

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

IN THE MATTER OF:

**AMERICAN NATIONAL
INSURANCE COMPANY**

NAIC #60739

**One Moody Plaza
Galveston, TX 77550**

)
)
)
)
) **DOCKET NO. 3420-2017**
)
)
)
)

STIPULATION AND CONSENT ORDER

THIS STIPULATION AND CONSENT ORDER is entered into as of

04-04, 2017, by and between American National Insurance Company (the "Respondent") and the State of Delaware Department of Insurance ("Department"). The Respondent and the Department are collectively referred to herein as the "Parties."

WHEREAS, Respondent is a life and health insurance company incorporated under Texas law and authorized to conduct the business of insurance in the State of Delaware; and

WHEREAS, the Department, through its examiners, conducted a target market conduct examination ("Examination") of Respondent's affairs and practices as of June 30, 2011; and

WHEREAS, the Department, through its examiners, prepared and provided to Respondent for review and comments draft versions of a report of the Examination; and

WHEREAS, Respondent has reviewed and commented on such draft versions of the report of the Examination; and

WHEREAS, after considering Respondent's comments, the Department, through its examiners, has prepared a final report of the Examination, dated as of March 31, 2015 ("Final Examination Report"); and

WHEREAS, among other findings contained in the Final Examination Report, the Department concluded that the Respondent's practices and procedures did not comply with (i) 18 Del. Admin. Code §1204-5.2.1, and §1204-7.1.2.2, in that it failed to appropriately administer the Replacement of Life Insurance Policies requirements (collectively, the "Notice Violations").

WHEREAS, after communications with the Department, Respondent desires to resolve this matter without recourse to any administrative hearing or court action (such as an appeal).

NOW, THEREFORE, IT IS AGREED, by and between Respondent and the Department as follows:

1. Respondent accepts the Final Examination Report, waives any right to a hearing thereon, and agrees that the Department may file the Final Examination Report without any further modifications.

2. Upon its execution of this Stipulation and Consent Order, Respondent shall pay to the Department an administrative penalty for the Notice Violations in the amount of Eight Thousand Dollars (\$ 8,000.00). Respondent shall make its check for the administrative penalty payable to the "State of Delaware."

3. Respondent waives any right to challenge in an administrative or court proceeding any of the terms and conditions of this Stipulation and Consent Order.

4. This Stipulation and Consent Order is the free and voluntary act of the Respondent, and its terms are binding upon the Respondent and may be admitted into evidence in any judicial or administrative proceeding against the Respondent to enforce such terms. Respondent

acknowledges that it has had a full opportunity to seek and receive advice of counsel on all matters related to this Stipulation and Consent Order.

5. This Stipulation and Consent Order contains all of the terms and conditions agreed to by the parties and constitutes the final agreement between the Respondent and the Department.

6. No change, amendment, or modification hereto shall be effective or binding unless it is in writing, dated, and signed by the parties.

7. If the Department fails to act on any one or more defaults by the Respondent, such failure to act shall not be a waiver of any rights hereunder on the part of the Department to declare the Respondent in default and to take such action as may be permitted by this Stipulation and Consent Order or by law.

8. This Stipulation and Consent Order may be signed in duplicate, and both documents shall be considered originals. The person executing this Stipulation and Consent Order on behalf of Respondent shall acknowledge his or her signature before a Notary Public and, by executing this Stipulation and Consent Order, certifies that he or she is duly authorized to execute this Stipulation and Consent Order on behalf of Respondent. Respondent agrees that an uncertified copy of this Stipulation and Consent Order shall be valid as evidence in any proceeding for purposes of enforcement.

9. This Stipulation and Consent Order shall survive the Respondent and be enforceable against its successors, transferors, or assigns.

[Signature Page Follows]

AMERICAN NATIONAL
INSURANCE COMPANY:

DELAWARE INSURANCE DEPARTMENT

Dwain A. Akins
Print Name: DWAIN A. AKINS
Title: SUP. CHIEF COMPLIANCE OFFICER
Date: 3/31/17

Trinidad Navarro
TRINIDAD NAVARRO
Insurance Commissioner
Date: 4-4-17

Witness to Respondent's Signature

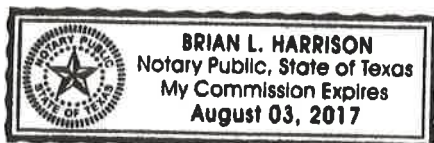
Name: BRIAN L. HARRISON
Title: SR. LEGAL ANALYST
Date: 3/31/17

STATE OF TEXAS)
) SS.
COUNTY OF GALVESTON)

The foregoing instrument was acknowledged before me this 31ST day of MARCH 2017,
by DWAIN A. AKINS, who is personally known to me or who has produced
_____ as identification, and who certified that he or she is duly authorized to
execute this document on behalf of Respondent.

GIVEN under my Hand and Seal of office, the day and year aforesaid.

Brian L. Harrison
NOTARY PUBLIC



BRIAN L. HARRISON
PRINT NAME

8/3/2017
MY COMMISSION EXPIRES