

DEC 09 2015

FILED

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

STATE OF NEBRASKA)
DEPARTMENT OF INSURANCE,)
)
PETITIONER,)
)
VS.)
)
STANDARD LIFE AND ACCIDENT)
INSURANCE COMPANY,)
(NAIC #86355),)
)
RESPONDENT.)

CONSENT ORDER

CAUSE NO. C-2175

IDENTIFIER # 149261

AMOUNT \$ 5000.00

DEC 10 2015

DISTRIBUTION # 21336872

CHECK # 6000006261

In order to resolve this matter, the Nebraska Department of Insurance (“Department”), by and through its attorney, Robert M. Bell, and Standard Life and Accident Insurance Company (“Respondent”), mutually stipulate and agree as follows.

JURISDICTION

1. The Department has jurisdiction over the subject matter and Respondent pursuant to Neb. Rev. Stat. §§ 44-101.01, 44-135, 44-303, and 44-4047, et seq. Said jurisdiction and control have been present at all times material hereto.

2. Respondent is a Texas domiciled insurance company licensed with the Department as an insurer with ability to sell life insurance and sickness and accident insurance in Nebraska.

STIPULATIONS OF FACT

1. The Department initiated this administrative proceeding by filing a petition captioned State of Nebraska Department of Insurance vs. Standard Life and Accident Insurance

Company , Cause Number C-2175, on November 13, 2015. A copy of the Petition was served upon Respondent's agent for service of process, Mark Flippin, One Moody Plaza, Galveston, TX 77550, by certified mail, return receipt requested.

2. Respondent violated Neb. Rev. Stat. §§ 44-1524, 44-1525(12), and 44-4061 as a result of the following conduct:

- a. On or about April 3, 2015, a consumer complaint was filed with Department against Respondent related to a policy sold by Jhonny Mansinghani, who at the time was a licensed non-resident insurance producer but was not appointed by Respondent in Nebraska.
- b. On or about June 1, 2015, Respondent answered an inquiry from the Department admitting that Mr. Mansinghani was not appointed in Nebraska as an agent for Respondent as required by the Insurance Producers Licensing Act, and that four policies sold, negotiated, or solicited by Mr. Mansinghani were accepted or written by Respondent in Nebraska:
 - i. Policy #83F030725, transaction dates 11/21/14 and 11/24/14
 - ii. Policy #83F024006, transaction dates 07/30/14 and 8/04/14
 - iii. Policy #83F028874, transaction dates 10/23/14 and 10/24/14
 - iv. Policy #83F019661, transaction dates 06/03/14 and 06/06/14
- c. On or about August 12, 2015, after further inquiries from the Department, Respondent provided a letter and a spreadsheet with information showing that between September 1, 2011, and March 7, 2015, an additional eighty-three policies in Nebraska were sold by an additional twenty-five insurance producers not properly appointed by Respondent. By submission of the above-referenced information,

Respondent in effect admitted that it accepted applications for policies of insurance sold, negotiated, or solicited by insurance producers not appointed as required by the Insurance Producers Licensing Act.

3. Respondent was informed of its right to a public hearing. Respondent enters into this Consent Order freely and voluntarily. Respondent waives its right to a hearing and acknowledges that by doing so, Respondent also waives its right to confrontation of witnesses, production of evidence, and judicial review.

4. Respondent admits the allegations stated in paragraph 2.

CONCLUSIONS OF LAW

Respondent's conduct as stipulated above constitutes a violation of Neb. Rev. Stat. §§ 44-1524, 44-1525(12), and 44-4061 and is subject to disciplinary action pursuant to Neb. Rev. Stat. § 44-1529.

CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed by the Respondent, Standard Life and Accident Insurance Company, that Respondent shall pay an administrative fine in the amount of \$5,000 due within 30 days after the Director of Insurance or his designee approves and signs this Consent Order.

The Department of Insurance will continue to retain jurisdiction over this matter. If respondent fails to pay the amount required as specified under this consent order, additional administrative action shall be taken by the Petitioner, which may include revocation of Respondent's Nebraska certificate of authority. In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing his/her signature below.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Petition and Notice of Hearing was served upon Respondent by mailing a copy to Respondent's agent for service of process, Mark Flippin, at One Moody Plaza, Galveston, TX 77550, by certified mail, return receipt requested, on this 9 day of December, 2015.

Brandis J. Couser

RECEIVED

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**NEBRASKA DEPARTMENT
OF INSURANCE**