

BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

IN THE MATTER OF COMPANION)	CONSENT ORDER
LIFE INSURANCE COMPANY)	

In resolution of the above matter and in lieu of issuance of a Notice of Hearing and a formal hearing, the undersigned parties do hereby agree to the following:

COMPANION LIFE INSURANCE COMPANY ("COMPANION"), whose address of record is 2501 Faraway Drive, Columbia, SC 29219 is a foreign insurance company holding a certificate of authority to transact insurance business in the State of South Dakota;

COMPANION is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation of its insurance-related activities in South Dakota;

The Division has alleged the following:

- 1) COMPANION did not adjudicate claims in accordance with its policy which constitutes a violation of SDCL § 58-33-67 and ARSD 20:06:39:30;
- 2) COMPANION did not comply with ARSD 20:06:10:08.03 regarding its marketing;
- 3) COMPANION did not provide the Division notice of its cessation of insurance business in regards to a product which constitutes a violation of SDCL § 58-11-62;
- 4) COMPANION did not properly appoint producers which constitutes a violation of SDCL §§ 58-30-171 and 58-30-176;
- 5) Any of the above-cited conduct constitutes grounds for the revocation or suspension of COMPANION's certificate of authority pursuant to SDCL § 58-6-46;

COMPANION is aware of and understands the nature of the allegations and has been informed that it has the right to notice, hearing, and appeal, and that by agreeing to and signing this Consent Order waives these rights;

In return for COMPANION agreeing to the provisions of this Consent Order, the Division agrees not to proceed to hearing and agrees that this Consent Order will constitute an informal disposition of this licensing matter pursuant to SDCL § 1-26-20;

COMPANION agrees to a monetary penalty in the amount of \$40,000 pursuant to SDCL § 58-4-28.1, in lieu of contesting this matter formally; and

COMPANION further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota;

COMPANION further agrees that this Consent Order may be considered for the purpose of determining the appropriate sanction in any future actions with the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director;

Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that COMPANION pay a monetary penalty in the amount of \$40,000 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

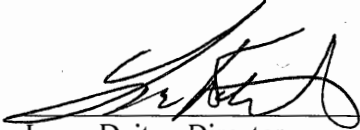
ORDERED that COMPANION abide by the agreements made by it in this Consent Order; and it is further

ORDERED that should COMPANION fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of COMPANION's Certificate of Authority at hearing pursuant to SDCL § 58-6-46, or seek other remedies available at law; and it is further

ORDERED that the use of this Consent Order for competitive purposes by an insurance agent or third-party administrator holding a license in the State of South Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority; and it is further

ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

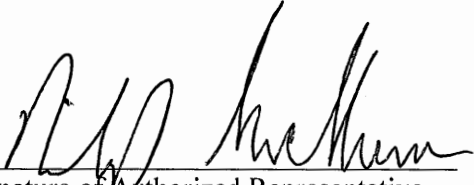
Dated at Pierre, South Dakota this 10th ~~day of July~~ ^{August}, 2017.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of COMPANION, represents it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enters into this Consent Order.

Dated this 31st day of July, 2017.



Signature of Authorized Representative
Philip Gardham

Printed Name
President

Title