

THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

BILL NELSON

IN THE MATTER OF:

CASE NO: 35900-00-CO

CONSECO LIFE INSURANCE COMPANY
(f/k/a LAMAR LIFE INSURANCE COMPANY)

Life and Health Market Conduct Examination Report

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **CONSECO LIFE INSURANCE COMPANY** hereinafter referred to as "**CONSECO LIFE**" 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. **CONSECO LIFE** 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** conducted a market conduct examination of **CONSECO LIFE** covering the period January 1, 1996 through December 31, 1998, pursuant to Section 624.3161, Florida Statutes. As a result of such examination, the **DEPARTMENT** determined that **CONSECO LIFE** committed the following violations of the Florida Insurance Code:

1. Section 627.482(1), Florida Statutes – Failure to pay interest due on surrender values.
2. Section 627.4615, Florida Statutes – Failure to pay 8% interest due on death claims after proof of loss is received.
3. Section 626.9541(1)(j), Florida Statutes – Failure to maintain complete consumer complaint records.

4. **CONSECO LIFE** is directed to review all life policies issued from 1997 to present where the policy-holder elected the cash surrender option. **CONSECO LIFE** is further directed to pay statutory interest for all payments not made within 30 days as stated in Section 627.482, Florida Statutes. Within 60 days of the issuance of this consent order **CONSECO LIFE** will have an officer send to the Life & Health Market Conduct Section of the **DEPARTMENT** a certified report stating the number of adjustments, and the total amount of all adjustments.

5. **CONSECO LIFE** is directed to review and adjust all interest payments on death claims issued from 1997 to present. Within 60 days of the issuance of this consent order **CONSECO LIFE** will have an officer send a certified report to the Life & Health Market Conduct

Section of the **DEPARTMENT** stating the number of adjustments, and the total amount of all adjustments.

6. The **DEPARTMENT** and **CONSECO LIFE** 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**. **CONSECO LIFE** 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. **CONSECO LIFE** 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 **CONSECO LIFE** to such administrative action as the Treasurer and Insurance Commissioner may deem appropriate.

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

(a) **CONSECO LIFE** shall pay an administrative penalty of \$4,500.00 and costs of \$1,125 on or before the 30th day after this Consent Order is executed.

(b) **CONSECO LIFE** shall henceforth comply with all of the provisions of the Insurance Code and will implement the recommendations contained in the report within 30 days of this Consent Order.

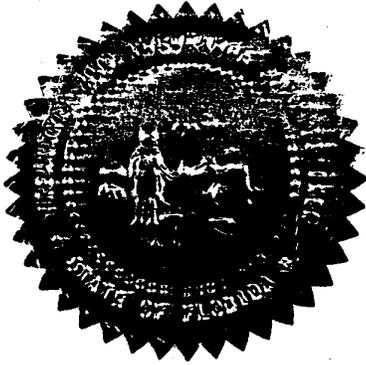
(c) **CONSECO LIFE** is hereby placed on notice of the requirements of the above referenced sections of law and agrees that any future violations of these sections by **CONSECO LIFE** may be deemed willful, subjecting **CONSECO LIFE** to appropriate penalties.

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

THEREFORE, the agreement between **CONSECO LIFE** 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 14TH day of NOVEMBER, 2000.



BILL NELSON
TREASURER AND
INSURANCE COMMISSIONER

By execution hereof **CONSECO LIFE INSURANCE COMPANY** 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.

CONSECO LIFE INSURANCE COMPANY

By: _____

Title: _____

Senior Vice President

Date: _____

10/6/00

COPIES FURNISHED TO:

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