

DEPARTMENT OF COMMERCE & INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

In Re:)
)
BANKERS LIFE AND CASUALTY) **Market Conduct Investigation No. 411057**
COMPANY (NAIC #233-61263))

ORDER OF THE DIRECTOR

NOW, on this 28th day of May, 2024, Director, Chlora Lindley-Myers, after consideration and review of the Stipulation of Settlement and Voluntary Forfeiture (hereinafter “Stipulation”) entered into by the Division of Insurance Market Regulation (hereinafter “Division”), and Bankers Life and Casualty Company (NAIC #233-61263) (hereinafter “Bankers Life”), relating to the market conduct investigation no. 411057, does hereby issue the following orders:

This order, issued pursuant to §374.046.15¹ and §374.280 is in the public interest.

IT IS THEREFORE ORDERED that Bankers Life and the Division having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

IT IS FURTHER ORDERED that Bankers Life shall not engage in any of the violations of statutes and regulations set forth in the Stipulation, shall implement procedures to place it in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri, shall maintain those corrective actions at all times, and shall fully comply with all terms of the Stipulation.

¹ All references, unless otherwise noted, are to Revised Statutes of Missouri 2016.

IT IS FURTHER ORDERED that Bankers Life shall pay, and the Department of Commerce and Insurance, State of Missouri, shall accept, the Voluntary Forfeiture of \$1,000.00, payable to the Missouri State School Fund.

IT IS SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 28th day of May, 2024.



Chlora Lindley Myers
Chlora Lindley-Myers
Director

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE
STATE OF MISSOURI**

In Re:)
)
BANKERS LIFE AND CASUALTY) **Market Conduct Investigation No. 411057**
COMPANY (NAIC # 233-61263))

STIPULATION OF SETTLEMENT AND VOLUNTARY FORFEITURE

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter the “Division”), and Bankers Life and Casualty Company (NAIC #233-61263) (hereinafter “Bankers Life”), as follows:

WHEREAS, the Division is a unit of the Missouri Department of Commerce and Insurance (hereinafter the “Department”), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State of Missouri;

WHEREAS, Bankers Life has been granted a certificate of authority to transact the business of insurance in the State of Missouri;

WHEREAS, the Division conducted a market conduct investigation of Bankers Life, Investigation No. 411057; and

WHEREAS, based on the market conduct investigation of Bankers Life the Division alleges that:

1. In six instances, Bankers Life paid return of premium (“ROP”) benefits contrary to the terms of the policy in violation of §375.1007 (3) and §375.1005 (2).¹

WHEREAS, the Division and Bankers Life have agreed to resolve the issues raised in the market conduct examination as follows:

A. **Scope of Agreement.** This Stipulation of Settlement and Voluntary Forfeiture

(hereinafter “Stipulation”) embodies the entire agreement and understanding of the signatories with respect to the subject matter contained herein. The signatories hereby declare and represent that no promise, inducement or agreement not herein expressed has been made, and acknowledge that the terms and conditions of this agreement are contractual and not a mere recital.

B. **Remedial Action.** Bankers Life agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain those remedial actions at all times. Such remedial actions shall include the following:

1. Bankers Life agrees to review all payments of ROP benefits under long term care policy forms from January 1, 2020 to the date of the Order approving this Stipulation to determine if the payments were issued consistent with the terms of the policy. If payments were not issued consistent with the terms of the policy, Bankers Life will make payment to the correct payee under the terms of the policy. Interest will be included with such payments pursuant to §374.191. A letter will be included indicating that as a result of a Missouri Market Conduct Investigation it was discovered that the recipient was owed payment of the ROP benefit under the terms of the policy.

2. Bankers Life agrees that going forward it will pay all ROP benefits pursuant to, and consistent with, the terms of policy.

C. **Compliance.** Bankers Life agrees to file documentation pursuant to section 374.205 with the Division, in a format acceptable to the Division, within 90 days of the entry of an Order approving this Stipulation, of any remedial action taken to implement compliance with the terms of this Stipulation, including documentation of any ROP payment made pursuant to the terms of this Stipulation.

D. **Voluntary Forfeiture.** Bankers Life agrees, voluntarily and knowingly, to surrender and forfeit the sum of \$1,000, such sum payable to the Missouri State School Fund, in accordance

¹ All statutory references, unless otherwise noted, are to the 2016 Revised Statutes of Missouri, as amended.

with §§374.049.11 and 374.280.2.

E. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by Bankers Life, this Stipulation being part of a compromise settlement to resolve disputed factual and legal allegations arising out of the above referenced market conduct examination.

F. **Waivers.** Bankers Life, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights to procedural requirements, including notice and an opportunity for a hearing, and review or appeal by any trial or appellate court, which may have otherwise applied to the market conduct investigation no.411057 .

G. **Amendments.** No amendments to this Stipulation shall be effective unless made in writing and agreed to by authorized representatives of the Division and Bankers Life.

H. **Governing Law.** This Stipulation shall be governed and construed in accordance with the laws of the State of Missouri.

I. **Authority.** The signatories below represent, acknowledge and warrant that they are authorized to sign this Stipulation, on behalf of the Division and Bankers Life, respectively.

J. **Counterparts.** This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single document. Execution by facsimile or by electronically transmitted signature shall be fully and legally effective and binding.

K. **Effect of Stipulation.** This Stipulation shall not become effective until entry of an Order by the Director of the Department (hereinafter "Director") approving this Stipulation.

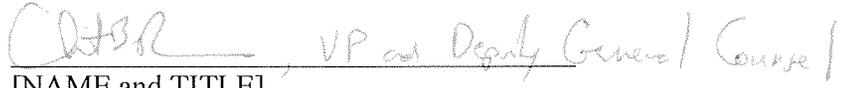
L. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: May 17, 2024



Teresa Kroll
Chief Market Conduct Examiner
Division of Insurance Market Regulation

DATED: 5/17/24



[NAME and TITLE]
Bankers Life and Casualty Company