

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

IN THE MATTER OF
COVENANT ADMINISTRATORS, LLC

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CONSENT ORDER

In resolution of the above titled matter and in lieu of administrative action concerning compliance with the insurance laws of the State of South Dakota, the undersigned parties do hereby agree to the following:

COVENANT ADMINISTRATORS, LLC (hereafter "RESPONDENT") whose address of record is 2810 Premiere Parkway, Ste 400, Duluth, GA 30097 is an entity that has applied to renew their TPA license in the State of South Dakota;

RESPONDENT is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation regarding their activity in this state;

The Division alleges the following with regard to RESPONDENT:

- 1) RESPONDENT submitted a TPA renewal application to the Division;
- 2) Prior to submitting their TPA renewal application, RESPONDENT failed to timely report 2 administrative actions to the Division, in violation SDCL §§ 58-29D-28 and 58-29D-31;
- 3) RESPONDENT failed to initially include all required documents with their renewal application, in violation of SDCL §§ 58-29D-22 & 58-30-167(1)(2)(8);
- 4) RESPONDENT failed to timely respond to several inquires from the Division, in violation of §§ 58-29D-22 & 58-33-66(1);
- 5) Pursuant to SDCL §§ 58-4-7, 58-29D-22, 58-29D-28, 58-29D-31, 58-29D-33, 58-30-167(1)(2)(8), and 58-33-66(1) the Director of the Division may deny the RESPONDENT TPA renewal application or issue a monetary penalty of up to \$25,000 per violation and order the entity to cease and desist operation in South Dakota, for any of the above-cited reasons.

RESPONDENT 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, and it affirmatively waives these rights;

In return for RESPONDENT agreeing to and complying with the provisions of this Consent Order, the Division 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, RESPONDENT waives its right to contest the allegations contained in this Consent Order in any future actions or licensing procedures with the Division;

RESPONDENT agrees to pay \$5,000 pursuant to SDCL §§ 58-29D-31 and 58-4-28.1, in lieu of a Final Order and further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota;

RESPONDENT 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 RESPONDENT pay a monetary penalty in the amount of \$5,000 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

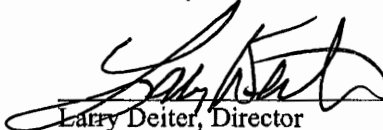
ORDERED that RESPONDENT abide by the agreements made by it in this Consent Order; and it is further

ORDERED that the TPA renewal application of RESPONDENT is hereby approved on the effective date of 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 7th day of July, 2023.

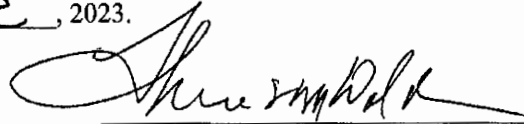


Larry Deiter, Director
South Dakota Division of Insurance

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The undersigned, on behalf of COVENANT ADMINISTRATORS, LLC, 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 12 day of June, 2023.



Signature of Authorized Representative

Theresa Walden

Printed Name

Vg Operations

Title