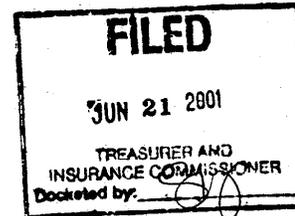




THE TREASURER OF THE STATE OF FLORIDA  
DEPARTMENT OF INSURANCE



TOM GALLAGHER

RECEIVED

IN THE MATTER OF:

JUN 22 2001

CASE NO.: 41277-01-CO

BANKERS LIFE AND CASUALTY COMPANY  
Life and Health Target Market Conduct Examination  
Market Conduct Review  
Division of Insurer Services

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between BANKERS LIFE AND CASUALTY COMPANY hereinafter referred to as "BANKERS" and the FLORIDA DEPARTMENT OF INSURANCE, hereinafter referred to as the "DEPARTMENT". Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the Treasurer and Insurance Commissioner, as head of the FLORIDA DEPARTMENT OF INSURANCE, hereby finds as follows:

1. The Treasurer and Insurance Commissioner, as head of the DEPARTMENT, has jurisdiction over the subject matter of, and parties to, this proceeding.
2. BANKERS is a foreign insurer authorized to transact insurance business in Florida and is subject to the jurisdiction and regulation of the DEPARTMENT pursuant to the Florida Insurance Code.
3. The DEPARTMENT has conducted an examination of BANKERS pursuant to Section 624.3161, Florida Statutes. As a result of such examination, the

DEPARTMENT determined that BANKERS committed the following violations of the Florida Statutes:

- a. Failure to file Long Term Care advertising materials in violation of Section 627.9407, Florida Statutes.
- b. Failure to file Medicare Supplement advertising materials prior to use in violation of Section 627.6735, Florida Statutes.
- c. Unfair methods of competition and Unfair or Deceptive advertising in violation of Section 626.9541(1)(b), Florida Statutes.
- d. Failure to adhere to complaint handling procedures in violation of Section 626.9541(1)(i)(3)(j), Florida Statutes.
- e. Failure to provide complete records and documents for the purpose of examination in violation of Section 624.318(2), Florida Statutes.

6. The DEPARTMENT and BANKERS expressly waive a hearing in this matter, and the making of Findings of Fact and Conclusions of Law by the DEPARTMENT and all further and other proceedings herein to which the parties may be entitled by law or rules of the DEPARTMENT. BANKERS hereby knowingly and voluntarily waives all rights to challenge or to contest this Order, in any forum now available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

7. BANKERS agrees that the failure to adhere to one or more of the terms and conditions of this Order shall constitute a violation of a lawful order of the DEPARTMENT, and shall subject BANKERS to such administrative action as the Treasurer and Insurance Commissioner may deem appropriate.

8. BANKERS agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

(a) BANKERS shall pay a penalty of \$9,000 and administrative costs of \$1,500 on or before the 30th day after this Consent Order is executed.

(b) BANKERS shall henceforth comply with all of the provisions of the Florida Insurance Code and Florida Statutes.

(c) BANKERS is hereby placed on notice of the requirements of the above referenced sections of law and agrees that any future violations of these sections by BANKERS may be deemed willful, subjecting BANKERS to appropriate penalties.

9. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

10. THEREFORE, the agreement between BANKERS and the DEPARTMENT, the terms and conditions of which are set forth above, is approved.

FURTHER, all terms and conditions above are hereby ORDERED.

DONE AND ORDERED this day 21<sup>st</sup> of June, 2001.



\_\_\_\_\_  
KEVIN McCARTY  
DEPUTY INSURANCE COMMISSIONER

By execution here of BANKERS consents to entry of this Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. I am authorized to execute this document.

BANKERS LIFE AND CASUALTY COMPANY

Corporate Seal

By:

Erwin McKendry

(Typed or Printed Name)

Title: Vice President, Insurance Operation

Date: 5/2/01

**COPIES FURNISHED TO:**

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