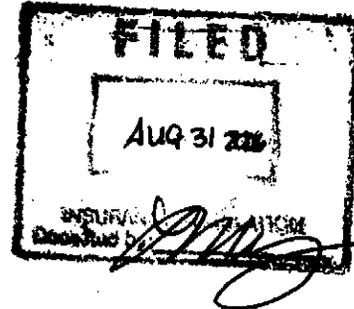




OFFICE OF INSURANCE REGULATION



KEVIN M. McCARTY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 85773-06-CO

GUARANTEE TRUST LIFE
INSURANCE COMPANY

Life and Health Market Investigation

CONSENT ORDER

THIS CAUSE came on for consideration upon the agreement by and between GUARANTEE TRUST LIFE INSURANCE COMPANY (hereinafter referred to as "GUARANTEE TRUST") and the OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE"). The OFFICE, having considered said agreement and being otherwise fully advised in the premises, hereby finds, and GUARANTEE TRUST agrees, as follows:

1. The OFFICE has jurisdiction over GUARANTEE TRUST and the subject matter of this proceeding.
2. GUARANTEE TRUST is a foreign life and health insurer domiciled in Illinois and is currently authorized to transact insurance in Florida by a subsisting Certificate of Authority.

3. Pursuant to Section 624.318, Florida Statutes, the OFFICE conducted an investigation of GUARANTEE TRUST. As a result of such investigation, the OFFICE has determined that GUARANTEE TRUST has committed the following violations:

(a) Section 627.410(6)(a), Florida Statutes – Renewal health rates must be filed prior to delivery.

(b) Rule 690-149.0025(20)(c)1., Florida Administrative Code– The insurer will renew and review rates on a class basis.

5. The OFFICE and GUARANTEE TRUST expressly waive 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 to by law. GUARANTEE TRUST hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order, in any forum now available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

IT IS THEREFORE ORDERED:

6. Within thirty (30) days of execution of this Consent Order, GUARANTEE TRUST agrees that:

(a) GUARANTEE TRUST shall pay investigative costs in the amount of Three Thousand Dollars (\$3,000);

(b) GUARANTEE TRUST shall provide a copy of procedures implemented by the Company to insure that all future rate changes are properly applied and premium billings are correct. These procedures shall be certified by an officer of the Company to be true and correct; and

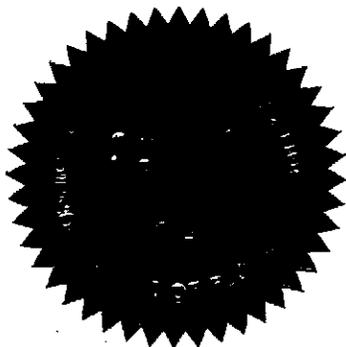
(c) GUARANTEE TRUST is hereby placed on notice of the requirements of the above-referenced sections of law and agrees that any future violations of these sections by GUARANTEE TRUST may be deemed willful, subjecting GUARANTEE TRUST to appropriate penalties.

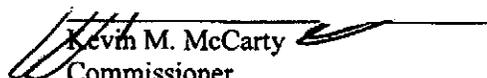
7. Each party to this action shall bear its own costs and attorneys' fees except as provided herein.

THEREFORE, this agreement between the GUARANTEE TRUST LIFE INSURANCE COMPANY and the OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 31st day of August, 2006.




Kevin M. McCarty
Commissioner
Office of Insurance Regulation

By execution hereof, Guarantee Trust Life Insurance Company consents to entry of this Consent Order, agree 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 Guarantee Trust Life Insurance Company to the terms and conditions of this Consent Order.

Guarantee Trust Life Insurance Company

By: _____

Corporate Seal

Print Name: Robert Baluk

Title: General Counsel

Date: August 3, 2006

In the state of Illinois

In the county of Cook

On August 3, 2006 ~~before me~~, Robert Baluk, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person or the entity upon behalf which the person acted, executed the instrument.

Subscribed and sworn to before me this 3rd day of August 2006.

Signature _____
(Signature of Notary Public)

My Commission Expires: 10/22/2009

[NOTARIAL SEAL]

