

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

**IN THE MATTER OF
THE REPORT OF EXAMINATION OF
MANHATTANLIFE ASSURANCE
COMPANY OF AMERICA**

A.I.D. NO. 2018- 61

ADOPTION ORDER

Now on this day the matter of the Report of Examination (“Report” or “Report of Examination”) as of December 31, 2016, of ManhattanLife Assurance Company of America (“Company”), of Houston, Texas, NAIC No. 61883, is taken under consideration by Allen Kerr, Insurance Commissioner for the State of Arkansas (“Commissioner”), as presented by the Finance Division and Amanda Capps Rose, Associate Counsel, 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, a multi-state insurer, is an Arkansas-domiciled stock insurer authorized to transact accident and health and life insurance in the State of Arkansas.
2. Pursuant to Ark. Code Ann. §§ 23-61-201, *et seq.*, and other applicable law, 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, 2016.
3. Said examination was commenced by the Department on December 12, 2016, and completed on May 4, 2018.

4. The verified Report of Examination was filed with the Department on May 9, 2018, and sent to the Company via certified mail on May 10, 2018. The Report was received by the Company on May 14, 2018, according to the certified mail return receipt returned to the Department.

5. The minutes of the Company's Board of Directors meetings do not document the presentation of the Actuarial Opinion or a presentation by the appointed actuary as required by the NAIC Annual Statement Instructions.

6. The Company's methodology for inter-company allocation of general expenses among affiliates could not be substantiated as required by the NAIC Accounting Practices and Procedures Manual.

7. The Company provided a response to the Report on May 18, 2018, and the Report was amended to incorporate the proposed revisions received from the Company. The Company subsequently waived its thirty (30) days for review of the Report in correspondence dated May 22, 2018.

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 Department Rules.

3. The Company's failure to follow the NAIC Annual Statement Instructions is a violation of Ark. Code Ann. § 23-63-216.

4. The Company's failure to follow the NAIC Accounting Practices and Procedures Manual is a violation of Ark. Code Ann. §§ 23-63-216, 23-63-601, *et seq.*, and Department Bulletin 1-2016.

THEREFORE, pursuant to the provisions of Ark. Code Ann. § 23-61-205 and other provisions of the Arkansas Insurance Code, 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; and

5. That the Company shall follow the NAIC Annual Statement Instructions regarding presentations to its Board of Directors and the NAIC Accounting Practices and Procedures Manual regarding the allocation of general expenses among affiliates.

IT IS SO ORDERED this 30th day of May, 2018.



ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS