

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

**IN THE MATTER OF  
THE REPORT OF EXAMINATION  
OF GRIFFIN-LEGGETT BURIAL  
INSURANCE COMPANY**

**A.I.D. NO. 2015- 031**

**ADOPTION ORDER**

Now on this day the matter of the Report of Examination (“Report”) as of December 31, 2013 of Griffin-Leggett Burial Insurance Company (“Company”), NAIC No. 84107, of Little Rock, Arkansas, is taken under consideration by Allen Kerr, Insurance Commissioner for the State of Arkansas (“Commissioner”), as presented by Associate Counsel, Amanda Capps Rose, and the Finance Division 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 Commissioner has jurisdiction over the Company and the subject matter involved herein.
2. The Company is an Arkansas-domiciled mutual assessment life and disability insurer.
3. Pursuant to Ark. Code Ann. §§ 23-61-201, *et seq.*, 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, 2013.
4. Said examination was commenced by the Department on September 11, 2014, and completed on January 28, 2015.
5. The verified Report of Examination was filed with the Department on March 13, 2015. It was then mailed to the Company via certified mail on March 16, 2015. The

Company received the Report on March 18, 2015, according to the tracking service available through the United States Postal Service. Subsequent to the Company's review of the Report, the Department's staff corrected a reference to Department Rule 7 on page 2 under the heading "Minutes to Meetings," which should have made reference to Department Rule 9. The correction will be reflected in the publicly available Report filed with the Department.

6. The Company did not record the minutes of its board of directors meetings on pre-numbered pages affixed with the seal of the Department.

7. The Company's claim files did not contain sufficient notes and work papers to allow pertinent events and dates to be reconstructed.

8. The Company submitted a response to the Report on April 7, 2015, noting no objections to the Report's findings and stating that steps have been taken to remedy the discrepancies noted in the Report.

#### **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. Department Rule 9 requires that minutes of the Company's board of directors meetings be recorded on pre-numbered pages affixed with the seal of the Department.

4. All claim files must contain the appropriate documentation as required by Department Rule 43, § 6.

**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;

5. That the Company shall record its board of directors meetings on pre-numbered pages affixed with the Department's seal in compliance with Department Rule 9; and

6. That the Company shall include in each claim file the appropriate information as required by Department Rule 43, § 6.

**IT IS SO ORDERED this 13<sup>th</sup> day of April, 2015.**

  
**ALLEN KERR  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS**