



**MARKET CONDUCT REPORT ON EXAMINATION**

**OF THE**

**SECURIAN LIFE INSURANCE COMPANY**

**AS OF DECEMBER 31, 2018**

**EXAMINER:**

**IJEOMA NDIKA**

**DATE OF REPORT:**

**NOVEMBER 1, 2019**

## TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE NO.</u>
1. Executive summary	2
2. Scope of examination	6
3. Description of Company	7
A. History	7
B. Territory and plan of operation	7
4. Market conduct activities	9
A. Advertising and sales activities	9
B. Underwriting and policy forms	15
C. Treatment of policyholders	22
D. Record retention	25
5. Summary and conclusions	26

KATHY HOCHUL  
Governor



ADRIENNE A. HARRIS  
Superintendent

October 6, 2023

Honorable Adrienne A. Harris  
Superintendent of Financial Services  
New York, New York 10004

Dear Adrienne A. Harris:

In accordance with instructions contained in Appointment No. 31884, dated March 1, 2019, and annexed hereto, an examination has been made into the condition and affairs of Securian Life Insurance Company, hereinafter referred to as “the Company,” at its home office located at 400 Robert Street North, St. Paul, Minnesota 55101.

Wherever “Department” appears in this report, it refers to the New York State Department of Financial Services.

The report indicating the results of this examination is respectfully submitted.

## 1. EXECUTIVE SUMMARY

The material violations contained in this report are summarized below.

- The Company violated Section 51.6(b)(3) of 11 NYCRR 51 (Insurance Regulation No. 60, Second Amendment) and Section 51.6(b)(4) of 11 NYCRR 51 (Insurance Regulation No. 60, Third Amendment) by failing to examine and ascertain that the Disclosure Statement was accurate and met the requirements of the Insurance Law and regulations promulgated thereunder. (See item 4A-1 of this report.)
- The Company violated Section 51.6(b)(4) of 11 NYCRR 51 (Insurance Regulation No. 60, Second Amendment) by failing to furnish to the insurer whose coverage was being replaced a copy of any proposal, including the sales material used in the sale of the proposed life insurance or annuity contract, and the completed Disclosure Statement within ten days of receipt of the application. The Company also violated Section 51.6(b)(6) of 11 NYCRR 51 (Insurance Regulation No. 60, Third Amendment) by failing to furnish to the insurer that issued the coverage that is being replaced the completed “Disclosure Statement” and a list of the sales material, including any proposal, used in the sale of the life insurance policy or annuity contract within ten days of the delivery of the life insurance policy or annuity contract, with an offer to provide a copy of such material within ten days of a request for the material. (See item 4A-1 of this report.)
- The Company violated Section 51.6(b)(10) of 11 NYCRR 51 (Insurance Regulation No. 60, Third Amendment) by failing to provide the applicant with a revised disclosure statement when the policy was issued other than as applied for. (See item 4A-1 of this report.)
- The Company violated Sections 2112(a) and 2114(a)(1) of the New York Insurance Law by not appointing its agents and by paying compensation to unappointed agents. (See item 4A-2 of this report.)
- The Company violated Section 2112(d) of the New York Insurance Law by failing to file with the superintendent within thirty days a statement in such form as the superintendent may prescribe, of the facts relative to such termination for cause and by failing to provide the return receipt indicating that such statement filed with the superintendent was mailed to the agent at the agent’s last known address. (See item 4A-2 of this report.)

- The Company violated Section 3209(b)(1)(A) of the New York Insurance Law by failing to provide the required preliminary information at or prior to the signing of the application, since the Company did not comply with Section 3209(l) when it opted to designate the policy form as one to be illustrated. (See item 4B of this report.)
- The Company violated Section 53-3.1(d) of 11 NYCRR 53 (Insurance Regulation No. 74) for failing to deliver an illustration in accordance with Insurance Regulation No. 74, 11 NYCRR Subpart 53-3, specifically Section 53-3.5(a) for a policy that was designated as one to be marketed with an illustration. (See item 4B of this report.)
- The Company violated Section 3209(b)(1)(A) of the New York Insurance Law by failing to provide the preliminary information to the applicant at or prior to the time the application was taken. (See item 4B of this report.)
- The Company violated Section 53-3.2(a) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to clearly label the illustration used for policy form 13-31620 and policy form 04-30664. (See item 4B of this report.)
- The Company also violated Section 53-3.2(a)(5) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to include the policy form number in the in-force illustration for policy form 13-31620 and policy form 04-30664. (See item 4B of this report.)
- The Company violated Section 53-3.2(d) of 11 NYCRR 53 (Insurance Regulation No. 74) by depicting a persistency bonus that is not guaranteed in the contract or policy. (See item 4B of this report.)
- The Company violated Section 53-3.3(a)(12)(ii) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to include the required disclosure concerning non-guaranteed elements depicted in the in-force illustration. (See item 4B of this report.)
- The Company violated Section 53-3.3(a)(13) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to include the required disclosure concerning policy charges and the possibility of future premium outlays in the in-force illustration. (See item 4B of this report.)
- The Company violated Section 53-3.3(c)(1)(d) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to identify that coverage would cease prior to policy maturity or age 100. (See item 4B of this report.)

- The Company violated Section 53-3.3(g) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to show the premium outlay, death benefits and values of the policy in the numeric summary for the insured at ages 85 and 90. (See item 4B of this report.)
- The Company violated Section 53.3-5(a) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to provide an illustration to the applicant at the time of application. (See item 4B of this report.)
- The Company violated Section 2611(b) of the New York Insurance Law by using a consent form that did not contain the complete disclosure required by law. (See item 4B of this report.)
- The Company violated Section 3201(b)(1) of the New York Insurance Law by adding and utilizing an addendum to application form and by utilizing a Medical History Questionnaire that was not filed with and approved by the superintendent and by using unapproved group life policy contracts and riders. (See item 4B of this report.)
- The Company violated Section 3209(b)(2)(A) of the New York Insurance Law by failing to bold the required disclosure that the equity index account provides benefits linked to an external equity index and does not participate directly in the equity market. (See item 4B of this report.)
- The Company violated Section 3209(b)(2)(B) of the New York Insurance Law by failing to describe in the illustration any alternate index should the initial index no longer be publicly available. (See item 4B of this report.)
- The Company violated Section 3209(b)(2)(F) of the New York Insurance Law by failing to disclose the applicable withdrawal charges. (See item 4B of this report.)
- The Company violated Section 3211(b)(2) of the New York Insurance Law by not including the required language regarding the right to cash surrender value or non-forfeiture benefit in its premium due notices. (See item 4C-1 of this report.)
- The Company violated Sections 86.4(a) and 86.4(e) of 11 NYCRR 86 (Insurance Regulation No. 95) by using fraud language that differed from the required fraud warning statement without obtaining prior approval of the Criminal Investigation Unit. (See item 4C-2 of this report.)
- The Company violated Section 403(d) of the New York Insurance Law by failing to include the required fraud warning statement on its claim forms. (See item 4C-2 of this report.)

- The Company violated Section 86.4(d) of 11 NYCRR 86 (Insurance Regulation No. 95) by using claim forms that did not have the required fraud warning statement placed immediately above the space provided for the signature of the person executing the claim. (See item 4C-2 of this report.)
- The Company violated Section 4221(a)(7) of the New York Insurance Law by failing to specify the loan value available to the policyholder under the policy. (See item 4C-3 of this report.)
- The Company violated Section 243.2(b)(1)(ii) of 11 NYCRR 243 (Insurance Regulation No. 152) for failing to maintain copies of the application for group life insurance contracts for six calendar years after the date the policy is no longer in force or until after the filing of the report on examination in which the record was subject to review, whichever is longer. (See item 4D of this report.)

## 2. SCOPE OF EXAMINATION

This examination covers the period from January 1, 2012, through December 31, 2018. As necessary, the examiner reviewed matters occurring subsequent to December 31, 2018, but prior to the date of this report (i.e., the completion date of the examination).

The examination comprised a review of market conduct activities and utilized the National Association of Insurance Commissioners' *Market Regulations Handbook* or such other examination procedures, as deemed appropriate, in such review.

This report on examination is confined to comments on matters which involve departure from laws, regulations or rules, or which require explanation or description.



### 3. DESCRIPTION OF COMPANY

#### A. History

The Company was incorporated under the laws of the state of Minnesota on December 11, 1981, as a stock life insurance company under the name of Adjustable Life Insurance Company and commenced business on December 29, 1981. On January 29, 1993, the Company changed its name to the Ministers Life Insurance Company (“Ministers Life”) after the former Ministers Life, a mutual company was consolidated with Minnesota Life Insurance Company. On December 1, 2002, the Company changed its name to Securian Life Insurance Company. The Company was licensed to transact business in New York on January 19, 2006.

Effective December 31, 2014, Cherokee National Life Insurance Company, Balboa Life Insurance Company and Balboa Life Insurance Company of New York were merged with and into Securian Life Insurance Company.

Effective December 31, 2018, American Modern Life Insurance Company and its wholly owned subsidiary Southern Pioneer Life Insurance Company merged with and into Securian Life Insurance Company.

#### B. Territory and Plan of Operation

The Company is authorized to write life insurance, annuities and accident and health insurance as defined in paragraphs 1, 2 and 3 of Section 1113(a) of the New York Insurance Law.

The Company is licensed to transact business in all 50 states, Guam, Puerto Rico, U.S. Virgin Islands and the District of Columbia. As of December 31, 2018, 10.6% of life premiums, 7.9% of annuity considerations and 15.2% of accident and health premiums were received from New York. Policies are written on a participating and non-participating basis.

The following tables show the percentage of direct premiums received, by state, and by major lines of business for the year 2018:

<u>Life Insurance Premiums</u>		<u>Annuity Considerations</u>	
New York	10.6%	Florida	14.2%
California	10.1	Pennsylvania	11.3
Texas	8.7	New York	7.9
Florida	4.8	Georgia	7.6
Illinois	<u>4.5</u>	Tennessee	<u>7.2</u>
Subtotal	38.7%	Subtotal	48.2%
All others	<u>61.3</u>	All others	<u>51.8</u>
Total	<u>100.0%</u>	Total	<u>100.0%</u>
<u>Accident and Health Insurance Premiums</u>		<u>Deposit Type Funds</u>	
New York	15.2%	Texas	13.6%
Texas	8.1	California	<u>9.9</u>
California	<u>6.2</u>	Subtotal	23.5%
Subtotal	29.5%	All others	<u>76.5</u>
All others	<u>70.5</u>	Total	<u>100.0%</u>
Total	<u>100.0%</u>		

The Company writes individual and group life, individual and group annuity, group accident and health products, mortgage life and disability and credit life

The Company's agency operations are conducted using career agents, independent brokers and general agents.

#### 4. MARKET CONDUCT ACTIVITIES

The examiner reviewed various elements of the Company's market conduct activities affecting policyholders, claimants, and beneficiaries to determine compliance with applicable statutes and regulations and the operating rules of the Company.

##### A. Advertising and Sales Activities

The examiner reviewed a sample of the Company's advertising files and the sales activities of the agency force including trade practices, solicitation and the replacement of insurance policies.

Section 51.6(b) of 11 NYCRR 51 (Insurance Regulation No. 60, Second Amendment) states, in part:

“Where a replacement has occurred or is likely to occur, the insurer replacing the life insurance policy or annuity contract shall: . . .

(3) Examine any proposal used, including the sales material used in the sale of the proposed life insurance policy or annuity contract, and the ‘Disclosure Statement,’ and ascertain that they are accurate and meet the requirements of the Insurance Law and this Part;

(4) Within ten days of receipt of the application furnish to the insurer whose coverage is being replaced a copy of any proposal, including the sales material used in the sale of the proposed life insurance policy or annuity contract, and the completed ‘Disclosure Statement’

(6) Where the required forms are received with the application and found to be in compliance with this Part, maintain copies of: any proposal, including the sales material used in the sale of the proposed life insurance policy or annuity contract; proof of receipt by the applicant of the ‘IMPORTANT Notice Regarding Replacement or Change of Life Insurance Policies or Annuity Contracts’; the signed and completed ‘Disclosure Statement’; and the notification of replacement to the insurer whose life insurance policy or annuity contract is to be replaced indexed by agent and broker, for six calendar years or until after the filing of the report on examination in which the transaction was subject to review by the appropriate insurance official of its state of domicile, whichever is later; . . .

Section 51.6(b) of 11 NYCRR 51 (Insurance Regulation No. 60, Third Amendment) states, in part:

“Where a replacement has occurred or is likely to occur, the insurer replacing the life insurance policy or annuity contract shall: . . .

(3) prior to the delivery of the life insurance policy or annuity contract, required an accurate and complete ‘Disclosure Statement’ signed by the insurance agent or

broker in the form prescribed in Appendices 10A or 10B to this Part, including the primary reasons for recommending the new life insurance policy or annuity contract and why the existing life insurance policy or annuity contract cannot meet the applicant's objectives.

(4) examine the sales material, including any proposal, used in the sale of the life insurance policy or annuity contract, and the 'Disclosure Statement', and ascertain that they are accurate and meet the requirements of the Insurance Law and regulations.

(6) within ten days of the delivery of the life insurance policy or annuity contract, furnish to the insurer that issued the coverage that is being replaced the completed 'Disclosure Statement' and a list of the sales material, including any proposal, used in the sale of the life insurance policy or annuity contract with an offer to provide a copy of such material within ten days of a request for the material.

(8) maintain copies of: the sales material including any proposal, used in the sale of the life insurance policy...; proof of receipt by the applicant of the 'IMPORTANT Notice Regarding Replacement or Change of Life Insurance Policies or Annuity Contracts'; the signed and completed 'Disclosure Statement'; and the notification of replacement to the insurer that issued the life insurance policy that is to be replaced, indexed by insurance agent and broker in accordance with Part 243 of this Title (Regulation 152);

(10) if an initial 'Disclosure Statement' was provided to the applicant prior to the delivery of the life insurance policy or ... and the life insurance policy or ... is issued other than as applied for, then the insurer shall provide the owner a revised 'Disclosure Statement' that conforms to the life insurance policy or ... as issued not later than the time of delivery of the policy..."

Section 243.2(b) of 11 NYCRR 243 (Insurance Regulation No. 152) states, in part:

"Except as otherwise required by law or regulation, an insurer shall maintain:

(1) A policy record for each insurance contract or policy for six calendar years after the date the policy is no longer in force or until after the filing of the report on examination in which the record was subject to review, whichever is longer. . . . A policy record shall include: . . .

(8) Any other record for six calendar years from its creation or until after the filing of a report on examination or the conclusion of an investigation in which the record was subject to review.

1. The examiner reviewed a sample of 36 external life replacements comprised of 27 universal life and nine (9) term life replacements that were processed during the examination period. The examiner also reviewed a sample of 33 external annuity replacements that were processed during the examination period.

- i. In 23 out of 27 (85%) universal life Disclosure Statements reviewed, the Company did not disclose to the applicants that the proposed policies are subject to a new surrender charge period.
- ii. In 15 out of 27 (56%) universal life Disclosure Statements reviewed, the examiner noted that the guaranteed interest rate for the proposed life policy was lower than that of the existing policy. However, a statement was not included in the Agent's Statement section of the Disclosure Statement indicating that an advantage of continuing the existing policy would be the higher guaranteed interest rate.
- iii. In three out of the 27 (11%) universal life Disclosure Statements reviewed, the Company failed to state that an advantage of continuing the existing policy is that the policy has passed the suicide and contestable period. No advantage of continuing the existing policy was noted.
- iv. In 19 out of the 27 (70%) universal life Disclosure Statements reviewed, the Company failed to disclose to the clients that the proposed policies are subject to rider charges on the agent remarks section.
- v. In ten (10) out of the 27 (37%) universal life Disclosure Statements reviewed, the Company utilized illustrations in the sale of the insurance policies but failed to indicate in the disclosure statements that such material was used.
- vi. In three (3) out of 27 (11%) universal life Disclosure Statements the agent used the notation "N/A" as the surrender charge of the existing policy. By using the notation "N/A" as the surrender charge of the existing policy, where the surrender charge should have been "0", the client was not afforded the opportunity to observe on the basis of a side-by-side comparison, what could be a significant advantage of not replacing the existing policy. A side by side comparison showing the actual surrender charges may have affected the proposed insured's decision as the proposed insured would have observed the impact of the surrender charges on the proposed policy.
- vii. In six (6) out of 27 (22%) universal life replacements, the cash surrender value on the disclosure statement did not match the cash surrender value shown on the illustration; and in one (1) out of 27 (4%) universal life replacements, the Company

failed to present a composite Disclosure Statement where more than one existing policy was being replaced.

- viii. In 13 out of 33 deferred to immediate annuity replacement files (39%) reviewed, there was no evidence of the existing Company's annuitization quote in the file. The Company failed to request the income stream available through the annuitization of the existing contract. The Company failed to indicate in the Agent's Section of the Disclosure Statement that the existing deferred annuity could be annuitized for monthly payments as an option instead of purchasing a new immediate annuity.
- ix. In one out of the 33 (3%) annuity files reviewed, the Company failed to present a composite Disclosure Statement where more than one existing annuity contract was being replaced. The Regulation 60 Annuity Disclosure Statement Completion Instructions states in part "If more than one contract is being replaced and or being proposed, determine the illustrated values in this part as the sum total of the values for the individual contracts..." The Company failed to present the values of the existing contracts as the sum of the total values.
- x. In five out of the 33 (15%) annuity Disclosure Statements reviewed, the Company utilized illustrations in the sale of the annuity contracts but failed to indicate in the disclosure statements that such material was used.
- xi. In one out of 33 (3%) annuity files reviewed, the agent did not fully complete Part D of the Agent Statement.

The Company violated Section 51.6(b)(3) of 11 NYCRR 51 (Insurance Regulation No. 60, Second Amendment) and Section 51.6(b)(4) of 11 NYCRR 51 (Insurance Regulation No. 60, Third Amendment) by failing to examine and ascertain that the Disclosure Statement was accurate and met the requirements of the Insurance Law and regulations promulgated thereunder.

The examiner's review of external life replacements also revealed that in two (2) out of the 36 (6%) contracts reviewed, the Company could not provide documentation to substantiate that the Disclosure Statement and sales materials were sent to the replaced Company. In all 33 (100%) annuity contracts reviewed, the Company did not provide evidence that the Disclosure Statements and list of sales materials including any proposals used in the sale were sent to the replaced Company within 10 days of the delivery of the annuity contract.

The Company violated Section 51.6(b)(4) of 11 NYCRR 51 (Insurance Regulation No. 60, Second Amendment) by failing to furnish to the insurer whose coverage was being replaced a copy of any proposal, including the sales material used in the sale of the proposed life insurance or annuity contract, and the completed Disclosure Statement within ten days of receipt of the application. The Company also violated Section 51.6(b)(6) of 11 NYCRR 51 (Insurance Regulation No. 60, Third Amendment) by failing to furnish to the insurer that issued the coverage that is being replaced the completed “Disclosure Statement” and a list of the sales material, including any proposal, used in the sale of the life insurance policy or annuity contract within ten days of the delivery of the life insurance policy or annuity contract, with an offer to provide a copy of such material within ten days of a request for the material.

The examiner’s review of the universal life replacements also revealed that in one out of 36 (3%) replacement files reviewed, where the policy was issued other than as applied for because either the face amount or premium amount was revised, the Company failed to provide the applicant with a revised disclosure statement in those instances.

The Company violated Section 51.6(b)(10) of 11 NYCRR 51 (Insurance Regulation No. 60, Third Amendment) by failing to provide the applicant with a revised disclosure statement when the policy was issued other than as applied for.

2. Section 2112(a) of the New York Insurance Law states, in part:

“Every Insurer...doing business in this state shall file a certificate of appointment in such form as the superintendent may prescribe in order to appoint insurance agents to represent such insurer...”

Section 2114(a)(1) of the New York Insurance Law states, in part:

“No insurer...doing business in this state shall pay any commission or other compensation to any person, firm or corporation, for any services in obtaining in this state any new contract of life insurance or any new annuity contract, except to a licensed life insurance agent of such insurer or of such society or to an insurance broker licensed under subparagraph (A) of paragraph one of subsection (b) of section two thousand one hundred four of this article and except to a person described in paragraph two or three of subsection (a) of section two thousand one hundred one of this article.

The examiner's review of a sample of ten active producer files revealed that two agents who were compensated by the Company for sales made by the agents during the examination period were not appointed by the Company prior to selling the annuity contracts.

The Company violated Sections 2112(a) and 2114(a)(1) of the New York Insurance Law by not appointing its agents and by paying compensation to unappointed agents.

Section 2112 of the New York Insurance Law, states in part:

“(d) Every insurer, ... doing business in this state shall, upon termination of the certificate of appointment as set forth in subsection (a) of this section of any insurance agent, or title insurance agent licensed in this state, or upon termination for cause for activities as set forth in subsection (a) of section two thousand one hundred ten of this article, of the certificate of appointment, of employment, of a contract or other insurance business relationship with any insurance producer, file with the superintendent within thirty days a statement, in such form as the superintendent may prescribe, of the facts relative to such termination for cause. The insurer, ... shall provide, within fifteen days after notification has been sent to the superintendent, a copy of the statement filed with the superintendent to the insurance producer at his, or her or its last known address by certified mail, return receipt requested, postage prepaid or by overnight delivery using a nationally recognized carrier. Every statement made pursuant to this subsection shall be deemed a privileged communication.”

The examiner reviewed the termination files for the five agents terminated for cause during the examination period as provided by the Company. Upon the examiner's request for a copy of the statement with the facts relative to the termination for cause that was filed with the superintendent, the Company was unable to locate the notifications for three of the five agents. The Company provided the notification that was filed with the superintendent for one agent but did not provide a copy of the return receipt for the notice that was mailed to the agent at the agent's last known address.

The examiner's review of a sample of 25 agents terminated revealed that the Company failed to notify the Department of the termination of 5 (20%) agents within thirty days of their termination.

The Company violated Section 2112(d) of the New York Insurance Law by failing to file with the superintendent within thirty days a statement in such form as the superintendent may prescribe, of the facts relative to such termination for cause and by failing to provide the return



receipt indicating that such statement filed with the superintendent was mailed to the agent at the agent's last known address.

#### B. Underwriting and Policy Forms

The examiner reviewed a sample of underwriting files, both issued and declined, and the applicable policy forms.

Section 3209(b)(1) of the New York Insurance Law states, in part:

“No policy of life insurance shall be delivered or issued for delivery in this state after the applicable effective date, as set forth in subsection (n) of this section, unless the prospective purchaser has been provided with the following:

(A) a copy of the most recent buyer's guide and the preliminary information required by subsection (d) of this section, at or prior to the time an application is taken . . .”

Section 53-3.1 of 11 NYCRR 53 (Insurance Regulation No. 74) states, in part:

“(b) Each insurer marketing policies to which this Subpart is applicable shall notify the superintendent whether a policy form is to be marketed with or without an illustration. For all policy forms being actively marketed on the effective date of this Subpart, the insurer shall identify in writing those forms and whether or not an illustration will be used with them. For policy forms filed after the effective date of this Subpart, the identification shall be made at the time of filing. Any previous identification may be changed by notice to the superintendent. . .

(d) If a policy form is identified by the insurer as one to be marketed with an illustration, a basic illustration prepared and delivered in accordance with this Subpart is required . . .

(e) Potential enrollees of non-term group life subject to this Subpart shall be furnished a quotation with the enrollment materials. The quotation shall show potential policy values for sample ages and policy years on a guaranteed and non-guaranteed basis appropriate to the group and the coverage. This quotation shall not be considered an illustration for purposes of this Subpart, but all information provided shall be consistent with the illustrated scale. A basic illustration shall be provided at delivery of the certificate to enrollees for non-term group life who enroll for more than the minimum premium necessary to provide pure death benefit protection. In addition, the insurer shall make a basic illustration available to any non-term group life enrollee who requests it.”

The Company notified the Department that its group universal life policy form 04-3-664 will be marketed with an illustration. The group universal life policy and certificate are unisex.

Group universal life coverage is designed to provide coverage on both a contributory and non-contributory basis. In most circumstances however, group universal life coverage is contributory.

The Company does not provide the enrollee a basic illustration at the time that the employee insured is enrolled. The Company also does not furnish a quotation showing potential policy values for sample ages and policy years on a guaranteed and non-guaranteed basis appropriate to the group and the coverage with the enrollment materials. A basic illustration is mailed to the certificate-holder with delivery of the certificate with instructions for the certificate holder to return a signed copy of the basic illustration.

The Company violated Section 3209(b)(1)(A) of the New York Insurance Law by failing to provide the required preliminary information at or prior to the signing of the application, since the Company did not comply with Section 3209(l) when it opted to designate the policy form as one to be illustrated.

The Company violated Section 53-3.1(d) of 11 NYCRR 53 (Insurance Regulation No. 74) for failing to deliver an illustration in accordance with Insurance Regulation No. 74, 11 NYCRR Subpart 53-3, specifically Section 53-3.5(a) for a policy that was designated as one to be marketed with an illustration.

The examiner's on-site review also revealed that in nine (9) out of 22 (41%) individual term life policies, a preliminary information was not provided to the applicant at or prior to the time the application was taken.

The Company violated Section 3209(b)(1)(A) of the New York Insurance Law by failing to provide the preliminary information to the applicant at or prior to the time the application was taken.

Section 53-3.6(c) of 11 NYCRR 53 (Insurance Regulation No. 74) states, in part:

“Upon the request of the policyowner, the insurer shall furnish an in force illustration of current and future benefits and values based on the insurer's present illustrated scale. This illustration shall comply with the requirements of sections 53-3.2(a), 53-3.3(a) and (e) of this Subpart. No signature or other acknowledgment of receipt of this illustration shall be required.”

Section 53-3.2 of 11 NYCRR 53 (Insurance Regulation No. 74) states, in part:

“(a) An illustration used in the sale of a life insurance policy and subject to this Subpart shall satisfy the applicable requirements of this Subpart, be clearly labeled ‘life insurance illustration’ and contain the following basic information...”

(5) generic name of policy, the company product name, if different, and form number...”

The example in-force illustrations for policy forms 13-31620 and policy form 04-30664 are not clearly labeled “life insurance illustration” and do not contain the policy form number. Both examples are labeled “STATEMENT OF POLICY COST AND BENEFIT INFORMATION”, which appears in capital letters and is more prominent than the term illustration that appears immediately beneath.

The Company violated Section 53-3.2(a) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to clearly label the illustration used for policy form 13-31620 and policy form 04-30664.

The Company also violated Section 53-3.2(a)(5) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to include the policy form number in the in-force illustration for policy form 13-31620 and policy form 04-30664.

Section 53-3.2(d) of 11 NYCRR 53 (Insurance Regulation No. 74) states;

“Pursuant to sections 4231 and 4232 of the Insurance Law, no sales illustration, preliminary information form or policy summary shall depict a persistency bonus, a specified additional amount or specified reduction in mortality costs or expense costs in a specific policy year, after the first policy year, unless such bonus, additional amount or reduction is guaranteed in the contract or policy.”

The basic illustration for policy form SL-12-220 states that interest credited to the policy will be changed from time to time but will never be lower than 2.00% annually. The illustration further states that the current annual interest being credited is 4.40% for policy years 1-15 and 4.70% for policy years 16+.

The Company violated Section 53-3.2(d) of 11 NYCRR 53 (Insurance Regulation No. 74) by depicting a persistency bonus that is not guaranteed in the contract or policy.

Section 53-3.3 of 11 NYCRR 53 (Insurance Regulation No. 74) states, in part:

“(a) Format.

A basic illustration shall conform with the following requirements:

(12) Any illustration of non-guaranteed elements shall be accompanied by a statement indicating that:

(i) the benefits and values are not guaranteed;

(ii) the assumptions on which they are based are subject to change by the insurer;

and

(iii) actual results may be more or less favorable.

(13) If the illustration shows that the premium payer may have the option to allow policy charges to be paid using non-guaranteed values, the illustration must clearly disclose that a charge continues to be required and that, depending on actual results, the premium payer may need to continue or resume premium outlays. Similar disclosure shall be made for premium outlay of lesser amounts or shorter durations than the contract premium. If a contract premium is due, the premium outlay display shall not be left blank or show zero unless accompanied by an asterisk or similar mark to draw attention to the fact that the policy is not paid up.”

The example in-force illustrations for policy form 13-31620 and policy form 04-30664 fail to contain a statement that the assumptions on which the non-guaranteed elements are based are subject to change by the insurer.

The Company violated Section 53-3.3(a)(12)(ii) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to include the required disclosure concerning non-guaranteed elements depicted in the in-force illustration.

For policy form 13-31620 and policy form 04-30664, the annual premium on page 3 (the revised numeric summary) for the durations shown appear to correspond with the annual premium in the tabular detail on page 5. Page 4 indicates a required annual premium outlay through age 100. The tabular detail on page 5 indicates that the annual outlay in the later policy years (age 96 and after) is zero. However, there is no disclosure in the illustration document to alert the consumer that a charge continues to be required and that, depending on actual results, the premium payer may need to continue or resume premium outlays.

The Company violated Section 53-3.3(a)(13) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to include the required disclosure concerning policy charges and the possibility of future premium outlays in the in-force illustration.

Section 53-3.3 of 11 NYCRR 53 (Insurance Regulation No. 74) states, in part:

“(c) Numeric summary.

(1) Following the narrative summary, a basic illustration shall include a numeric summary of the death benefits and values and the premium outlay and contract premium, as applicable. For a policy that provides for a contract premium, the guaranteed death benefits and values shall be based on the contract premium. Except as provided in subdivision (g) of this section, this summary shall be shown for at least policy years 5, 10 and 20 and at age 70, if applicable, on the three bases shown below...

(d) if coverage would cease prior to policy maturity or age 100, the year in which coverage ceases shall be identified for each of the three bases...

(e) Tabular detail.

(1) A basic illustration shall include the following for at least each policy year from one to ten and for every fifth policy year thereafter ending at age 100, policy maturity or final expiration; and except for term insurance beyond the 20th year, for any year in which the premium outlay and contract premium, if applicable, is to change:

(g) The numeric summary for a policy subject to section 4232(b) of the Insurance Law and a cash value policy providing three basic components consisting of a base policy, a paid-up additions element and a term insurance element shall show, in addition to the policy durations set forth in subdivision (c) of this section, policy duration at age 85 and age 90 of the insured..."

The numeric summary in the example basic illustration for policy form SL-12-220 does not show the death benefits and values, the premium outlay and contract premium, as applicable, for the insured at ages 85 and 90. The numeric summary also does not include the year that coverage would cease on a guaranteed midpoint, and non-guaranteed basis, if coverage would cease prior to policy maturity or age 100.

The Company violated Section 53-3.3(c)(1)(d) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to identify that coverage would cease prior to policy maturity or age 100.

The Company violated Section 53-3.3(g) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to show the premium outlay, death benefits and values of the policy in the numeric summary for the insured at ages 85 and 90.

Section 53-3.5(a) of 11 NYCRR 53 (Insurance Regulation No. 74) states, in part:

"If a basic illustration is used by an insurance producer or other authorized representative of the insurer in the sale of a life insurance policy and the policy is applied for as illustrated, a copy of that illustration, signed in accordance with this Subpart, shall be submitted to the insurer at the time of policy application. A copy also shall be provided to the applicant..."

The examiner reviewed samples of 80 individual life policies, issued during the examination period. The 80 individual life policies consist of 58 universal life and 22 term life policies. In 28 out of the 58 (48%) individual universal life policies reviewed, where an illustration was provided, the basic illustration was not signed at the time of application.

The Company violated Section 53.3-5(a) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to provide an illustration to the applicant at the time of application.

Section 2611 of the New York Insurance Law states, in part:

“(a) No insurer or its designee shall request or require an individual proposed for insurance coverage to be the subject of an HIV related test without receiving the written informed consent of such individual prior to such testing and without providing general information about AIDS and the transmission of HIV infection

(b) Written informed consent to an HIV related test shall consist of a written authorization that is dated and includes at least the following:

- (1) a general description of the test;
- (2) a statement of the purpose of the test;
- (3) a statement that a positive test result is an indication that the individual may develop AIDS and may wish to consider further independent testing;
- (4) a statement that the individual may identify on the authorization form the person to whom the specific test results may be disclosed in the event of an adverse underwriting decision, which person may be the individual or a physician or other designee at the discretion of the individual proposed for insurance;
- (5) the department of health’s statewide toll-free telephone number that may be called for further information about AIDS, the meaning of HIV related test results, and the availability and location of HIV related counseling services; and
- (6) the signature of the applicant or individual proposed for insurance, or if such individual lacks capacity to consent, the signature of such other person authorized to consent for such individual.”

The examiner’s review of a sample of 55 new individual life underwriting files revealed that in 4 (7%) instances the Company failed to use a proper HIV consent form. The consent form did not contain a general description of the test; a statement of the purpose of the test; a statement that a positive test result is an indication that the individual may develop AIDS and may wish to consider further independent testing; a statement that the individual may identify on the authorization form the person to whom the specific test results may be disclosed in the event of an adverse underwriting decision; the department of health’s statewide toll-free telephone number and the signature of the applicant or individual proposed for insurance.

The Company violated Section 2611(b) of the New York Insurance Law by using a consent form that did not contain the complete disclosure required by law.

Section 3201 of the New York Insurance Law states, in part:

“(a) . . . policy form means any policy, contract, certificate, or evidence of insurance and any application therefor, or rider or endorsement thereto . . .

(b)(1) No policy form shall be delivered or issued for delivery in this state unless it has been filed with and approved by the superintendent as conforming to the requirements of this chapter and not inconsistent with law. . .”

The examiner’s review revealed that in 10 out of 80 (13%) individual life policies, the Company utilized an Addendum to the Application that was not filed with the superintendent.

The examiner’s review also revealed that in 6 out of 55 (11%) individual life policies, the Company utilized a Medical History Questionnaire that was not filed with the superintendent.

The Company violated Section 3201(b)(1) of the New York Insurance Law by adding and utilizing an addendum to application form and by utilizing a Medical History Questionnaire that was not filed with and approved by the superintendent.

The examiner reviewed a sample of 11 group life policies and a sample of 15 group life certificates issued during the examination period. The examiner noted that in 6 out of 11(55%) Group Life policies issued, the Company utilized policy contracts and riders that were not filed with and approved by the superintendent.

The examiner also noted that in 12 out of the 15 (80%) group life certificates issued, the Company utilized group life certificates and riders that were not filed with and approved by the superintendent.

The Company violated Section 3201(b)(1) of the New York Insurance Law by using unapproved policy contracts and riders.

Section 3209(b)(2) of the New York Insurance Law states, in part:

“No annuity contract or life insurance policy or certificate with an equity index account shall be delivered or issued for delivery in this state unless, no later than at the time of application, the prospective purchaser has been provided with a disclosure statement containing the following:

(A) a statement in bold type to the effect that the equity index account provides benefits linked to an external equity index and does not participate directly in the equity market;

(B) a statement identifying the equity index used in the equity index formula, together with a description of any alternate index should the initial index no longer be publicly available;

- (F) a statement identifying the initial minimum guaranteed interest rate for the minimum accumulation value of an equity index account and any withdrawal charge;
- (G) a statement identifying the initial current and the minimum specified participation rate, i.e., how much of the increase in the index will be used to calculate the indexed linked interest rate, if any...”

The statements required in Section 3209(b)(2)(A) are contained in the New York Disclosure section of the basic illustration, however, it is not in bold type.

The Company violated Section 3209(b)(2)(A) of the New York Insurance Law by failing to bold the required disclosure that the equity index account provides benefits linked to an external equity index and does not participate directly in the equity market.

Section 3209(b)(2)(B) of the New York Insurance Law requires a statement identifying the equity index used in the equity index formula, together with a description of any alternate index should the initial index no longer be available. The Company’s illustration did not describe the alternate index that will be used should the index no longer be publicly available.

The Company violated Section 3209(b)(2)(B) of the New York Insurance Law by failing to describe in the illustration any alternate index should the initial index no longer be publicly available.

Section 3209(b)(2)(F) requires a statement identifying any withdrawal charge in connection with the minimum accumulation of an equity index account. The Company’s illustration discusses partial surrenders and it also states that a surrender charge is applied in the event of full policy surrender during the first 10 policy years and within 10 years after any increase in the policy’s face amount, however the illustration does not specify the withdrawal charges.

The Company violated Section 3209(b)(2)(F) of the New York Insurance Law by failing to disclose the applicable withdrawal charges.

### C. Treatment of Policyholders

The examiner reviewed a sample of various types of claims, surrenders, changes and lapses. The examiner also reviewed the various controls involved, checked the accuracy of the computations and traced the accounting data to the books of account.



1. Section 3211 of the New York Insurance Law states, in part:

“(b) The notice required by paragraph one of subsection (a) hereof shall:  
 (2) state the amount of such payment, the date when due, the place where and the person to whom it is payable; and shall also state that unless such payment is made on or before the date when due or within the specified grace period thereafter, the policy shall terminate or lapse except as to the right to any cash surrender value or non-forfeiture benefit.”

The examiner reviewed a sample of 45 individual life policies consisting of 17 term life policies and 28 universal life policies. The examiner also reviewed a sample of 15 Platform term life policies acquired by the Company from Balboa Life Insurance Company (“Balboa”).

The examiner’s review revealed that in all instances (100%) the premium due notices sent to the policyowners did not include the required language which states, “unless such payment is made on or before the date when due or within the specified grace period thereafter, the policy shall terminate or lapse except as to the right to any cash surrender value or nonforfeiture benefit...”

The Company violated Section 3211(b)(2) of the New York Insurance Law by not including the required language regarding the right to cash surrender value or non-forfeiture benefit in its premium due notices.

2. Section 403(d) of the New York Insurance Law states, in part:

“All applications for commercial insurance, individual, group or blanket accident and health insurance and all claim forms...shall contain a notice in a form approved by the superintendent that clearly states in substance the following:  
 ‘Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.’”

Section 86.4 of 11 NYCRR 95 (Insurance Regulation) states, in part:

“(a) ... all claim forms for insurance ... provided to any person residing or located in this State in connection with insurance policies for issuance or issuance for delivery in this State, shall contain the following statement:  
 ‘Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is

a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.’ . . .

(d) Location of warning statements and type size. The warning statements required by subdivisions (a), (b) and (e) of this section shall be placed immediately above the space provided for the signature of the person executing the application or claim form and shall be . . . placed at the top of the first page of the claim form . . .

(e) . . . insurers may use substantially similar warning statements provided such warning statements are submitted to the Criminal Investigation Unit for prior approval.”

The examiner reviewed a sample of thirty (30) group life claims, 15 individual life claims, 4 individual retirement annuity claims, and 3 individual life claims acquired from Balboa, processed during the examination period.

The examiner’s review revealed that in 13 out of 30 (43%) group life claim files; 1 out of 3 (33%) individual life claims acquired from Balboa and in 1 out of 15 (7%) individual life claim files reviewed, the Company used fraud language that differed from the New York required fraud warning statement.

The Company violated Sections 86.4(a) and 86.4(e) of 11 NYCRR 86 (Insurance Regulation No. 95) by using fraud language that differed from the required fraud warning statement without obtaining prior approval of the Criminal Investigation Unit.

The examiner’s review also revealed that in 1 out of 4 (25%) annuity claims reviewed and in 2 out of 3 (67%) life claims acquired from Balboa, the Company utilized claim forms that did not contain the required fraud warning statement.

The Company violated Section 403(d) of the New York Insurance Law by failing to include the required fraud warning statement on its claim forms.

The examiner’s review revealed that in 1 out of 4 (25%) annuity claim files reviewed and in 1 out of 30 (3%) Group Life claims reviewed, the Company did not have the fraud warning statement placed immediately above the signature line.

The Company violated Section 86.4(d) of 11 NYCRR 86 (Insurance Regulation No. 95) by using claim forms that did not have the required fraud warning statement placed immediately above the space provided for the signature of the person executing the claim.

3. Section 4221(a) of the New York Insurance Law states, in part:

“. . . no policy of life insurance . . . shall be delivered or issued for delivery in this state unless it shall contain in substance the following provisions . . .

7) That the company shall . . . mail to each such holder at least once each policy year or within sixty days after the end of a policy year a statement as of a date during such year as to the death benefit, cash surrender value and loan value under the policy . . .”

The Company provided example annual statements or reports provided to a New York policyholder for an indexed universal life policy and for the Company’s group universal life plans. The annual report examples did not specify the loan value under the policy.

The examiner reviewed a sample of 36 annual statements (18 were sent to individual universal life and 18 were sent to group universal life) policyholders during the examination period. The review revealed that in all instances the annual statements that were sent to the individual universal life policyholders did not specify the loan value under the policy. The review also revealed that in all instances the annual statements that were sent to the group universal life policyholders did not specify the loan value under the policy.

The Company violated Section 4221(a)(7) of the New York Insurance Law by failing to specify the loan value available to the policyholder under the policy.

#### D. Record Retention

Section 243.2(b)(1)(ii) of 11 NYCRR 243 (Insurance Regulation No. 152) states, in part:

“Except as otherwise required by law or regulation, an insurer shall maintain:  
 (1) A policy record for each insurance contract or policy for six calendar years after the date the policy is no longer in force or until after the filing of the report on examination in which the record was subject to review, whichever is longer... A policy record shall include: . . .  
 (ii) the application, including any application form or enrollment form for coverage under any insurance contract or policy...”

The examiner’s review of a sample of 11 group life policies issued during the examination period revealed that the Company did not maintain the application for two (2) of the 11(18%) policies.

The Company violated Section 243.2(b)(1)(ii) of 11 NYCRR 243 (Insurance Regulation No. 152) for failing to maintain copies of the application for group life insurance contracts for six calendar years after the date the policy is no longer in force or until after the filing of the report on examination in which the record was subject to review, whichever is longer.

## 5. SUMMARY AND CONCLUSIONS

Following are the violations contained in this report:

<u>Item</u>	<u>Description</u>	<u>Page No(s).</u>
A	The Company violated Section 51.6(b)(3) of 11 NYCRR 51 (Insurance Regulation No. 60, Second Amendment) and Section 51.6(b)(4) of 11 NYCRR 51 (Insurance Regulation No. 60, Third Amendment) by failing to examine and ascertain that the Disclosure Statement was accurate and met the requirements of the Insurance Law and Regulations promulgated thereunder.	12
B	The Company violated Section 51.6(b)(4) of 11 NYCRR 51 (Insurance Regulation No. 60, Second Amendment) by failing to furnish to the insurer whose coverage was being replaced a copy of any proposal, including the sales material used in the sale of the proposed life insurance or annuity contract, and the completed Disclosure Statement within ten days of receipt of the application. The Company also violated Section 51.6(b)(6) of 11 NYCRR 51 (Insurance Regulation No. 60, Third Amendment) by failing to furnish to the insurer that issued the coverage that is being replaced the completed "Disclosure Statement" and a list of the sales material, including any proposal, used in the sale of the life insurance policy or annuity contract within ten days of the delivery of the life insurance policy or annuity contract, with an offer to provide a copy of such material within ten days of a request for the material.	13
C	The Company violated Section 51.6(b)(10) of 11 NYCRR 51 (Insurance Regulation No. 60, Third Amendment) by failing to provide the applicant with a revised disclosure statement when the policy was issued other than as applied for.	13
D	The Company violated Sections 2112(a) and 2114(a)(1) of the New York Insurance Law by not appointing its agents and by paying compensation to unappointed agents.	14
E	The Company violated Section 2112(d) of the New York Insurance Law by failing to file with the superintendent within thirty days a statement in such form as the superintendent may prescribe, of the facts relative to such termination for cause and by failing to provide the return receipt indicating that such statement filed with the superintendent was mailed to the agent at the agent's last known address.	14

<u>Item</u>	<u>Description</u>	<u>Page No(s).</u>
F	The Company violated Section 3209(b)(1)(A) of the New York Insurance Law by failing to provide the required preliminary information at or prior to the signing of the application, since the Company did not comply with Section 3209(l) when it opted to designate the policy form as one to be illustrated.	16
G	The Company violated Section 53-3.1(d) of 11 NYCRR 53 (Insurance Regulation No. 74) for failing to deliver an illustration in accordance with Insurance Regulation No. 74, 11 NYCRR Subpart 53-3, specifically Section 53-3.5(a) for a policy that was designated as one to be marketed with an illustration.	16
H	The Company violated Section 3209(b)(1)(A) of the New York Insurance Law by failing to provide the preliminary information to the applicant at or prior to the time the application was taken.	16
I	The Company violated Section 53-3.2(a) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to clearly label the illustration used for policy form 13-31620 and policy form 04-30664.	17
J	The Company also violated Section 53-3.2(a)(5) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to include the policy form number in the in-force illustration for policy form 13-31620 and policy form 04-30664.	17
K	The Company violated Section 53-3.2(d) of 11 NYCRR 53 (Insurance Regulation No. 74) by depicting a persistency bonus that is not guaranteed in the contract or policy.	17
L	The Company violated Section 53-3.3(a)(12)(ii) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to include the required disclosure concerning non-guaranteed elements depicted in the in-force illustration.	18
M	The Company violated Section 53-3.3(a)(13) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to include the required disclosure concerning policy charges and the possibility of future premium outlays in the in-force illustration.	18
N	The Company violated Section 53-3.3(c)(1)(d) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to identify that coverage would cease prior to policy maturity or age 100.	19

<u>Item</u>	<u>Description</u>	<u>Page No(s).</u>
O	The Company violated Section 53-3.3(g) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to show the premium outlay, death benefits and values of the policy in the numeric summary for the insured at ages 85 and 90.	19
P	The Company violated Section 53.3-5(a) of 11 NYCRR 53 (Insurance Regulation No. 74) by failing to provide an illustration to the applicant at the time of application.	20
Q	The Company violated Section 2611(b) of the New York Insurance Law by using a consent form that did not contain the complete disclosure required by law.	20
R	The Company violated Section 3201(b)(1) of the New York Insurance Law by adding and utilizing an addendum to application form and by utilizing a Medical History Questionnaire that was not filed with and approved by the superintendent and by using unapproved group life policy contracts and riders.	21
S	The Company violated Section 3209(b)(2)(A) of the New York Insurance Law by failing to bold the required disclosure that the equity index account provides benefits linked to an external equity index and does not participate directly in the equity market.	22
T	The Company violated Section 3209(b)(2)(B) of the New York Insurance Law by failing to describe in the illustration any alternate index should the initial index no longer be publicly available.	22
U	The Company violated Section 3209(b)(2)(F) of the New York Insurance Law by failing to disclose the applicable withdrawal charges.	22
V	The Company violated Section 3211(b)(2) of the New York Insurance Law by not including the required language regarding the right to cash surrender value or non-forfeiture benefit in its premium due notices.	23
W	The Company violated Sections 86.4(a) and 86.4(e) of 11 NYCRR 86 (Insurance Regulation No. 95) by using fraud language that differed from the required fraud warning statement without obtaining prior approval of the Criminal Investigation Unit.	24
X	The Company violated Section 403(d) of the New York Insurance Law by failing to include the required fraud warning statement on its claim forms.	24

<u>Item</u>	<u>Description</u>	<u>Page No(s).</u>
Y	The Company violated Section 86.4(d) of 11 NYCRR 86 (Insurance Regulation No. 95) by using claim forms that did not have the required fraud warning statement placed immediately above the space provided for the signature of the person executing the claim.	24
Z	The Company violated Section 4221(a)(7) of the New York Insurance Law by failing to specify the loan value available to the policyholder under the policy.	25
AA	The Company violated Section 243.2(b)(1)(ii) of 11 NYCRR 243 (Insurance Regulation No. 152) for failing to maintain copies of the application for group life insurance contracts for six calendar years after the date the policy is no longer in force or until after the filing of the report on examination in which the record was subject to review, whichever is longer.	25

Respectfully submitted,

I. Ndika

Ijeoma Ndika  
Senior Insurance Examiner

STATE OF NEW YORK     )  
  )SS:  
COUNTY OF NEW YORK    )

Ijeoma Ndika, being duly sworn, deposes and says that the foregoing report, subscribed by her, is true to the best of her knowledge and belief.

I. Ndika

Ijeoma Ndika

Subscribed and sworn to before me

this 6<sup>th</sup> day of October, 2023

Audrey Hall

**AUDREY HALL**  
Notary Public, State of New York  
No. 01HA6274900  
Qualified in Kings County  
Commission Expires January 28, 2025



APPOINTMENT NO. 31884

NEW YORK STATE

**DEPARTMENT OF FINANCIAL SERVICES**

I, LINDA A. LACEWELL, Acting Superintendent of Financial Services of the State of New York, pursuant to the provisions of the Financial Services Law and the Insurance Law, do hereby appoint:

**IJEOMA NDIKA**

as a proper person to examine the affairs of the

**SECURIAN LIFE INSURANCE COMPANY**

and to make a report to me in writing of the condition of said

**COMPANY**

with such other information as she shall deem requisite.

In Witness Whereof, I have hereunto subscribed my name  
and affixed the official Seal of the Department  
at the City of New York

this 1st day of March, 2019

LINDA A. LACEWELL

Acting Superintendent of Financial Services

By:

*Mark McLeod*

MARK MCLEOD

DEPUTY CHIEF - LIFE BUREAU

