

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

**IN THE MATTER OF THE ASSUMPTION
REINSURANCE AGREEMENT BETWEEN
COMMUNITY BANK LIFE & HEALTH
INSURANCE COMPANY AND SOUTHERN
PIONEER LIFE INSURANCE COMPANY**

AID # 2008- 0 2 2

ORDER

A hearing was held on March 20, 2008, before Julie Benafield Bowman, Insurance Commissioner of the State of Arkansas (“Commissioner”), in the hearing room of the Arkansas Insurance Department (“Department”) in accordance with the provisions of Ark. Code Ann. §23-61-303, §23-69-149, Rule and Regulation 55 and other provisions of the Arkansas Insurance Code. The Hearing was held pursuant to a letter dated February 8, 2008, filed by Southern Pioneer Life Insurance Company (the “Applicant”) seeking approval of an Assumption Reinsurance Agreement (“Agreement”) whereby the Applicant would assume certain credit life and disability policies issued by Community Bank Life & Health Insurance Company (the “Company”). The Insurance Department was represented by Robert Alexander, Associate Counsel.

FINDINGS OF FACT

From the letter, the Agreement and other evidence introduced at the hearing, including exhibits filed in connection therewith, and other matters and law before her, the Commissioner finds as follows:

1. The letter and Agreement were filed herein on February 8, 2008. An amended letter was resubmitted on March 20, 2008. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. §23-69-149 and Rule 55. The notice of

hearing was given within the time and in the manner required by law or was waived, and the parties have consented to the holding of this hearing at this time and on this date.

2. The Applicant and the Company are Arkansas domestic insurers. As a result of the approval and implementation of the Agreement, all of the credit life and credit accident and health insurance policies issued by the Company will be transferred to the Applicant.
3. The Agreement is not inequitable to the stockholders of the Company nor will it substantially reduce the protection or services to its policyholders.
4. The Agreement is not contrary to the law.

CONCLUSIONS OF LAW

Based upon the above and foregoing Findings of Fact and other matters, facts and law before the Commissioner, the Commissioner finds and concludes that none of the conditions specified in Ark. Code Ann. §23-69-149 as preclusions for the approval of the Agreement exist, the Agreement should be approved.

IT IS THEREFORE ORDERED that the Assumption Reinsurance Agreement whereby the Applicant assumes the specific credit life and credit accident and health insurance specified in the Assumption Reinsurance Agreement from the Company is hereby approved.

DATED this 20th day of March, 2008.


JULIE BENAFIELD BOWMAN
INSURANCE COMMISSIONER
STATE OF ARKANSAS