

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

IN THE MATTER OF)
INVESTORS PREFERRED LIFE) CONSENT ORDER
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:

INVESTORS PREFERRED LIFE INSURANCE COMPANY ("IPL") whose address of record is 1719 West Main Street, Rapid City, South Dakota 57702, is an insurance company holding a Certificate of Authority to transact business in the State of South Dakota;

IPL is aware that the South Dakota Division of Insurance ("Division") has conducted an examination into its insurance related business in South Dakota related to the five-year period ended December 31, 2020 (the "Examination Period");

The Division alleges the following as regards IPL:

- 1) IPL did not maintain a principal place of business or staffed office in the state of South Dakota to qualify as a domestic insurer during the examination period in violation of SDCL § 58-5-93;
- 2) IPL has not maintained its records in South Dakota in violation SDCL § 58-5-95;
- 3) IPL completed various transactions that were not timely reported on proper forms or filed with the Division for prior approval, such as organizational changes, contracts, and trust matters, in violation of SDCL §§ 58-5A-21 and 58-5A-26 and ARSD §§ 20:06:09:32, 20:06:09:36, 20:06:09:37, and 20:06:09:37.01;
- 4) IPL's policy administration system that was in effect during the Examination Period did not provide adequate controls related to the production of annual policy statements or enable IPL to retrieve policyholder information during the examination, in violation of SDCL §§ 58-1-26, 58-6-47(5), and 58-28-21;
- 5) IPL did not supply timely and accurate information during the course of the examination in violation of SDCL § 58-3-7;
- 6) Any of the above-cited conduct may be grounds for the revocation or suspension of IPL's Certificate of Authority pursuant to SDCL §§ 58-3-7, 58-5-93, 58-5-95, 58-5A-21, 58-5A-26, 58-6-46, 58-28-21, and ARSD 20:06:09:32, 20:06:09:36, 20:06:09:37, and 20:06:09:37.01;

IPL is aware of and understands the nature of the charges 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 IPL agreeing to and complying with the provisions of this Consent Order, the Division agrees not to proceed to administrative hearing and agrees that this Consent Order will constitute an informal disposition of this licensing matter pursuant to SDCL § 1-26-20;

By the execution of this Consent Order and the payment of a penalty pursuant to this Consent Order, IPL neither admits to nor denies any violations of the laws of the State of South Dakota, but waives its right to contest the allegations contained in this Consent Order in any future actions or licensing procedures with the Division;

IPL agrees to pay a monetary penalty in the amount of \$125,000 pursuant to SDCL §§ 58-4-28.1 and 58-6-46, in lieu of an administrative hearing and Final Decision;

IPL further agrees to timely complete its work plan as provided to the Division at the conclusion of the examination and agrees to adhere to the same;

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

IPL 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 IPL pay a monetary penalty in the amount of \$125,000 payable to "South Dakota Division of Insurance" for deposit in the General Fund of the State of South Dakota; and it is further

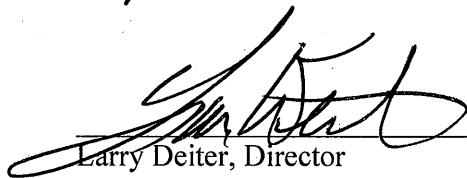
ORDERED that should IPL fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of IPL's Certificate of Authority at hearing pursuant to SDCL Ch. 58-6, or seek other remedies available at law; and it is further

ORDERED that IPL abide by the agreements made in this Consent Order; 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 12th day of May, 2023.



Larry Deiter, Director
South Dakota Division of Insurance

[Signature page for IPL follows.]

The undersigned, on behalf of IPL 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 23 day of April, 2023.

Ajan Jorde
Signature of Authorized Representative

Ajan Jorde
Printed Name

Co-Founder Executive Chairman
Title Chairman of Board