



**FILED**

OFFICE OF INSURANCE REGULATION

**MAY 15 2012**

KEVIN M. McCARTY  
COMMISSIONER

Doctored by: HT

IN THE MATTER OF:

CASE NO.: 109811-10

EQUITRUST LIFE INSURANCE COMPANY

CONSENT ORDER

THIS CAUSE came on for consideration upon agreement between EQUITRUST LIFE INSURANCE COMPANY (hereinafter referred to as "EQUITRUST") and the OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter of, and parties to, this proceeding.
2. EQUITRUST is a foreign life insurer authorized to transact insurance business in Florida, and is subject to the jurisdiction and regulation of the OFFICE pursuant to the Florida Insurance Code.
3. The OFFICE has conducted an investigation of EQUITRUST pursuant to Section 624.318, Florida Statutes. This investigation arose out of complaints from EQUITRUST policyholders in 2009 regarding EQUITRUST's processing time on surrender and transfer requests during that time period.

4. The complaints were resolved to the satisfaction of the policyholders. No other complaints of processing time in excess of 30 days have been received from Florida policyholders.

5. As a result of such investigation, the OFFICE finds that EQUITRUST failed to adhere to the following provision of the Florida Insurance Code:

a. Section 627.482(1), Florida Statutes – Interest payable on cash surrender of policy.

(1) If an insured requests payment of the cash surrender value of a policy from its insurer, such payment shall include interest at the rate of interest specified in s. 625.121(6)(e), unless such payment is made by the insurer within 30 days of receipt of the insurance policy and request for cash surrender.

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

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

a. EQUITRUST shall pay an administrative penalty of \$16,000.00 and administrative costs of \$10,000.00 within thirty (30) days of the execution of this Consent Order.

b. EQUITRUST shall pay interest on the total value of sixty-one (61) previously identified late policies, as calculated in Section 625.12(6)(e) Florida Statutes, within six (6) months. In the event that policyholders, or their estates, cannot be located within six (6) months

after reasonable efforts by EQUITRUST to locate their whereabouts, EQUITRUST shall turn over the remaining money due to the Florida Department of Financial Services, Bureau of Unclaimed Property.

c. EQUITRUST further agrees to review its policies and procedures to insure that surrender requests are handled in a timely fashion and processed in accordance with Section 627.482(1), Florida Statutes.

8. EQUITRUST is hereby placed on notice of the requirements of the above referenced section of law and agrees that any future violations of this section by EQUITRUST may be deemed willful, subjecting EQUITRUST to appropriate penalties.

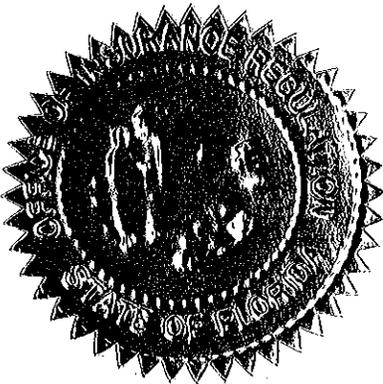
9. EQUITRUST agrees that failure to adhere to one or more of the above terms and conditions of this Consent Order shall constitute a violation of a lawful order of the OFFICE, and shall subject EQUITRUST to such administrative action as the OFFICE may deem appropriate.

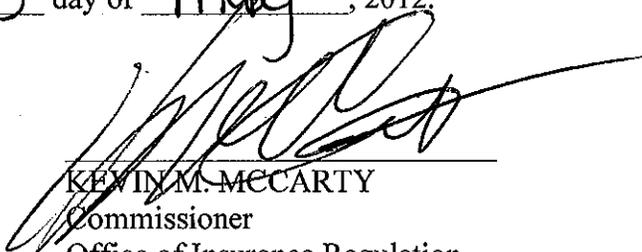
10. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

THEREFORE, the agreement between EQUITRUST and the OFFICE, 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 15<sup>th</sup> day of May, 2012.



  
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KEVIN M. MCCARTY  
Commissioner  
Office of Insurance Regulation

By execution hereof, EQUITRUST LIFE INSURANCE COMPANY, consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind EQUITRUST LIFE INSURANCE COMPANY to the terms and conditions of this Consent Order.

**EQUITRUST LIFE INSURANCE COMPANY**

By: Darlene K. Chandler

Corporate Seal

Print Name: Darlene K. Chandler

Title: Senior Legal Counsel

Date: April 18, 2012

STATE OF IOWA

COUNTY OF POLK

The foregoing instrument was acknowledged before me this 18 day of April, 2012, by Darlene K. Chandler, who is personally known to me or has produced the following identification drivers license.

Beth A. Clark

Signature of Notary

[Notarial Seal]

Beth A. Clark

Print or Type Name



My Commission Expires:

**COPIES FURNISHED TO:**

DARLENE K. CHANDLER, SENIOR COUNSEL  
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West Des Moines, IA 50266

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101 East Kennedy Blvd.  
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Market Investigations  
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Tallahassee, Florida 32399-4210

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Florida Office of Insurance Regulation  
Legal Services Office  
200 East Gaines Street  
Tallahassee, Florida 32399-4206

FINAL ORDER INDEX FORM

INDEX NO.: OIR - 10-

DOAH NO.:

ATTORNEY: Amanda Allen

STYLE: EQUITRUST FINANCIAL SERVICES.

TYPE: Consent Order

DATE FILED:

CASE NO.: 109811-11

DIVISION: Market Investigations

SUBJECT: ORDER REQUIRING EQUITRUST TO PAY 16,000.00 IN FINES AND  
10,000.00 IN COSTS.

STATUTE: 627.428, 627.842(1)



FINANCIAL SERVICES  
COMMISSION

RICK SCOTT  
GOVERNOR

JEFF ATWATER  
CHIEF FINANCIAL OFFICER

PAM BONDI  
ATTORNEY GENERAL

ADAM PUTNAM  
COMMISSIONER OF  
AGRICULTURE

## OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY  
COMMISSIONER

### INVOICE

#### *ADMINISTRATIVE PENALTY IMPOSED BY CONSENT ORDER*

In order to ensure that your payment is received and properly credited, please make your check payable to the Florida Department of Financial Services and return this invoice with your payment to:

Department of Financial Services  
Revenue Processing Section  
P.O. Box 6100  
Tallahassee, Florida 32314-6100

#### REFERENCE

NAME: Equitrust Financial Services  
ADDRESS: 5400 University Avenue  
CITY, STATE, ZIP: West Des Moines, IA 50266  
FEID:  
NAIC COCODE:  
CASE #: 109811-11  
ATTORNEY: Amanda Allen  
SOURCE: Market Conduct

*Fine Due: \$16,000.00*  
*Costs Due: \$10,000.00*  
*Total Amount Due: \$26,000.00*

*Amount Remitted:*

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<u>B/T</u>	<u>T/C</u>	<u>F/T</u>	<u>AMOUNT</u>
C	1105 MARKET CONDUCT		J
C	1249 Attorney Fees		

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NAME • UNIT

200 EAST GAINES STREET • TALLAHASSEE, FLORIDA 32399-#### • (850) 413-#### • FAX (850) ###-####  
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