disputes or judicial proceedings between third parties concerning its stock or management.
- B. The Company will not operate the SBB unless and until it receives favorable no-action letter from the Securities Division and the Director of Insurance adopts a new rule regarding proxy

statements).

C. The Company certifies that this request, together with any documents or information submitted and any response may be released for publication, except as otherwise required by law.

Thank you for your prompt consideration of this matter. Please contact me if you require further information in connection with this request.

Gove L. Allen

A handwritten signature in black ink, appearing to read "Gove L. Allen". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Attorney at Law

SHAREHOLDER BULLETIN BOARD
OF
AMERICAN SAVINGS LIFE INSURANCE COMPANY
935 E. Main St., Suite 100, Mesa, AZ 85203

A. The Shareholder Bulletin Board (SBB) will contain the following information concerning each participant.

1. The names and contact information of each interested buyer or seller/
2. The number of Company shares.
3. The price per share.
4. The date on which the information was entered into the SBB.

B. The first page of the SBB shall list the Rules for participation. A copy of the rules will also be provided in writing to each participant. A copy of the Rules is attached hereto.

C. The following guidelines will govern the SBB, but will not necessarily appear on the bulletin board itself.

1. Participants will be entered upon the SBB upon providing the Company with a signed statement on a form provided by the Company. A copy of this form entitled "Request to Disclose an Interest in Selling or Purchasing" is attached hereto.

2. The information will remain on the bulletin board until the participant withdraws it by a signed statement, or it is withdrawn by the Company upon determination the information is obsolete, inappropriate or unreasonable, or for six months, whichever is the earliest.

3. Participants can obtain access to the stock bulletin board by visiting the office of the Company or the Company's web site. Participants may request a copy of the SBB by mail, e-mail, phone or fax.

4. The Company will retain the records of the bulletin board, including a copy of the original and each revision of the bulletin board, for at least three years.

5. The Company will not receive any compensation or commissions for creating, maintaining or use of the SBB.

6. The Company may advertise to its shareholders the existence and purpose of the SBB through its flyers and other notices.

7. The officers and employees of the Company may use the SBB to sell their personal stock or purchase stock in their personal capacity on the condition that all transactions will be carried out on their personal time and away from and outside of the offices of the Company.

AMERICAN SAVINGS LIFE INSURANCE COMPANY STOCKHOLDERS BULLETIN BOARD RULES:

1. A Participant cannot be listed as both a buyer and a seller. Participants will be entered upon the stock bulletin board upon providing the Company with a signed request on the form provided by the Company. Any listing may be refused if, in the sole discretion of the Company, it is inappropriate or unreasonable.
2. No listing on the stock bulletin board can be considered as an offer to sell or buy Company stock. A formal legal offer to purchase or sell is to be made between interested participants without the assistance of the Company. The Company does not intend to promote, encourage or solicit any sales activity by participants. Each buyer and seller is responsible for watching out for his or her own best interest.
3. The Company will use reasonable diligence to keep the stock bulletin board information updated. The Company may discontinue the stock bulletin board at any time without notice.
4. Upon a participant's request, the Company will mail a copy of its last annual unaudited financial statement and copies of the intervening unaudited monthly balance sheet and income statement. The participant will be asked to prepay the nominal expense of copying and mailing these copies.
5. It has been the practice of the Company to retire its stock at a price equal to 67% of its book value according to the last monthly financial statement, adjusted for declared and unpaid dividends. The Company intends to continue this practice but has no obligation to do so. The Company has no intention of issuing new stock or selling treasury stock in the near future.
6. In transactions between participants, the Company will not become involved in any negotiation; give advice regarding the merits or short comings of any particular transaction; or receive, escrow, transfer or hold funds or securities as an incident to the operation of its stock bulletin board, except to act as the transfer agent to register the stock on its books.
7. Before the Company will register a transfer of stock on its books, the Buyer must deliver all stock certificates, properly endorsed by the seller to the Company.
8. The Company stock has a par value of \$.10 per share. Arizona law provides that stockholders of an insurance corporation are individually responsible for a prorated share of the debts of the Company to the extent of the amount of their stock at the par value thereof. The risk of owning Company stock if the Company becomes insolvent, therefore, is \$.10 a share plus the amount invested in said shares.
9. The Company does not represent, warrant or guarantee the past, present or future of the fair market value of its stock. However, the equity book value of its stock based on Generally Accepted Accounting Principles (GAAP) is a fair approximation of the past value of the stock. The stockholder's equity, equity book value per share, cash dividends per share and annual returns on equity at year end for the last five years is as follows:

YEAR	STOCKHOLDERS EQUITY	EQUITY BOOK VALUE PER SHARE	CASH DIVIDENDS PER SHARE	ANNUAL RETURN ON EQUITY
2002	\$14,145,724	\$2.66	\$00.16	6.01%
2001	\$13,943,048	\$2.61	\$00.15	5.78%
2000	\$13,352,369	\$2.49	\$00.14	5.62%
1999	\$13,218,674	\$2.40	\$00.13	5.42%
1998	\$12,942,402	\$2.33	\$00.12	5.15%

**REQUEST TO DISCLOSE AN INTEREST IN SELLING OR PURCHASING
AMERICAN SAVINGS LIFE INS. CO. SHARES**

TO: American Savings Life Ins. Co. (hereinafter referred to as the Company)
935 E. Main St., Suite #100
Mesa, AZ 85203
Phone: (480) 835-5000
Fax: (480) 835-5355

Gentlemen:

I hereby request the Company to disclose my name, address, phone number, insider relationship (if any), and the following request on the Company's stockholder web page Bulletin Board.

- _____ I am interested in purchasing up to _____ shares of American Savings Life Insurance Company stock at the price of \$ _____ per share.
or
_____ I am interested in selling up to _____ of my shares of American Savings Life Insurance Company stock at a price of \$ _____ per share.

I understand that a person may be listed as interested in purchasing or interested in selling Company stock, but not both. I also understand that the Company shares are not registered to sell on any public stock market, and I am relying on my own diligence, and that of my personal advisors in determining the value of the stock.

I have reviewed, to my satisfaction, the most recent Annual Report to Stockholders (for year ending 2002), and the most recent monthly financial statement, dated _____.

I understand I may withdraw my name from the Bulletin Board at any time, by written notice to the Company. The Company may discontinue my listing at any time if, in the sole discretion of the Company, it is obsolete, inappropriate, unreasonable, or after six months.

I further understand the Company's only responsibility for the purchase or sale of Company stock, is the transfer of shares upon the books of the Company; and then, only upon receipt of proper documentation therefor. The Company requires a "Medallion Guaranteed" signature for each name on a stock certificate in order to accept shares for transfer. Additional documentation could also be required to satisfy transfer procedures.

ALL negotiations to purchase or sell stock will be made between myself and the intended seller or purchaser, independent of the Company.

I agree that the Company may retain a tendered stock certificate, and withhold issuance of a new certificate, until receipt of any verification of the transaction deemed necessary by the Company is received.

My name is: *(please print)* _____.

My mailing address is: _____

(City, State, Zip) _____, _____.

My telephone number(s): _____, _____

My Social Security Number is: _____

Signature of Interested Buyer or Seller: _____

Signed and dated this _____ day of _____, 2003

