

INV No. #1437/UMB  
EC # 214

**STATE OF MINNESOTA  
COMMISSIONER OF COMMERCE**

In the Matter of the Certificate of Authority  
Of Bankers Life & Casualty Company,  
An Insurance Corporation,  
to do Business in the State of Minnesota.  
NAIC No. 61263

**CONSENT CEASE AND  
DESIST ORDER**

TO: Jim Valdez  
VP Associate General Counsel  
Bankers Life & Casualty Company  
222 Merchandise Mart Plaza  
Chicago, IL 60654-2001

Commissioner of Commerce Glenn Wilson (hereinafter "Commissioner") has determined as follows:

1. The Commissioner has advised Bankers Life & Casualty Company (hereinafter "Respondent") that as a result of an investigation by the Commissioner concerning Respondent's conduct as a corporation engaged in the business of insurance in Minnesota, the Commissioner is prepared to commence formal proceedings in accordance with the provisions of Minn. Stat. § 45.027 (2002) against Respondent's certificate of authority to engage in the business of insurance in Minnesota based on allegations that Respondent issued an annuity contract that was not suitable to a senior citizen in violation of Minn. Stat. Sec 60K.46 sub. 4 – Suitability of Insurance and, the company failed to respond to request for information and documents from the department within the time specified in the request in violation of Minn. Stat. Sec. 45.027 subd. 1a – Response to the department request.

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

acknowledges that it has been represented by legal counsel throughout these proceedings or has been advised of its right to counsel, which right it hereby waives.

3. Respondent has agreed to an informal disposition of this matter without a hearing, as provided under Minn. Stat. § 14.59 (2002) and Minn. R. 1400.5900 (2001).

4. The following Order is in the public interest.

NOW, THEREFORE, IT IS HEREBY ORDERED:

A. That pursuant to Minn. Stat. § 45.027, subd. 5 (2002) Respondent shall cease and desist from issuing annuity contracts that are not suitable to senior citizens in the state of Minnesota; and must respond promptly to the department within the time specified in the request.

B. That pursuant to Minn. Stat. § 45.027, subd. 6 (2002) and other applicable law, Respondent shall pay to the State of Minnesota a civil penalty of \$ 7,500.

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

Dated: 3/12/08.

By: E. Munson-Regala  
Emmanuel Munson-Regala  
Deputy Commissioner

85 Seventh Place East, Suite 500  
St. Paul, Minnesota 55101  
Telephone: (651)296-2488

**CONSENT TO ENTRY OF ORDER**

The undersigned, acting on behalf of Bankers Life & Casualty Company, the Respondent states that he has read the foregoing Consent Order; that he knows and fully understands its contents and effect; that he is authorized to execute this Consent to Entry of Order on behalf of the Respondent; that he has been advised of Respondent's right to a hearing; that Respondent has been represented by legal counsel in this matter; or that he has been advised of Respondent's right to be represented by legal counsel and that he has waived this right; and that he consents to entry of this Order by the Commissioner of Commerce. It is further expressly understood that this Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either express or implied.

By: *Jim Valdez*  
Jim Valdez  
Associate General Counsel  
Bankers Life & Casualty Company

Its: \_\_\_\_\_

STATE OF Illinois

COUNTY OF Cook

This instrument was acknowledged before me on 3/6/08 (date) by Jim Valdez

(name(s) of person(s) as Asst. Secretary (type of authority, e.g., officer, trustee, etc.) of Bankers Life and Casualty Company (name of party on behalf of whom the instrument was executed).

(stamp)

*Linda F. Young*  
(Signature of Notary Public)  
**OFFICIAL SEAL  
LINDA F YOUNG  
NOTARY PUBLIC - STATE OF ILLINOIS  
MY COMMISSION EXPIRES: 03/02/12**

Title (and Rank)  
My commission expires: 03/02/2012