

**BEFORE THE DIVISION OF INSURANCE  
DEPARTMENT OF LABOR AND REGULATION  
STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE TARGET  
MARKET EXAMINATION OF  
ABILITY INSURANCE COMPANY**

**ORDER SETTING REPORT  
IMPLEMENTATION TIMELINE**

1. On July 8, 2013 the Director of the Division of Insurance ("Division") adopted the Examination Report by Order in the target market conduct examination of Ability Insurance Company ("the Company") pursuant to SDCL § 58-3-12.
2. Pursuant to the Director's July 8, 2013 Order, the Company was ordered to submit a timeframe for implementation of the adopted Examination Report within 20 days pursuant to SDCL § 58-3-25.
3. The company provided an implementation schedule pursuant to the Director's Order.

Therefore, pursuant to SDCL § 58-3-25, it is hereby ORDERED that within 60 days of the date of this Order, the Company shall comply with the report recommendations and provide written verification to the Director that each recommendation has been fully complied with, along with a report detailing how each recommendation has been implemented; and it is further

ORDERED that where report recommendations require written communications to consumers, these communications must first receive Division approval prior to use; and it is further

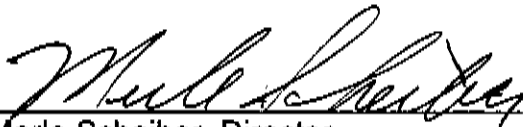
ORDERED that within 90 days of the date of this Order, recommendations requiring written communications to consumers shall be complied with and written verification shall be provided to the Director that each recommendation has been fully complied with; and it is further

ORDERED that the Company shall comply with the Report recommendations and shall continue to follow the policies and procedures that have been put in place during the course of the examination and those subsequent to the examination's completion; and it is further

ORDERED that this Order may not be used by any person for any competitive purpose or used in a manner that would violate SDCL Chapter 58-33.

This Order may be appealed to the Circuit Court and South Dakota Supreme Court pursuant to SDCL Chapter 1-26.

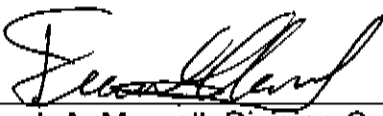
Dated this 14<sup>th</sup> day of August, 2013.

  
Merle Scheiber, Director  
South Dakota Division of Insurance  
445 E. Capitol Ave.  
Pierre, SD 57501

**CERTIFICATE OF SERVICE**

I, Frank Marnell, the undersigned, do hereby certify that on this 14<sup>th</sup> day of August, 2013, a true and correct copy of the Order Setting Report Implementation Timeline with respect to the above-entitled action was sent U.S. First Class Mail thereon, to Ability Insurance Company, 235 South 15th Street 1202S, Omaha, NE 68102.

Dated this 14<sup>th</sup> day of August, 2013 in Pierre, South Dakota.

  
Frank A. Marnell, Division Counsel  
South Dakota Division of Insurance  
445 E. Capitol Ave.  
Pierre, SD 57501