



NEW YORK STATE  
DEPARTMENT OF FINANCIAL SERVICES  
ONE STATE STREET  
NEW YORK, NEW YORK 10004

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In the Matter of

**AETNA LIFE INSURANCE  
COMPANY,**

**STIPULATION  
No. 2013-0012-S**

Respondent.

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**WHEREAS**, Aetna Life Insurance Company (“Respondent”) is a foreign insurance company authorized to transact life, annuities, and accident and health insurance business in the State of New York pursuant to the provisions of the New York Insurance Law (“Insurance Law”); and

**WHEREAS**, the New York State Insurance Department<sup>1</sup> conducted an investigation of Respondent for the period August 2002 through May 2011 that revealed certain violations of the Insurance Law and/or Department Regulations; and

**WHEREAS**, Respondent has been advised and is aware of its right to notice and a hearing on said violations; and

**WHEREAS**, Respondent wishes to resolve said violations by entering into a Stipulation with the New York State Department of Financial Services (the “Department”) on the terms and conditions hereinafter set forth in lieu of proceeding with a formal hearing in this matter; **NOW THEREFORE**,

**IT IS HEREBY STIPULATED AND AGREED**, by and between Respondent and the Department, subject to the approval of the Superintendent of Financial Services, as follows:

1. Respondent waives its right to further notice and a hearing in this matter and admits that during the approximate period August 2002 through May 2011, Respondent: (a) used noncompliant policy forms for six group life insurance policies and issued certificates that failed to contain all of the required statutory provisions and consequently failed to inform its insureds of their rights and benefits under each policy, in violation of Section 3201(b)(1) of the Insurance Law; and (b) failed to address the Department’s repeated requests to replace noncompliant policy forms with policy forms

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<sup>1</sup> In October 2011, the New York State Insurance Department and the New York State Banking Department merged to create the New York State Department of Financial Services.

that were in compliance with current laws and subsequently failed to use the policy forms as agreed once they were approved for use.

2. In consequence of the foregoing, Respondent consents to the imposition of a civil penalty in the sum of Five Hundred Thousand Dollars (\$500,000.00), receipt of which is hereby acknowledged.

3. Respondent agrees to take all steps necessary to prevent the recurrence of similar violations in the future.

4. Respondent acknowledges that this Stipulation, and any admission contained herein, may be used against it in any future proceeding if there is reason to believe the terms of the Stipulation have been violated by Respondent, or if the Department institutes disciplinary action against Respondent for any reason other than the specific acts considered herein.

Dated: New York, New York  
March , 2014

NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES

By: \_\_\_\_\_  
Beth Cohen  
Associate Attorney

AETNA LIFE INSURANCE COMPANY

By: \_\_\_\_\_  
Name:  
Title:

STATE OF )  
)ss.:  
COUNTY OF )

On this day of 2014, before me personally came , to me known, who, being by me duly sworn, did depose and say that he/she resides at ; that he/she is the of Aetna Life Insurance Company, the corporation described in and which executed the above instrument; and that he/she signed his/her name thereto by order of the board of directors of said corporation.

\_\_\_\_\_  
Notary Public

