

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

IN THE MATTER OF)
JOHN HANCOCK LIFE &) CONSENT ORDER
HEALTH 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:

JOHN HANCOCK LIFE & HEALTH INSURANCE COMPANY ("JOHN HANCOCK L&H"), whose address of record is PO Box 717, Boston, MA 02117, is an insurance company holding a certificate of authority to transact business in the State of South Dakota:

JOHN HANCOCK L&H 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) A Market Survey submitted in 2011 by JOHN HANCOCK L&H indicated that GLTC policies were being marketed by JOHN HANCOCK L&H;
- 2) The Division received information from a submitted 2012 Market Survey that JOHN HANCOCK L&H had discontinued sales of group long-term group care ("GLTC") policies;
- 3) The Division received correspondence on May 21, 2012 from JOHN HANCOCK L&H which indicated that JOHN HANCOCK L&H ceased marketing GLTC policies without notice to the Division;
- 4) JOHN HANCOCK L&H did not provide 90 days' notice of its intent to cease marketing its GLTC block of business, a violation of SDCL § 58-11-62;
- 5) The above-cited conduct may be grounds for the revocation or suspension of JOHN HANCOCK L&H's certificate of authority in South Dakota pursuant to SDCL § 58-6-46;

JOHN HANCOCK L&H 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 JOHN HANCOCK L&H 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:

JOHN HANCOCK L&H agrees to a monetary penalty in the amount of \$2,500 pursuant to SDCL § 58-4-28.1, in lieu of contesting this matter formally; and

JOHN HANCOCK L&H further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota, and

JOHN HANCOCK L&H further agrees that this Consent Order may be considered in any future licensing procedures with the Division and for the purpose of determining the appropriate sanction in any future actions with the Division for any violation of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director:

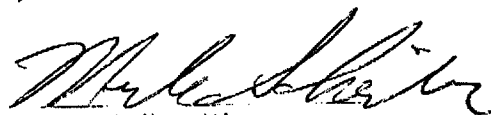
Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that JOHN HANCOCK L&H pay a monetary penalty in the amount of \$2,500 payable to "South Dakota Division of Insurance" to be submitted with this completed Consent Order for deposit in the general fund of the State of South Dakota; and it is further

ORDERED that should JOHN HANCOCK L&H fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of JOHN HANCOCK L&H'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 3rd day of August, 2012.


Merle Schreiber, Director
South Dakota Division of Insurance

The undersigned, on behalf of JOHN HANCOCK L&H, represents it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enter into this Consent Order.

Dated this 15th day of August, 2012.

David Plumb
Signature of Authorized Representative

David Plumb
Printed Name

Vice President
Title