

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Before the Director of the Department of Insurance and Financial Services

In the Matter of:

Order No. 19-054-M

Protective Life Insurance Company,
Protective Life and Annuity Insurance Company, and
West Coast Life Insurance Company

**Issued and entered
this 4th day of November 2019
by Anita G. Fox
Director**

FINAL ORDER ADOPTING REGULATORY SETTLEMENT AGREEMENT

1. The Director of the Michigan Department of Insurance and Financial Services (DIFS) has the authority to exercise general supervision and control over individuals and entities participating in the insurance and surety business in this state pursuant to the Insurance Code of 1956, MCL 500.100 *et seq.*

2. Protective Life Insurance Company, Protective Life and Annuity Insurance Company, West Coast Life Insurance Company (collectively, the Protective Group) were the subject of a multistate targeted market conduct examination, called on December 5, 2012, regarding the Protective Group's settlement practices, procedures, and policy administration relating to claims, and the use of the Social Security Death Master File or similar database or service (DMF), including the Protective Group's efforts to identify the owners and beneficiaries of unclaimed proceeds.

3. The examination was led by the California Department of Insurance, Florida Office of Insurance Regulation, New Hampshire Insurance Department, North Dakota Insurance Department, Pennsylvania Insurance Department, and the Tennessee Department of Commerce and Insurance (collectively, the Lead States). On April 1, 2013, Michigan agreed to be a passive participant in the above-described multistate targeted market conduct examination.

4. The examination identified multiple main areas of concern related to the Protective Group's policies, procedures and practices associated with the timely and adequate: identification of potentially deceased insureds, annuitants, annuity contract owners, and/or retained asset account holders; efforts to locate and pay beneficiaries when the Protective Group may have had knowledge that an insured, annuitant, annuity contract owner and/or retained asset account owner has died but no claim has been filed; and handling of other areas related to claims settlement practices and management of unclaimed property.

5. On July 29, 2019, the Protective Group and the lead states entered into a regulatory settlement agreement (RSA) addressing the concerns identified by the examination.

6. Pursuant to the terms of the RSA, the Protective Group agreed to:

- Conduct quarterly matches of its life insurance policies, annuity contracts, and retained asset accounts against the Social Security Administration's Death Master File. Following a match, the Protective Group will:
 - i. Begin a search for beneficiaries if not contacted within 120 days from the date of the death notice (to be completed within one year);
 - ii. Attempt to contact such beneficiaries in order to pay out appropriate policy, annuity, or retained asset account proceeds; and
 - iii. Establish uniform standards for matching across business lines and for locating beneficiaries.
 - iv. In addition to matching requirements, the Protective Group shall request information from its policyholders and annuitants sufficient to ensure that all benefits are paid to beneficiaries upon the death of a policyholder, including, at a minimum, the name, address, social security number, date

or birth, and telephone number of every policyholder and beneficiary of such policy or annuity contract.

7. Michigan subscribed to the RSA on August 7, 2019. Michigan received its portion of the RSA payment in the amount of \$12,331.00 on September 25, 2019.

8. The RSA became fully effective on July 29, 2019.

Therefore, it is **ORDERED** that the July 29, 2019, RSA between the Protective Group and the signatory states is adopted. Any failure by the Protective Group to comply with the provisions of the RSA shall result in appropriate administrative action.

/s/

Anita G. Fox
Director