



**FILED**

JUL 08 2014

**OFFICE OF  
INSURANCE REGULATION**

Docketed by:                     

OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 155737-14-CO

POLLOCK FINANCIAL GROUP, LLC

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CONSENT ORDER

THIS CAUSE came on for consideration upon agreement between POLLOCK FINANCIAL GROUP, LLC (hereinafter referred to as "POLLOCK FINANCIAL GROUP") 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 and parties to this proceeding.
2. POLLOCK FINANCIAL GROUP is an Ohio domestic Limited Liability Company formed on August 10, 2009, the principal owner of which is Mark G. Pollock.
3. POLLOCK FINANCIAL GROUP began marketing life insurance products, as described in paragraph 5, to the Pasco County School Board in September 2013, as well as to other local governmental entities in Florida beginning in 2012.
4. Pursuant to Section 624.307, Florida Statutes, the OFFICE conducted an inquiry of the products being marketed to local governmental entities in Florida. As a result of such inquiry, the OFFICE has determined that POLLOCK FINANCIAL GROUP transacted insurance in the state of Florida, as defined in Section 624.10, Florida Statutes, without complying with the

Florida Insurance Code, as required by Section 624.11, Florida Statutes. Section 624.10, Florida Statutes, defines transacting insurance to include “[s]olicitation or inducement” and “[p]reliminary negotiations.”

5. POLLOCK FINANCIAL GROUP represented to the OFFICE that the programs it has marketed in Florida have evolved over time as issues arose with the feasibility of prior proposals. The names of the prior proposed programs included “TRiPeb Legacy Life Insurance Program,” “TRiPeb’s Trust-Owned Legacy Life Insurance Program,” “Legacy Benefit Trust Program,” and “Legacy Trust Program.” Although the life insurance products marketed by POLLOCK FINANCIAL GROUP have changed over time, the representation common to the proposed products was that the local governmental entities would be provided with a revenue stream to fund employee benefits and to provide a benefit to the employees’ designated beneficiaries at no cost to the governmental entity.

6. POLLOCK FINANCIAL GROUP further represented to the OFFICE that only the Pasco County School Board had been presented with the most recent concept and proposal, “Benefit Stabilization Funding.” The “Benefit Stabilization Funding” product involves an arrangement in which investors would purchase and own life insurance policies on governmental employees and, in exchange, would receive a portion of the monies paid by the life insurance company when an employee dies. The remaining portion of the life insurance monies would be paid to an off-shore trust which would, in turn, pay the monies, minus fees and costs, to the Pasco County School District’s trust.

7. The “Benefit Stabilization Funding” product marketed by POLLOCK FINANCIAL GROUP is one in which neither the local governmental entity nor its employees would be an owner or a beneficiary of the life insurance policies. Rather, the life insurance

policies would be owned by an off-shore investment vehicle. Further, life insurance policies would have two beneficiaries: the investment vehicle and an off-shore trust (represented to the OFFICE to be most recently contemplated as located in the Cayman Islands).

8. The OFFICE finds that the "Benefit Stabilization Funding" product marketed by POLLOCK FINANCIAL GROUP lacks insurable interest under Section 627.404, Florida Statutes. The entities that would receive the benefits under the contract as beneficiaries under the policy, which are the off-shore investment vehicle and the offshore trust, would not have an insurable interest in the lives of the employees pursuant to Section 627.404, Florida Statutes.

9. The OFFICE finds that, by marketing a life insurance product in Florida that lacks insurable interest, POLLOCK FINANCIAL GROUP transacted insurance in the state of Florida without complying with the Florida Insurance Code, in violation of Sections 624.11 and 627.404, Florida Statutes.

10. POLLOCK FINANCIAL GROUP was unable to provide the OFFICE with the name of the life insurance company that would be issuing the life insurance policies for the proposed products. POLLOCK FINANCIAL GROUP represented to the OFFICE that it had not yet identified the life insurance company that would issue the policies.

11. The OFFICE finds that, by marketing a life insurance product in Florida to insure Florida lives without being appointed by an insurance company authorized to provide the product in the state of Florida, POLLOCK FINANCIAL GROUP and its employees, including Mark G. Pollock and William "Bill" Olive, transacted insurance in the state of Florida without complying with the Florida Insurance Code, in violation of Sections 624.11 and 624.401, Florida Statutes.

12. POLLOCK FINANCIAL GROUP enters into this Consent Order without admitting that it has violated any provision of Florida law or other applicable law, rule, or regulation, but agrees that upon the execution of this Consent Order, it shall be subject to the following terms and conditions:

a. POLLOCK FINANCIAL GROUP and its employees, including Mark G. Pollock and William "Bill" Olive, shall cease and desist from marketing the "Benefit Stabilization Funding" product or any similar product in or from the state of Florida or to Florida consumers:

b. POLLOCK FINANCIAL GROUP and its employees, including Mark G. Pollock and William "Bill" Olive, shall not transact insurance in the state of Florida, including making presentations to local governments or otherwise marketing any insurance product, unless the insurance product is compliant with the Florida Insurance Code and is the product of an insurance company authorized to write insurance in the state of Florida for which the employee is an appointed insurance agent; and

c. POLLOCK FINANCIAL GROUP and its employees, including Mark G. Pollock and William "Bill" Olive, shall comply with all applicable provisions of the Florida Insurance Code, including but not limited to Sections 624.11, 624.401, 627.404, and 626.901.

13. POLLOCK FINANCIAL GROUP 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 POLLOCK FINANCIAL GROUP to such action as the OFFICE may deem appropriate.

14. POLLOCK FINANCIAL GROUP is hereby placed on notice of the above-referenced provisions of law and agrees that any future violations of those provisions may be deemed willful and subject to appropriate penalties.

15. This Consent Order in no way supersedes nor interferes with the Florida Department of Financial Services' authority to take administrative action against its licensees or any other party within its jurisdiction.

16. POLLOCK FINANCIAL GROUP expressly waives a hearing in this matter, 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. POLLOCK FINANCIAL GROUP 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.

17. Each party to this action shall bear its own costs and fees.

18. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed a copy of this Consent Order bearing the signature of POLLOCK FINANCIAL GROUP or its authorized representative, notwithstanding the fact that the copy was transmitted to the OFFICE electronically. Further, POLLOCK FINANCIAL GROUP agrees that its signature as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, the agreement between POLLOCK FINANCIAL GROUP, I.L.C and the OFFICE is hereby APPROVED.

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

DONE and ORDERED this 8<sup>th</sup> day of July, 2014.



  
Kevin M. McCarty, Commissioner  
Office of Insurance Regulation

By execution hereof, POLLOCK FINANCIAL GROUP, LLC 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/she has the authority to bind POLLOCK FINANCIAL GROUP, LLC to the terms and conditions of this Consent Order.

POLLOCK FINANCIAL GROUP, LLC

By: [Signature]

Print Name: Mark G. Pollock

Title: Principal

Date: 7/3/14

[Corporate Seal]

STATE OF Ohio

COUNTY OF Cuyahoga

The foregoing instrument was acknowledged before me this 3rd day of July, 2014

by Mark Pollock as Principal  
(name of person) (type of authority, e.g. officer, trustee, attorney in fact)

for Pollock Financial Group  
(company name)



BRANDI M. ROGERS  
Notary Public, State of Ohio  
My Comm. Expires May 18, 2019

[Signature]  
(Signature of the Notary)

Brandi M. Rogers  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known \_\_\_\_\_ OR Produced Identification ✓

Type of Identification Produced DL

My Commission Expires May 18, 2019

COPIES FURNISHED TO:

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