



**FILED**

**JUL 18 2017**

**OFFICE OF  
INSURANCE REGULATION**  
Docketed by: SP15

**OFFICE OF INSURANCE REGULATION**

**DAVID ALTMAIER**  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 208084-17 CO

MIDLAND NATIONAL LIFE INSURANCE  
COMPANY

CONSENT ORDER

THIS CAUSE came on for consideration as a result of a Market Conduct Final Examination Report dated February, 1, 2017, of Midland National Life Insurance Company, (hereinafter referred to as "MIDLAND"), pursuant to Section 624.3161, Florida Statutes. The OFFICE OF INSURANCE REGULATION (hereinafter referred to as "OFFICE"), following a complete review of the entire record and upon consideration thereof, and otherwise being fully advised in the premises, hereby finds as follows:

1. The OFFICE has jurisdiction over MIDLAND and the subject matter of this proceeding.
2. MIDLAND is a foreign life and health insurer authorized to transact insurance business in Florida pursuant to a Certificate of Authority issued by the OFFICE, pursuant to Chapter 624, Part III, Florida Statutes.
3. The OFFICE conducted a market conduct examination of MIDLAND pursuant to Section 624.3161, Florida Statutes, to review the Company's operations and compliance with

Florida law relating to freedom to travel coverage during the time period from January 1, 2015, through December 31, 2015. As a result of the examination, the OFFICE has determined that MIDLAND engaged in conduct that violated various provisions of the Florida Insurance Code and associated rules, including those related to, but not limited to, declination of life insurance applications and failure to maintain records.

4. The OFFICE finds that MIDLAND violated the following sections of the Florida Statutes:

a. Section 626.9541(1)(g)1., Florida Statutes, by declining a life application due to visa type, however, the visa showed the applicant was a permanent resident.

b. Section 627.4091(1), Florida Statutes, by failing to provide the specific reason for the denial of life applications.

c. Section 624.318(2), Florida Statutes, by failing to maintain records.

5. Pursuant to Section 624.418(2)(a), Florida Statutes, the OFFICE may, in its discretion, suspend or revoke the certificate of authority of an insurer if the OFFICE finds that the insurer has violated any provision of the Florida Insurance Code. Section 624.4211, Florida Statutes, allows for imposition of an administrative fine in lieu of suspension if the OFFICE finds that grounds exist for the discretionary revocation or suspension of a certificate of authority issued under Chapter 624, Florida Statutes. Section 626.9521, Florida Statutes, allows for imposition of an administrative fine in lieu of suspension for violations of Sections 626.9541, Florida Statutes.

6. MIDLAND agrees that upon the execution of this Consent Order, they shall be subject to the following terms and conditions:

a. Within thirty (30) days of the execution of this Consent Order, MIDLAND shall pay a penalty of four thousand U.S. Dollars (\$4,000) and administrative costs of three

thousand U.S. dollars (\$3,000). MIDLAND shall send its payment to the address reflected on the invoice (attached as Exhibit A and hereby incorporated by reference). MIDLAND agrees that failure to make this payment in full within the specified time period, in accordance with the terms of the attached invoice may result in further administrative action.

b. Within thirty (30) days of execution of this Consent Order, MIDLAND shall implement the corrective actions set forth in the February 1, 2017, examination report and shall provide written certification, certified by an Officer of MIDLAND, as identified in the latest Quarterly Statement filed by the Company, that the corrective actions have been implemented.

c. MIDLAND shall henceforth comply with all of the provisions of the Florida Insurance Code and the Florida Administrative Code.

d. MIDLAND hereby agrees that any future violations of the statutes or rules named therein by MIDLAND may be deemed willful, subjecting MIDLAND to penalties as the OFFICE deems appropriate.

7. MIDLAND agrees that the 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 may result in the OFFICE revoking, suspending, or taking other action as the OFFICE deems appropriate upon MIDLAND'S Certificate of Authority in the state of Florida.

8. MIDLAND expressly waives hearing in this matter, as well as the making of findings of fact and conclusions of law by the OFFICE and other proceedings to which the parties may be entitled, either by law or by the rules of the OFFICE. MIDLAND hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order, in any forum now or in the future available, including the right to any administrative proceeding, state or federal court action, or any appeal.

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

10. MIDLAND agrees this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signature of MIDLAND or its authorized representative under the seal of a notary public, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, MIDLAND agrees that its signature, as affixed to this Consent Order, shall be under the seal of a Notary Public.

WHEREFORE, the agreement between MIDLAND 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 above are hereby ORDERED.

DONE AND ORDERED this 18 day of July 2017.



*David Altmaier*  
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David Altmaier, Commissioner  
Office of Insurance Regulation

By execution hereof, MIDLAND 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 MIDLAND LIFE INSURANCE COMPANY to the terms and conditions of this Consent Order.

MIDLAND LIFE INSURANCE COMPANY

By Rebecca L. Luloff

Rebecca L. Luloff  
Print or Type Name

Title: President, Shared Services

Date: 6/19/2017

Corporate Seal

STATE OF South Dakota

COUNTY OF Lincoln

The foregoing instrument was acknowledged before me this 19 day of June 2017, by

Rebecca L. Luloff as President, Shared Services  
(Name of person) (type of authority.... e.g. officer, trustee attorney in fact)

for Midland National Life Ins. Co.  
(company name)

Cindy Bye  
(Signature of the Notary)

Cindy Bye  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known  or Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires 8-24-18

COPIES FURNISHED TO:

STEVEN CRAIG PALMITIER, President  
Midland National Life Insurance Company  
5400 South Solberg Avenue  
Sioux Falls, South Dakota 57193  
E-mail: [spalmitier@sfgmembers.com](mailto:spalmitier@sfgmembers.com)

BRIAN HANSEN  
North American Company for Life and Health Insurance  
525 West Van Buren Street  
Chicago, Illinois 60607  
Phone: (312) 648-7729  
E-mail: [bhansen@sfgmembers.com](mailto:bhansen@sfgmembers.com)

ERIC JOHNSON  
Deputy Commissioner  
Office of Insurance Regulation  
200 East Gaines Street  
Tallahassee, FL 32399  
E-mail: [eric.johnson@flor.com](mailto:eric.johnson@flor.com)

SCOTT WOODS  
L&H Director  
Market Regulation  
Market Investigations  
200 East Gaines Street  
Tallahassee, FL 32399  
E-mail: [scott.woods@flor.com](mailto:scott.woods@flor.com)

C. TIMOTHY GRAY, Asst. General Counsel  
Legal Services Office  
Office of Insurance Regulation  
200 East Gaines Street  
Tallahassee, FL 32399-4206  
E-mail: [tim.gray@flor.com](mailto:tim.gray@flor.com)