

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

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IN THE MATTER OF	)	
THE PRUDENTIAL INSURANCE COMPANY	)	
OF AMERICA, PRUDENTIAL ANNUITIES	)	CONSENT ORDER
LIFE ASSURANCE CORPORATION, AND	)	
PRUCO LIFE INSURANCE COMPANY	)	

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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:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, PRUDENTIAL ANNUITIES LIFE ASSURANCE CORPORATION, and PRUCO LIFE INSURANCE COMPANY (collectively, "PRUDENTIAL"), with addresses at 100 Mulberry Street, Gateway 3, 7th Floor, Newark, NJ 07102, hold Certificates of Authority to transact insurance business in the State of South Dakota;

PRUDENTIAL is aware that the South Dakota Division of Insurance ("Division") has investigated its insurance-related activities;

The Division has alleged the following:

- 1) PRUDENTIAL maintained an Interactive Voice Response ("IVR") telephone system that reported inaccurate contract values on 15 South Dakota annuity contracts that were closed, in violation of SDCL 58-33-6;
- 2) This conduct constitutes grounds for the revocation or suspension of PRUDENTIAL's Certificates of Authority pursuant to SDCL §§ 58-6-46 and 58-33-6;

By the execution of and the payment of a penalty pursuant to this Consent Order, PRUDENTIAL neither admits to nor denies the alleged violations of the laws of the State of South Dakota and represents that any such issues with its IVR system have been resolved;

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PRUDENTIAL 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 PRUDENTIAL 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;

PRUDENTIAL agrees to a monetary penalty in the amount of \$2,500 pursuant to SDCL §§ 58-4-28.1 and 58-6-46, in lieu of contesting this matter formally; and

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

PRUDENTIAL 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 PRUDENTIAL 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

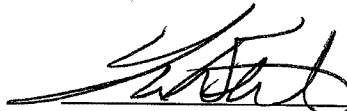
ORDERED that PRUDENTIAL abide by the agreements made by it in this Consent Order; and it is further

ORDERED that should PRUDENTIAL fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of PRUDENTIAL'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 11<sup>th</sup> day of August, 2020.



Larry Deiter, Director  
South Dakota Division of Insurance

The undersigned, on behalf of PRUDENTIAL, 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 4 day of August, 2020.

Christopher J Hagan

Signature of Authorized Representative

Christopher J. Hagan

Printed Name

Vice President

Title