

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

**IN THE MATTER OF THE REPORT
OF MULTI-STATE EXAMINATION OF
INDEPENDENT STATISTICAL SERVICE**

AID NO. 2013- 110

ARKANSAS ADOPTION ORDER

Now on this day the matter of the Report of Multi-State Examination ("Report" or "Report of Examination" or "Multi-State Examination Report"), dated as of December 31, 2013, of Independent Statistical Service ("ISS"), of Chicago, Illinois, licensed as a rate service or advisory organization in the State of Arkansas, is taken under consideration by Jay Bradford, Insurance Commissioner for the State of Arkansas ("Commissioner"). From the facts, matters and other things before him, the Commissioner finds as follows:

FINDINGS OF FACT

1. The Commissioner has jurisdiction over ISS and the subject matter involved herein.
2. ISS is an Illinois domiciled advisory organization and statistical agent, which is authorized and licensed by the Commissioner to transact business in the State of Arkansas.
3. The Advisory Organization Examination Oversight (C) Working Group of the National Association of Insurance Commissioners ("NAIC) initiated a multi-state examination of the business practices of ISS. The period of examination was January 1, 2010 through September 30, 2012.
4. That, pursuant to Ark. Code Ann. §§23-61-201, et seq., and §23-67-220, et seq., or other applicable laws and rules, the Commissioner authorized and directed the Department to join with the other states participating in this examination.
5. The Multi-State Report of Examination contained 1 recommendation concerning the company's licensing procedures and 27 observations in operations/management/governance,

statistical plans, data collection and handling and correspondence with insurers and state regulators.

CONCLUSIONS OF LAW

Based upon the above and foregoing Findings of Fact, the Commissioner makes the following Conclusions of Law:

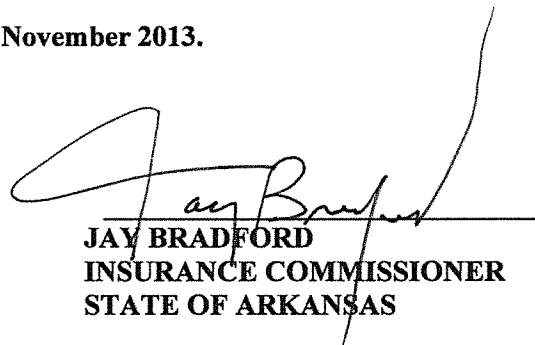
9. The Commissioner and the Department have jurisdiction over the parties and the subject matter contained herein pursuant to Ark. Code Ann. §§ 23-61-205 and 23-67-220.

10. Pursuant to Ark. Code Ann. § 23-67-220(d), in lieu of any examination, the Commissioner may accept the report of an examination by the insurance supervisory official of another state.

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

THEREFORE, pursuant to the provisions of Ark. Code Ann. § 23-61-205, § 23-67-220, and other applicable laws and rules, the Commissioner hereby orders that the Multi-State Market Conduct Examination Report for ISS, dated as of December 31, 2012 has been adopted in its entirety as the final report by the Arkansas Insurance Department.

IT IS SO ORDERED this 25th day of November 2013.


JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS