



LOUISIANA DEPARTMENT OF INSURANCE

TIMOTHY J. TEMPLE

COMMISSIONER

DIRECTIVE 180 (REVISED AND REISSUED)

TO: ALL LIFE INSURERS AUTHORIZED TO DO BUSINESS IN LOUISIANA

FROM: TIMOTHY J. TEMPLE, COMMISSIONER OF INSURANCE

RE: POLICY FORMS AND MARKETING PRACTICES INSURABLE INTEREST

DATE: JULY 9, 2025

Directive 180, originally issued on April 13, 2004, and revised and reissued on April 27, 2016, is being amended to update departmental contact information. The purpose of Directive 180 and its subsequent revisions was to address a concern that life insurers were marketing policies in a manner not authorized by Louisiana Law; more particularly, that corporations were taking out life insurance on the lives of their employees for the benefit of the corporation (an insurance product more popularly referred to as a "janitor policy" and/or "peasant policy"). Directive 180 is not, however, aimed at the traditional uses of life insurance in the business setting, such as, but not limited to:

- "Key man" insurance;
- Insurance to fund buy-sell agreements or deferred compensation arrangements for executives;
- Insurance to fund employee welfare plans.

Directive 180 was revised and reissued on April 27, 2016 for the purpose of addressing a concern that life insurers were marketing insurance policies in a manner that is not authorized under the law of Louisiana.

Please note that pursuant to [La. R.S.22:901\(A\)](#), no person may procure an insurance policy upon the life of another in the absence of an insurable interest. [La R.S. 22:901\(C\)](#) lists the qualifying insurable interest and an insurable interest on the part of an employer in the lives of its employees is not included.

The approval of a form filing, whether the intended marketing practices were fully and unequivocally disclosed or not does not negate the requirement that insurers transact business in compliance with the provisions of the Louisiana Insurance Code. Further, the Louisiana Department of Insurance (LDI) is mandated by [La. R.S. 22:862\(6\)](#) to withdraw approval of any policy previously approved if it is in any respect in violation of or does not fully comply with the law or any rule or regulation promulgated by the LDI.

All life insurers must review their marketing practices to make certain they are being conducted in accordance with the law and public policy of this state.

All life insurers must review their policy forms to determine if any forms should be revised and re-filed with the LDI in accordance with LAC 37:XIII.10109.A-K. The regulation can be viewed at www.lidi.la.gov.

[La. R.S. 22:880](#) mandates that if a filing is not in compliance with the law, it is to be construed and applied as it would if it had been fully in compliance. If a policy names as a beneficiary a person who does not have an insurable interest under the law of this state in the life of the person insured, then, as required by [La. R.S. 22:901\(A\)](#), the benefits are payable to the person upon whose life the policy was procured.

If there are any questions or concerns regarding Directive 180 (Revised and Reissued), please contact the Deputy Commissioner for the Office of Health, Life, and Annuity at (225) 342-1355 or electronically at public@ldi.la.gov.

Please be governed accordingly.

Baton Rouge, Louisiana, this 9th day of July 2025.



TIMOTHY J. TEMPLE
COMMISSIONER OF INSURANCE