

**LOUISIANA DEPARTMENT OF INSURANCE**

**REGULATORY CONSENT ORDER**

**BE IT KNOWN**, on the date(s) herein below specified, came, and appeared:

**LOUISIANA DEPARTMENT OF INSURANCE (hereinafter "LDI")**

through the Commissioner of Insurance, James Donelon.

AND

**THE NEW YORK LIFE INSURANCE COMPANY (NAIC # 66915)**

**SUMMARY**

This is a consent order with The New York Life Insurance Company (New York Life or Company). A targeted Market Conduct Examination commenced on July 6, 2020, and was called pursuant to La. R.S. 22:1967 and La. R.S. 22:1981-1985. The subsequent factual findings resulted from the examination. New York Life worked to remediate concerns noted in the examination report and thus has agreed to this Regulatory Consent Order and the terms detailed below.

**WAIVER**

The Commissioner has jurisdiction over this matter pursuant to Title 22 of the Louisiana Revised Statutes. The Commissioner has the authority to dispose of this matter as set forth herein. The Company acknowledges that the Louisiana Insurance Code and other applicable laws provide certain rights. The Company waives all these rights and any other applicable procedural rights in consideration of the entry of this Regulatory Consent Order.

**FINDINGS OF FACT**

**1.**

The LDI conducted a targeted Market Conduct Examination (Examination) of the Company focused on the use of unapproved forms to determine the Company's compliance with the Cease-and-Desist order issued to the Company on January 24, 2004, which rescinded the LDI's approval of the Company's original source group filing GMR et al. Policy Form.

2.

During remediation, the Office of Health, Life and Annuity of the LDI noted other, unreported, forms issues and worked with the Company to further remediate those issues.

3.

While remediation was complete as of March 2020, requests for complete documentation of the use of unapproved forms remained outstanding. The examination was called to determine the scope of the historical non-compliance for both reported and unreported issues.

4.

A targeted Market Conduct Examination commenced on July 6, 2020, and was called pursuant to La. R.S. 22:1967 and La. R.S. 22:1981-1985. The Examination related to the American Association of Retired Persons (AARP) life insurance products for the period of January 1, 2004 through March 31, 2020, including subsequent events through the current date (Examination Period).

5.

Ten (10) factual findings were made at the conclusion of the examination noting statutory violations. The New York Life Targeted Examination Report adopted November 30, 2023 is hereby incorporated into this order.

#### **APPLICABLE LOUISIANA LAW**

##### **La. R.S. 22:18 Suspension or revocation of insurers' licenses; fines; orders**

The commissioner of insurance may, as a penalty, in accordance with R.S. 49:977.3, refuse to renew, or may suspend or revoke, the certificate of authority or license of any insurer, person, or entity violating any of the provisions of this Code, or in lieu of suspension or revocation of a certificate or license duly issued, the commissioner may levy a fine not to exceed one thousand dollars for each violation per insurer, person, or entity, up to one hundred thousand dollars aggregate for all violations in a calendar year per insurer, person, or entity, when such violations warrant the refusal, suspension, or revocation of such certificate or license, or the imposition of the fine. The commissioner is also authorized to order any insurer, person, or entity to cease and desist any such action that violates any provision of this Code. An aggrieved party affected by the

commissioner's decision, act, or order may demand a hearing in accordance with Chapter 12 of this Title, R.S. 22:2191 et seq. If the insurer has demanded a timely hearing, the penalty or fine ordered by the commissioner shall not be imposed until such time as the division of administrative law makes a finding that the penalty or fine is warranted in a proper hearing held in the manner provided in Chapter 12 of this Title.

**La R.S. 22:1967 Power of commissioner of insurance**

The commissioner of insurance shall have power to examine and investigate the affairs of every person engaged in the business of insurance, including violations of R.S. 22:1902 et seq., in order to determine whether such person has been or is engaged in any unfair method of competition or in any unfair or deceptive act or practice prohibited by this Part.

**La R.S. 22:1981 Commissioner of insurance to examine insurers and producers**

- A. (1) The commissioner of insurance shall make an examination, not less frequently than once every five years, of all insurers doing business in this state at such times as prescribed by the provisions of this Chapter and at any other time when in the opinion of the commissioner it is necessary for such an examination to be made.

**CONCLUSIONS OF LAW**

The Company violated various provisions of the Louisiana Insurance Code when they used unapproved forms and had non-complaint content in their policy forms.

**ORDER**

**NOW THEREFORE**, to fully compromise and resolve this matter:

The LDI, appearing herein through Nathan Strebeck, Deputy Commissioner, Office of Insurance Fraud, and New York Life, appearing through its authorized representative Robert M. Rosh, hereby stipulate and agree to the following:

1. New York Life will amend its new business policy forms to read "Response Requested by" and submit the applicable form to the LDI.

2. New York Life will amend its administrative services agreement with AARP to specifically provide that New York Life is authorized to act on behalf of AARP to receive premiums directly from AARP group members. The amended administrative services agreement must be submitted to the LDI.
3. New York Life agrees to submit all policy forms to the LDI as required by the Louisiana Insurance Code including any outstanding informational master policy forms.
4. New York Life will withdraw its request for Administrative Appeal for matters docketed as 2023-15970-INS and 2023-15168-INS at the Division of Administrative Law.
5. It is ordered that, within fifteen (15) business days of execution of this agreement, The New York Life Insurance Company shall pay an administrative penalty in the amount of one hundred thousand dollars (\$100,000.00). The fine must be made payable to:

Louisiana Department of Insurance  
Attention: Accounts Receivable  
P.O. Box 94214  
Baton Rouge, LA 70804-9214

6. The LDI may take any and all legal actions and seek any and all remedies if the Company fails to comply with this Order.
7. All of the LDI's rights under Louisiana Revised Statute Title 22 are reserved, and this Order and any action taken pursuant to this Order, including compliance with this Order, does not prevent the LDI from exercising its authority under the Louisiana Insurance Code.
8. This order constitutes the entire agreement between the parties and no other promises or agreements, either express or implied, have been made by the LDI to induce The New York Life Insurance Company into this agreement.
9. This order may not be modified orally and any subsequent modifications to this Agreement must be mutually agreed upon in writing to be effective.
10. This Regulatory Consent Order shall take effect on the last date it is signed by all parties, and all signatories below warrant that they have the authority and capacity to enter into this Regulatory Consent Order.
11. This Regulatory Consent Order may be executed in multiple copies, each of which shall be considered an original.

BY: Robert M. Bell

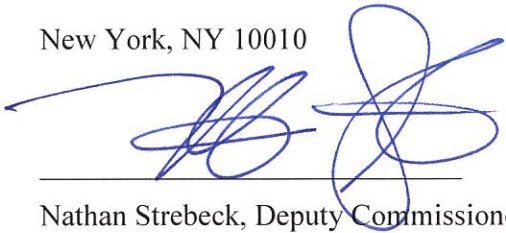
DATE: 12/14/2023

on behalf of

The New York Life Insurance Company

51 Madison Avenue

New York, NY 10010



BY: \_\_\_\_\_

DATE: 12/14/2023

Nathan Strebeck, Deputy Commissioner

Office of Insurance Fraud

Louisiana Department of Insurance

1702 N. Third Street

Baton Rouge, LA 70802