

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

**IN THE MATTER OF THE
CERTIFICATE OF AUTHORITY OF
AF&L INSURANCE COMPANY**

A.I.D. NO. 2011- 059

ORDER OF SUSPENSION

Now on this day the matter of Arkansas Certificate of Authority No. 2564 of AF&L INSURANCE COMPANY, NAIC No. 35963 ("Company"), a Pennsylvania-domiciled insurer, is taken under consideration by Jay Bradford, Insurance Commissioner for the State of Arkansas ("Commissioner"), as presented by Amanda Capps Rose, Associate Counsel, Legal Division of the Arkansas Insurance Department ("Department") and by the Finance Division of the Department. From the facts, matters and other things before the Commissioner, he finds as follows:

FINDINGS OF FACT

1. The Company is domiciled in the Commonwealth of Pennsylvania and authorized to sell accident and health insurance in the State of Arkansas.
2. That, as of June 30, 2011, the Company's quarterly financial statement shows a total surplus of seven hundred eighty thousand, eight hundred sixty-three dollars (\$780,863.00).
3. That based on its total capital and surplus, the Company no longer meets the requirements for the authority originally granted it.
4. That on this date the Commissioner has determined that the causes as stated make it appropriate and expedient to suspend the Company's Arkansas Certificate of Authority.
5. The Company has been suspended or revoked in thirteen (13) other states.

CONCLUSIONS OF LAW

6. The Commissioner has jurisdiction over the parties and the subject matter involved herein.

7. On this date the Commissioner has determined that the causes as stated make it appropriate and expedient to suspend the Company's Arkansas Certificate of Authority pursuant to Ark. Code Ann. §§ 23-63-212(a)(2) and 23-63-214.

8. Ark. Code Ann. § 23-63-212 states, in pertinent part, as follows:

(a) The Insurance Commissioner shall suspend or revoke an insurer's certificate of authority:

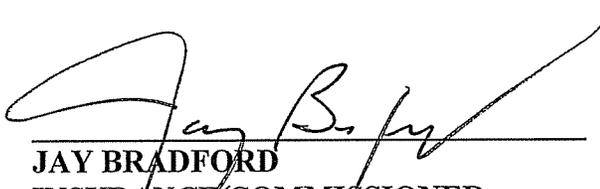
(1) If the action is required by any provision of the Arkansas Insurance Code; or

(2) If the insurer no longer meets the requirements for the authority originally granted, on account of deficiency of assets or otherwise;
[...]

9. Pursuant to the provisions of Ark. Code Ann. § 23-63-212(b), no prior notice or hearing is required.

IT IS THEREFORE ORDERED AND ADJUDGED that the Arkansas Certificate of Authority of AF&L Insurance Company is hereby immediately suspended.

IT IS SO ORDERED THIS 26th **DAY OF AUGUST, 2011.**



JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS