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BEFORE THE COMMISSIONER OF INSURANCE  
OF THE STATE OF UTAH

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In Re:	:	
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MULTISTATE REGULATORY	:	<b>ADOPTION OF</b>
SETTLEMENT AGREEMENT WITH:	:	<b>REGULATORY</b>
	:	<b>SETTLEMENT</b>
	:	<b>AGREEMENT</b>
	:	
<b>STATE FARM LIFE INSURANCE</b>	:	
<b>COMPANY, STATE FARM LIFE AND</b>	:	Docket No. 2017-113 AD
<b>ACCIDENT ASSURANCE COMPANY and</b>	:	
<b>STATE FARM ANNUITY AND LIFE</b>	:	
<b>INSURANCE COMPANY aka STATE</b>	:	
<b>FARM HEALTH INSURANCE COMPANY</b>	:	
	:	

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WHEREAS, a regulatory settlement agreement (“Regulatory Settlement Agreement” or “RSA”) has been entered into between (a) State Farm Life Insurance Company, State Farm Life and Accident Assurance Company and State Farm Annuity and Life Insurance Company aka State Farm Health Insurance Company and each of its predecessors, successors, assigns and

subsidiaries (collectively referred to herein as “State Farm” or the “Company”) and (b) the insurance regulators of California, Florida, New Hampshire, North Dakota, and Pennsylvania (“Lead States”), which RSA was signed by State Farm on November 1, 2017, and by each Lead State and at least 15 other states (“Participating States” or “Departments”) to sign no later than February 14, 2018;

WHEREAS, the Departments have regulatory jurisdiction over the business of insurance conducted in their respective jurisdictions;

WHEREAS, the Departments are the Lead and Participating States in the Multi-State Examination that were called to assess the Company's practices and procedures with respect to funds held or owing under life insurance policies, annuity contracts and retained asset accounts;

WHEREAS, based upon the information gathered to date, the Departments have identified concerns regarding the adequacy and timeliness of the Company's policies and procedures to (1) identify potentially deceased insureds, annuitants, annuity contract owners and retained asset account holders (collectively “insured”); (2) locate and pay beneficiaries when State Farm may have had knowledge that an insured has died but no claim has been filed; (3) handle other areas related to claims settlement and practices and management of unclaimed property;

WHEREAS, the Company represents that it has established policies and procedures whereby it performs an enterprise-wide comparison against the DMF of its entire in-force blocks of life insurance, annuity contracts and retained assets accounts, as well as certain terminated life insurance policies, and that the Company has paid Beneficiaries and has paid funds to or has established liabilities to be paid to states as unclaimed property;

WHEREAS, the Departments determined that activities of State Farm are sufficient to merit further regulatory action, though no special formal findings were reached by the parties;

WHEREAS, the Company and the Departments desire to resolve the differences between the Parties as an alternative to a lengthy adjudicatory process for making and enforcing any such formal findings, the Parties determined that entering into a RSA would be in the best interest of consumers, policyholders and annuitants;

WHEREAS, the RSA imposes a \$250,000 Multi-Agency Examination Payment and mandates a robust plan for Business Reform and Regulatory Oversight;

WHEREAS, the Business Reform Plan requires State Farm to conduct matches of its life insurance policies, annuity contracts, and retained asset account against Social Security Administration's Death Master File ("DMF") and (1) begins a search for beneficiaries within 120 days from the Date of Death Notice; (2) attempt to contact beneficiaries in order to pay our appropriate proceeds; (3) establish uniform standards for matching across business lines and for locating beneficiaries; (4) request information from insureds to ensure that all benefits are paid to beneficiaries upon the death of the insured;

WHEREAS, the RSA will become effective upon the date the RSA has been executed by the Company, the Lead States, and the insurance regulators of at least 15 of the other Participating States; and

WHEREAS, the Commissioner of Insurance of the State of Utah has determined that it is in the best interests of the citizens of the State of Utah that the Utah Insurance Department participate in the settlement of the subject matter of the RSA;

**NOW THEREFORE, IT IS HEREBY ORDERED:**

The Commissioner of Insurance of the State of Utah, as executive director of the Utah Insurance Department, hereby adopts, agrees to, and approves the Regulatory Settlement Agreement by and between the Company and the Participating States (including the Lead States) that was signed by State Farm on November 1, 2017, and by at least 15 Participating States by February 14, 2018. (A copy of the Regulatory Settlement Agreement is attached hereto and incorporated herein by this reference as Exhibit A.)

DATED this 3 day of January, 2018.



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