



DEPARTMENT OF COMMERCE & INSURANCE

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

In Re:)
)
TRANSAMERICA LIFE INSURANCE) Market Conduct Investigation No. 351680
COMPANY (NAIC #86231))
f/k/a TRANSAMERICA PREMIER LIFE)
INSURANCE COMPANY (NAIC #66281))

ORDER OF THE DIRECTOR

NOW, on this 25th day of AUGUST, 2021, 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 Transamerica Life Insurance Company (NAIC #86231) f/k/a Transamerica Premier Life Insurance Company (NAIC #66281) (hereinafter “Transamerica”), relating to the market conduct investigation no. 351680, 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 Transamerica and the Division having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

IT IS FURTHER ORDERED that Transamerica shall not engage in any of the violations of law 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, and to maintain those corrective actions at all times, and shall fully comply with all

¹ All references, unless otherwise noted, are to Revised Statutes of Missouri 2016, as amended, or to the Code of State Regulations, 2020, as amended.

terms of the Stipulation.

IT IS FURTHER ORDERED that Transamerica shall pay, and the Department of Commerce and Insurance, State of Missouri, shall accept, the Voluntary Forfeiture of \$750.00, 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 25th day of AUGUST, 2021.



Chlora Lindley-Myers

Chlora Lindley-Myers
Director

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

In Re:)
)
TRANSAMERICA LIFE)
INSURANCE COMPANY (NAIC #86231))
f/k/a TRANSAMERICA PREMIER LIFE) **Market Conduct Investigation**
INSURANCE COMPANY (NAIC #66281)) **No. 351680**

STIPULATION OF SETTLEMENT AND VOLUNTARY FORFEITURE

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter “the Division”) and Transamerica Life Insurance Company (NAIC #86231) f/k/a Transamerica Premier Life Insurance Company (NAIC #66281) (hereinafter “Transamerica”), 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, Transamerica 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 Transamerica, investigation #351680; and

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

1. Transamerica did not send annual statements to whole life policyholders in paid up status in violation of §376.678¹ and implicating the provisions of §375.936 (11) (a).

¹ All references, unless otherwise noted, are to Missouri Revised Statutes 2016, as amended or to the Code of State Regulations, 2020, as amended.

2. Transamerica did not send annual statements to whole life policyholders that elected prior authorized check premium payments in violation of §376.678 and implicating the provisions of §375.936 (11) (a).

3. Transamerica did not maintain copies of five policies in its records with issue dates of 1943, 1962, 1974, 1981 and 1982, in violation of 20 CSR 100-8.040 (3) (A) 2.

WHEREAS, the Division and Transamerica have agreed to resolve the issues raised in the market conduct investigation 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.** Transamerica 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, to reasonably ensure that the errors noted in the market conduct investigation and in this Stipulation do not occur in the future. Such remedial actions shall consist of the following:

1. Transamerica agrees that it will issue annual statements to all whole life policyholders.

2. Transamerica agrees to retain copies of policies, annual statements and billing statements with loan amounts due as required by 20 CSR 100-8.040 (3) (A) 2.

3. Transamerica agrees that it will offer to reinstate the 52 policies that were identified

in the investigation as in paid up status, but lapsed due to outstanding loan balances. Notice to policyholders of the offer to reinstate shall include complete information regarding the date of the loans and the amount needed to pay off the loans. Transamerica further agrees that it will impose no new underwriting on any of the reinstated policies. If the insured died after the policy lapsed, Transamerica agrees to pay the death benefit less any outstanding loan balance as of the date of death to the estate of the deceased insured or to any rightful beneficiary, if no probate estate.

C. **Compliance.** Transamerica agrees to file documentation with the Division, in a format acceptable to the Division, within 90 days of the entry of a final order of any remedial action taken pursuant to Paragraph B to implement compliance with the terms of this Stipulation or to document the payment of any monies owed to policyholders as a result of this Stipulation. Such documentation is provided pursuant to §374.190.

D. **Ongoing Investigation.** Transamerica agrees to pay any reasonable investigation fees expended by the Division in conducting its review of the documentation provided by Transamerica pursuant to Paragraph C of this Stipulation.

E. **Voluntary Forfeiture.** Transamerica agrees, voluntarily and knowingly, to surrender and forfeit the sum of \$750.00 such sum payable to the Missouri State School Fund, in accordance with §374.049.11 and §374.280.2.

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

G. **Waivers.** Transamerica, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights for 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 above-referenced market conduct investigation.

H. **Changes.** No changes to this Stipulation shall be effective unless made in writing and agreed to by representatives of the Division and Transamerica.

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

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

K. **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 and delivery of this Stipulation by facsimile or by an electronically transmitted signature shall be fully and legally effective and binding.

L. **Effect of Stipulation.** This Stipulation shall become effective only upon entry of a Final Order by the Director of the Department (hereinafter “Director”) approving this Stipulation.

M. **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: 08/23/2021



Stewart Freilich
Chief Market Conduct Examiner and
Senior Counsel
Division of Insurance Market Regulation

DATED: 8/19/2021 | 1:49 CDT

DocuSigned by:



Matthew McCorry
Chief Operating Officer, Individual
Solutions Division
Transamerica Life Insurance Company