

File No. 49787
E-Case No. 1974

**STATE OF MINNESOTA
COMMISSIONER OF COMMERCE**

In the Matter of the Certificate of Authority of
Washington National Insurance Company, an insurance company
licensed to do business in the State of Minnesota.
NAIC No. 70319

CONSENT ORDER

TO: Washington National Insurance Company
11825 N. Pennsylvania Street
Carmel, IN 46032

Commissioner of Commerce Jessica Looman ("Commissioner") has determined as follows:

1. The Commissioner has advised Washington National Insurance Company ("Respondent") that she is prepared to commence formal action against Respondent's Certificate of Authority pursuant to Minn. Stat. § 45.027 (2016), and other applicable law, based on allegations that Respondent:

- A. Misrepresented the terms of 72 life insurance policies in violation of Minn. Stat. § 72A.20, subd. 1 & 18(b) and 45.027, subd. 2 & 4 (2016),
- B. Failed to determine suitability of the policies at time of sale in violation of Minn. Stat. § 72A.20, subd. 34 (2016), and
- C. Provided the Department with incomplete and inaccurate information in violation of Minn. Stat. § 45.027, subd. 1(a) (2016).

2. Respondent acknowledges that it has been advised of its right to a hearing in this matter, to present argument to the Commissioner, and to appeal from any adverse determination after a hearing. Respondent hereby expressly waives those rights. Respondent further acknowledges that it has been represented by legal counsel throughout these proceedings.

3. Respondent has agreed to informal disposition of this matter without a hearing as provided under Minn. Stat. § 14.59 (2016) and Minn. R. 1400.5900 (2015).

4. The following Order is in the public interest.

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Minn. Stat. § 45.027, subd. 6 (2016), that Respondent shall pay to the State of Minnesota a civil penalty of \$140,000.

IT IS FURTHER ORDERED, that Respondent shall implement a remedial action plan (the “Plan”), pursuant to the terms below, to ensure that claims have been properly decided pursuant to the terms of the respective policy, the circumstances of the respective claimant, and the relevant information provided by, or on behalf of, the respective claimant.

A. Respondent has identified twenty-one (21) terminated whole life insurance policies which are the subject of examination by the Commissioner. Within thirty (30) days of the effective date of this Order, Respondent shall remediate these terminated whole life insurance policies as has been agreed upon and approved by the Commissioner.

B. Respondent has identified fifty-one (51) active whole life insurance policies which are the subject of examination by the Commissioner. Within thirty (30) days of the effective date of this Order, Respondent shall remediate these active whole life insurance policies as has been agreed upon and approved by the Commissioner.

IT IS FURTHER ORDERED, that Respondent shall pay all costs associated with the implementation of the Plan.

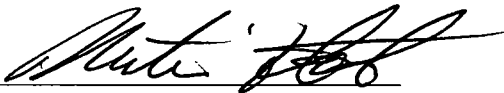
IT IS FURTHER ORDERED, pursuant to Minn. Stat. § 45.027, subd. 5 (2016), that Respondent shall cease and desist from any further violations of Minn. Stat. §§ 72A.20, subd. 1 & 18(b) and 45.027, subd. 2 & 4, 72A.20, subd. 34, and 45.027, subd. 1(a) (2016).

This Order shall be effective upon signature on behalf of the Commissioner.

Dated: 12-14-2017

JESSICA LOOMAN
Commissioner

By:


MARTIN FLEISCHHACKER
Assistant Commissioner of Enforcement
85 Seventh Place East, Suite 280
St. Paul, MN 55101
(651) 539-1538

CONSENT TO ENTRY OF ORDER

The undersigned, acting on behalf of Washington National Insurance Company ("Respondent"), states that she/he has read the foregoing Consent Order; that she/he knows and fully understands its contents and effect; that she/he has been advised of Respondent's right to a hearing in this matter and expressly waives that right; that Respondent has been represented by legal counsel in this matter, or has been advised of Respondent's right to be represented by legal counsel and expressly waives that right; and that she/he consents to entry of this Order by the Commissioner. It is further understood that this Consent Order constitutes the entire settlement agreement between the parties, there being no other promises or agreements, either express or implied.

Washington National Insurance Company

By: Justin D. Fuchs Jr.

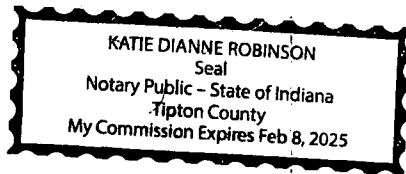
Its: SVP, Reg. and Gov't Affairs

STATE OF Indiana

COUNTY OF Hamilton

Signed or attested before me on Nov. 27, 2017 (date)

(stamp)



Katie Dianne Robinson
(Signature of notary officer)

Mgr., State Gov't Affairs
Title (and Rank)

My Commission expires: 2.8.2025