

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

**IN THE MATTER OF THE MARKET
CONDUCT EXAMINATION OF
MIDLAND NATIONAL LIFE
INSURANCE COMPANY**

**FINDINGS OF FACT,
CONCLUSIONS OF LAW AND
ORDER**

On November 9, 2017 the South Dakota Division of Insurance ("Division") submitted a Market Conduct Examination Report ("Report") to Midland National Life Insurance Company (the "Company"), whose address of record is One Sammons Plaza, Sioux Falls, South Dakota 57193. The Director reviewed the Report and makes the following Findings of Fact, Conclusions of Law and Order, pursuant to SDCL § 58-3-12 and SDCL Chapter 1-26:

FINDINGS OF FACT

I.

The Company is an insurer licensed in South Dakota and subject to examination pursuant to SDCL § 58-3-1.

II.

On February 29, 2016, the Director of the Division issued an Order for Examination of the Company.

III.

The period of the Market Conduct Examination of the Company was from January 1, 2014 through December 31, 2015, unless otherwise noted in the Report.

IV.

The Target Market Conduct Examination of the Company resulted in a Report which the Division has reviewed.

V.

The finalized Report was filed with the Division on November 8, 2017.

VI.

The Report was transmitted by the Division to the Company via Electronic Mail and U.S. First Class Mail on November 9, 2017.

VII.

The Company received the Report via Electronic Mail on November 9, 2017.

VIII.

The company did not provide the Division with written responses to the Report pursuant to SDCL § 58-3-12.

IX.

The Director has considered and reviewed the Report.

X.

To the extent any of the foregoing are improperly designated and are instead conclusions of law, they are hereby redesignated and incorporated herein as Conclusions of Law.

CONCLUSIONS OF LAW

I.

The Director of the Division of Insurance has jurisdiction over this matter pursuant to SDCL Chapter 58-3.

II.

SDCL §§ 58-3-12 and 58-3-17 require the Director to issue an Order in this matter, pursuant to SDCL Chapter 1-26. The Report may be adopted as filed or with modifications or corrections, or the Report may be rejected in full, or the Director may call for an investigatory hearing.

III.

Pursuant to SDCL § 58-3-17, the Company must serve its directors with a copy of this Order and the Report and file affidavits from the directors with the Division stating they have received a copy of the Order and Report.

IV.

Pursuant to SDCL §§ 1-27-1.5(5) and 58-3-14, the Report is not open to public inspection for a period of 30 days after the date of this Order.

V.

Pursuant to SDCL § 58-3-25, the Director has the authority to set forth the time frame for implementation of the Report recommendations.

VI.

To the extent any of the foregoing are improperly designated and are instead findings of fact, they are hereby redesignated and incorporated herein as Findings of Fact.

ORDER

It is hereby ORDERED pursuant to SDCL § 58-3-12(1), the contents of the Report are adopted as filed; and it is further

ORDERED pursuant to SDCL § 58-3-17, the Company is to serve a copy of the Order and Report on each member of its Board of Directors; and it is further

ORDERED pursuant to SDCL § 58-3-17, that within 30 days of the date of this Order, the Company shall file affidavits with the Division, executed by each member of its Board of Directors, stating that they have received a copy of the Order and Report; and it is further

ORDERED that the Director will provide the Company 30 days to propose the time frame for implementation of the Report recommendations; and it is further

ORDERED that once 30 days has passed, the Director will set the time frame for implementation of the Report recommendations; and it is further

ORDERED that once the time frame has been set, 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 the Director will release the adopted Report in compliance with SDCL § 58-3-14 unless a court of competent jurisdiction stays its publication; 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 10th day of January, 2018.

A handwritten signature in black ink, appearing to read "Larry Deiter", is written over a horizontal line.

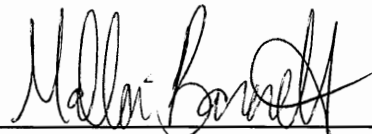
Larry Deiter, Director
South Dakota Division of Insurance

CERTIFICATE OF SERVICE

I, Mallori Barnett, the undersigned, do hereby certify that on this 10th day of January, 2018, a true and correct copy of the Findings of Fact, Conclusions of Law and Order with respect to the above-entitled action was sent U.S. Certified Mail thereon, to the following:

Midland National Life Insurance Co.
Attn: Jill Williams
One Sammons Plaza
Sioux Falls, SD 57193

Dated this 10th day of January, 2018 in Pierre, South Dakota.



Mallori M.E. Barnett, Division Counsel
South Dakota Division of Insurance
124 S. Euclid Ave., 2nd Floor
Pierre, SD 57501