

M. GALE LEMMON #4363
Assistant Attorney General
JOHN E. SWALLOW #5802
Attorney General
Attorneys for Utah Insurance Department
160 East 300 South, Fifth Floor
P.O. Bos 147840
Salt Lake City, Utah 84114-0874
Telephone: 801-366-0375

**BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH**

<p>COMPLAINANT:</p> <p>UTAH INSURANCE DEPARTMENT</p> <p>RESPONDENT:</p> <p>AMERICAN GENERAL LIFE INS. CO. Attn: Curtis W. Olson 3600 Route 66 Neptune, NJ Utah Co. Id. No. 132</p>	<p>STIPULATION AND ORDER</p> <p>Docket No. 2013-103 LF</p> <p>Enf. Case No. 3325</p>
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STIPULATION

1. American General Assurance Company is an insurer domiciled in the State of Illinois, Utah Company Identification No. 66, that merged into Respondent American General Life Insurance Company on December 21, 2012, that is domiciled in the State of Texas, and is authorized to do business in the State of Utah, Utah Company Identification No. 132.

2. Respondent stipulates with the Complainant, Utah Insurance Department, as follows:

- a. If a hearing were held, witnesses called by the Complainant could offer and introduce evidence that would support the Findings of Fact herein;
- b. Respondent admits the Findings of Fact and Conclusions made therefrom;
- c. Respondent stipulates to the summary entry of the Order herein which shall be in lieu of other administrative proceedings by Complainant in this matter; and
- d. Respondent and Complainant have negotiated the terms of the Order entered herein and Respondent agrees to its entry and further agrees to be bound by all its terms.

3. Respondent is aware of its right to a hearing at which it may be represented by counsel, present evidence, and cross-examine witnesses. Respondent has irrevocably waived its right to such hearing and to any appeal related thereto.

4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to its rights set forth herein.

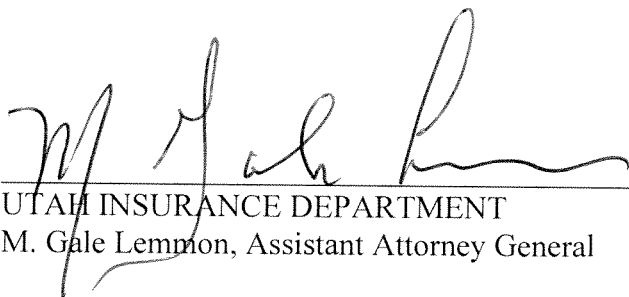
6. Respondent acknowledges that the issuance of this Order by the Commissioner is solely for purpose of disposition of the matter entitled herein.

7. If this agreement is not accepted or the penalty is not imposed as agreed upon by the parties, then this Stipulation will be void or of no effect.

DATED this 19th day of JULY, 2013.



AMERICAN GENERAL LIFE INSURANCE COMPANY
Curtis W. Olson, CEO
AIG Benefit Solutions



UTAH INSURANCE DEPARTMENT
M. Gale Lemmon, Assistant Attorney General

Based upon the foregoing Stipulation and information in the file, the Presiding Officer makes the following Findings of Fact:

FINDINGS OF FACT

1. Effective December 31, 2012, American General Assurance Company (AGAC) merged into Respondent American General Life Insurance Company as the surviving entity, and is liable for the actions of AGAC as the successor entity.

2. AGAC has not issued policies in Utah since June 2010, however, on July 19, 2012, the Market Conduct Division received a referral from the Life Division of the Utah Insurance Department. The Life Division analyst discovered a policy for accidental death and dismemberment benefits contained an outdated Life & Health Guaranty Association Notice.

3. An investigation followed. The investigation determined that AGAC employed a third party administrator (TPA) who had issued outdated Life & Health Guaranty Association Notices to Utah customers.

4. Five thousand six hundred and eighty one (5,681) outdated and incorrect notices were sent by the TPA to 5,681 Utah customers of Zions Bank and Mountain America Credit Union who had Supplemental Accidental Death and Dismemberment coverage. The TPA also issued 33,103 Certificates of Insurance to Utah customers of Zions Bank and Mountain America Credit Union for Basic Accidental Death and Dismemberment coverage.

5. The incorrect and outdated notices also gave an incorrect address for the Guaranty Association.

6. Respondent was cooperative in the investigation, and immediately instructed its TPA to mail a current and correct Life & Health Guaranty Association Notice all active Utah certificate holders. This mailing was completed by April 26, 2013.

7. Respondent has agreed to an administrative forfeiture in the amount of \$10,000.00.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

CONCLUSIONS OF LAW

1. Utah Code Annotated Section 31A-28-119 and Utah Admin. R. R590-155-3 address the requirements and form of required notice to owners of policies and contracts.

2. Respondent violated the above provisions when it employed a third party administrator that sent outdated, incorrect and incomplete Life & Health Guaranty Associations Notices to Utah certificate holders.

3. Respondent has completed mailing updated and correct notices to all affected Utah customers.

4. The agreement between the Department and Respondent for an administrative forfeiture in the amount of \$10,000.00 is appropriate in this matter.

Based upon the foregoing Stipulation, Findings of Fact and Conclusions of Law, the Presiding Officer herewith enters the following Order:

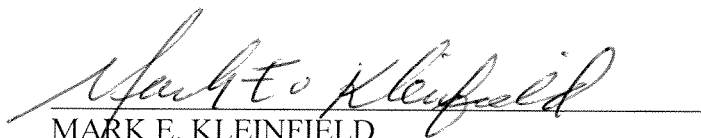
ORDER

IT IS HEREBY ORDERED:

1. Respondent, American General Life Insurance Company is assessed an administrative forfeiture of \$10,000.00.
2. The forfeiture shall be paid to the Department within 30 days of the date of this Order.

DATED this 29th day of July, 2013.

TODD E KISER
Insurance Commissioner



MARK E. KLEINFELD
Administrative Law Judge
Utah Insurance Department
State Office Building, Room 3110
Salt Lake City, Utah 84114
Telephone: (801) 538-3800

NOTIFICATION

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeiture of up to \$5,000 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures of up to \$10,000 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

CERTIFICATE OF MAILING

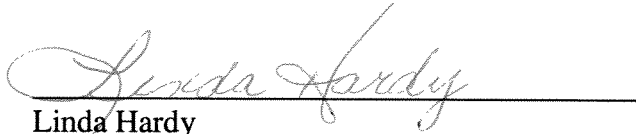
I do hereby certify that on this date I mailed, by regular mail postage prepaid, a true and correct copy of the attached:

STIPULATION
&
ORDER

To the following:

American General Assurance Company
Attn: Diane Marlow
2727 Allen Pkwy
Houston, TX 77019-2115

DATED this 29th day July, 2013

A handwritten signature in cursive script, reading "Linda Hardy", is written over a horizontal line.

Linda Hardy
Market Conduct
801-538-3860
lhardy@utah.gov

**UTAH
Invoice - Original**

Printed Date: July 29, 2013
Invoice Date: July 29, 2013
Balance Due: \$10,000.00
Due Date: August 23, 2013
Invoice ID: 647994
NAIC ID: 60488
Payor ID: 132

EDWARD F BACON
AMERICAN GENERAL LIFE INSURANCE COMPANY
2727A ALLEN PARKWAY 4B2
HOUSTON TX 77019

Item Description	Amount
7/29/2013 Monetary Penalty Company E-Case 3325 Docket 2013-103 LF	\$10,000.00
	<hr/>
Original Amount Due	\$10,000.00
Payments Received	
	<hr/>
	Balance Due

**UTAH
Invoice - Original**

Invoice Date: July 29, 2013
Balance Due: \$10,000.00
Due Date: August 23, 2013
Invoice ID: 647994
Payor ID: 132
Payor Name: AMERICAN
GENERAL LIFE
INSURANCE
COMPANY

Make checks payable to: Utah Insurance Department

Send payment to:

Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114-6901