

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

**IN THE MATTER OF
THE REPORT OF EXAMINATION
OF MEMORIAL INSURANCE
COMPANY OF AMERICA**

A.I.D. NO. 2019- 28

ADOPTION ORDER

Now on this day the matter of the Report of Examination (“Report”) as of December 31, 2017, of Memorial Insurance Company of America (“Company”), of Blytheville, Arkansas, NAIC No. 83798, is taken under consideration by Allen Kerr, 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 legal reserve stock insurer with authority to write life and accident and health insurance.
2. Pursuant to Ark. Code Ann. §§ 23-61-201, *et seq.*, the Commissioner authorized and directed the Department to conduct a regular examination of the affairs, transactions, accounts, records, and assets of the Company as of December 31, 2017.
3. Said examination was commenced by the Department on May 1, 2018, and completed on March 15, 2019.
4. The verified Report of Examination was filed with the Department on April 18, 2019. It was then mailed to the Company via certified mail on April 19, 2019. The Company received the Report on April 25, 2019, according to the tracking service available through the United States Postal Service.

5. In correspondence dated May 10, 2019, the Company acknowledged its receipt and review of the Report.

6. The Company did not notify the Department of its plans to amend its Services and Cost Sharing Agreement with affiliates prior to entering into the amended Agreement.

7. The Company did not file a Regulatory Asset Adequacy Issues Summary.

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. This Adoption Order has been properly entered in accordance with the Arkansas Insurance Code and Arkansas Insurance Department Rules.

3. The Company's failure to notify the Department of a proposed amendment to its Services and Cost Sharing Agreement in writing within thirty (30) days of entering into the amended Agreement is a violation of Ark. Code Ann. § 23-63-515 and Department Rule 15.

4. The Company's failure to file a Regulatory Asset Adequacy Issues Summary as required for multi-state companies operating in Arkansas is a violation of Ark. Code Ann. § 23-84-112 and Department Rule 64A.

THEREFORE, pursuant to the provisions of Ark. Code Ann. § 23-61-205, the Commissioner hereby orders:

1. That the Examination Report, as filed with the Department, is hereby adopted;

2. That the Department shall forward a copy of this Adoption Order and the adopted Examination Report, as filed, to the Company via certified mail. The mailing to the Company shall include specimen affidavit forms for the Company's Board of Directors to use in acknowledgement of receipt of the adopted Report of Examination and this Adoption Order;


3. That within twenty (20) days of receipt of this Adoption Order and the adopted Examination Report, the Company shall file with the Department affidavits executed by each one of its directors, stating under oath or affirmation that each has received a copy of this Adoption Order and the adopted Examination Report;

4. That the adopted Examination Report shall be open for public inspection upon the expiration of thirty (30) days from the Company's receipt of this Adoption Order;

5. That the Company shall file written notice of its intention to enter into a material transaction within thirty (30) days of entering into the transaction as required by Ark. Code Ann. § 23-63-515 and Department Rule 15; and

6. That the Company shall file its Regulatory Asset Adequacy Issues Summary as required by Ark. Code Ann. § 23-84-112 and Department Rule 64A.

IT IS SO ORDERED this 16th day of May, 2019.


ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS