

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

**IN THE MATTER OF SELECTED
FUNERAL AND LIFE
INSURANCE COMPANY**

A.I.D. NO. 2020- 20

ORDER

Now on this day, the matter of Selected Funeral and Life Insurance Company (“Company”) comes before Allen Kerr, Insurance Commissioner of the State of Arkansas (“Commissioner”). The Arkansas Insurance Department (“Department”) is represented by Associate Counsel, Amanda Capps Rose. From the facts and matters before him, the Commissioner finds as follows:

FINDINGS OF FACT

1. The Commissioner has jurisdiction over the parties and subject matter herein pursuant to Ark. Code Ann. §§ 23-61-103, 23-63-501, *et seq.*, and other provisions of the Arkansas Insurance Code.
2. The Company, NAIC No. 83836, is an Arkansas domestic insurer licensed to write life and accident and health insurance.
3. The ownership of the Company is governed by a Stockholder’s Restriction Agreement adopted by the Company on February 10, 1970, which allows stockholders to sell their stock back to the Company.
4. One stockholder of the Company, Benton Funeral Home in Fordyce, Arkansas, desires to sell their stock back to the Company through the Company’s holding company, Selected Holding Company. Benton Funeral Home currently holds 5.07% of the outstanding stock of the Company.

5. The proposed transaction does not result in a change in the ultimate controlling party.

6. In the January 23, 2020 correspondence, the Company requested an exemption from the requirements of the Insurance Holding Company Regulatory Act (“Act”), specifically Ark. Code Ann. §§ 23-63-506 – 23-63-513.

7. The Commissioner or his representatives have reviewed the proposed transaction, including the organizational structure, as it affects the Company, both prior to and following the proposed transaction.

8. The proposed transaction will not change or influence the ultimate control of the Company.

CONCLUSIONS OF LAW

Based upon the above and foregoing Findings of Fact and the evidence before him, the Commissioner concludes as follows:

9. The Act provides, in pertinent part, as follows:

The provisions of §§ 23-63-506 – 23-63-513 shall not apply to: [...]

(3) Any offer, request, invitation, agreement, or acquisition which the commissioner, by order, shall exempt therefrom as:

(A) Not having been made or entered into for the purpose and not having the effect of changing or influencing the control of a domestic insurer.

Ark. Code Ann. § 23-63-507(3)(A).

10. Based upon the findings stated above and applicable provisions of the Act, because the transaction was not made or entered into for the purpose of, and not having the effect of changing or influencing the control of, a domestic insurer, the requested

exemption from the requirements of Ark. Code Ann. §§ 23-63-506 – 23-63-513 should be granted.

11. The Company will be subject to the Insurance Holding Company Regulatory Act, Ark. Code Ann. §§ 23-63-501, *et seq.*, effective as of the date of this Order.

12. It is hereby **ORDERED** that the proposed transaction is exempt from the requirements of Ark. Code Ann. §§ 23-63-506 – 23-63-513 pursuant to Ark. Code Ann. § 23-63-507(3)(A).

IT IS SO ORDERED ON THIS 6th DAY OF FEBRUARY, 2020.


ALLEN KERR
INSURANCE COMMISSIONER
STATE OF ARKANSAS