

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

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IN THE MATTER OF BROTHERHOOD	)	
MUTUAL INS. COMPANY	)	CONSENT ORDER
	)	

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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:

BROTHERHOOD MUTUAL INS. COMPANY, ("BROTHERHOOD") whose address of record is 6400 Brotherhood Way, Fort Wayne, IN 46825, holds a certificate of authority to do business in the State of South Dakota;

BROTHERHOOD is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation into their business activity in South Dakota;

The Division alleges the following:

- 1) The BROTHERHOOD Ministry Partner Program ("Program"), as described in a marketing presentation created and utilized by an producer of BROTHERHOOD, violated SDCL § 58-33-24 by appearing to offer an inducement to purchase insurance;
- 2) Any of the above-cited conduct may be grounds for administrative action with regard to BROTHERHOOD's certificate of authority pursuant to SDCL §§ 58-6-46 and 58-33-24;

BROTHERHOOD has represented that it was unaware of and did not approve the advertising materials at issue until the Division brought the same to its attention, the Division has no reason to doubt BROTHERHOOD's representations and accepts them as true;

BROTHERHOOD is aware of and understands the nature of the allegations and has been informed that it has the right to a Notice of Hearing, counsel, and appeal; and that by agreeing to sign this Consent Order, waives these rights;

By the execution of this Consent Order and the payment of a penalty pursuant to this Consent Order, BROTHERHOOD is not admitting to 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 return for BROTHERHOOD agreeing to and complying with the provisions of this Consent Order, the Division agrees not to proceed to administrative hearing or pursue any other administrative action against

BROTHERHOOD or any of BROTHERHOOD's independent Agents, and agrees that this Consent Order will constitute an informal disposition of this licensing matter pursuant to SDCL § 1-26-20;

BROTHERHOOD agrees to pay a monetary penalty of \$2,500 pursuant to SDCL §§ 58-6-46 and 58-4-28.1, in lieu of an administrative hearing and Final Decision;

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

BROTHERHOOD 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 BROTHERHOOD pay a monetary penalty in the amount of \$2,500 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 BROTHERHOOD abide by the agreements made by it 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.

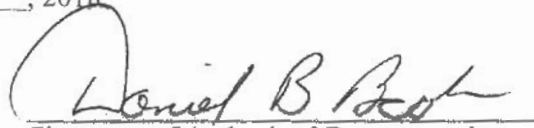
Dated at Pierre, South Dakota this 10<sup>th</sup> day of April, 2018.

  
Larry Deiter, Director  
South Dakota Division of Insurance

*[Signature of respondent on following page]*

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

Dated this 27<sup>th</sup> day of February, 2018

  
Signature of Authorized Representative

Daniel B Book  
Printed Name

VP, Sales  
Title