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

IN THE MATTER OF
VALIC RETIREMENT SERVICES COMPANY

) ) ) CONSENT ORDER

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:

VALIC RETIREMENT SERVICES COMPANY (VALIC), whose address of record is 2929 Allen Parkway, Houston, TX 77019, is a third-party administrator ("TPA") transacting business under a TPA Registration in the State of South Dakota;

VALIC 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) Financial documents filed by VALIC with the Division show that VALIC is insolvent;

2) Pursuant to SDCL § 58-29D-31(1) and (4), the Director of the Division may revoke VALIC’s TPA Registration for the above-cited reason.

3) Pursuant to SDCL § 58-29D-32(1), the Director of the Division may immediately suspend VALIC’s TPA Registration for the above-cited reason.

VALIC 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 VALIC 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 1-26-20;

VALIC agrees to the voluntary revocation of its TPA Registration, in lieu of contesting this matter formally;

VALIC waives its right to contest the allegations contained in this Consent Order in any future actions or licensing procedures;

VALIC 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 the TPA Registration of VALIC is hereby revoked; 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 28th day of September, 2012.

[Signature]
Merle Scheiber, Director
South Dakota Division of Insurance

The undersigned, on behalf of VALIC, 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 24th day of September, 2012.

[Signature]  
Signature of Authorized Representative

[Name]  
Name of Authorized Representative (printed)

[Title]  
Title of Authorized Representative