



LOUISIANA DEPARTMENT OF INSURANCE
JAMES J. DONELON
COMMISSIONER

NOTICE OF FINE
BANKERS LIFE OF LOUISIANA
NAIC #61298
LDI #283

June 20, 2019

Bankers Life of Louisiana
Attn: Mr. Craig S. Hart
P.O. Box 44130
Jacksonville, FL 32231-4130

Certified Mail/Return Receipt Requested
Article No.: 7016 0910 0000 3977 5748

Bankers Life of Louisiana
Attn: Mr. Craig S. Hart
601 North Trenton St.
Ruston, LA 71273

Certified Mail/Return Receipt Requested
Article No.: 7016 0910 0000 3977 5755

Via Email: chart@fortegra.com

Dear Mr. Craig S. Hart:

The Louisiana Department of Insurance (LDI) through a market conduct examination conducted from December 19, 2018 to June 14, 2019, discovered Pelican Credit Company (LDI #213756) has been conducting the business of insurance in the State of Louisiana as a producer agency without the required licensure. Documentation and information revealed that Bankers Life of America, an admitted insurer with an active certificate of authority with the LDI since July 7, 1959, sold Louisiana policies of insurance to residents of Louisiana utilizing Pelican Credit Company to solicit, sell, negotiate and/or effect contracts of insurance issued by Bankers Life of America when Pelican Credit Company held no license to conduct the business of insurance, nor was appointed by Bankers Life of America as required pursuant to the Louisiana Insurance Code.

As a result of the examination and subsequent investigation, Bankers Life of Louisiana admitted to, and provided documentation confirming that Pelican Credit Company solicited, sold, negotiated, and/or effected six thousand eight hundred and twenty-seven (6,827) policies for Bankers Life of Louisiana and was paid commissions for those policies of insurance in the amount of two hundred and eighty five thousand two hundred and forty-

five dollars and eighty five cents (\$285,245.85) during the time when Pelican Credit Company was not licensed by the LDI, or appointed by Bankers Life of Louisiana.

The Louisiana Insurance Code, Title 22, R.S. 22:1 et seq. at §2. states:

§2. Insurance regulated in the public interest.

- A. (1) Insurance is an industry affected with the public interest and it is the purpose of this Code to regulate that industry in all its phases. [I]t shall be the duty of the commissioner of insurance to administer the provisions of this Code.

These actions are designed to assist the Commissioner in administering the provisions of the Insurance Code.

La R.S. 22:18 states in pertinent part:

§18. Suspension or revocation of insurers' licenses; fines; orders

- A. The commissioner of insurance may, as a penalty, in accordance with R.S. 49:961, refuse to renew, or may suspend, or revoke the certificate of authority or license of any insurer, person, or entity violating any of the provisions of this Code, or in lieu of suspension or revocation of a certificate or license duly issued, the commissioner may levy a fine not to exceed one thousand dollars for each violation per insurer, person, or entity, up to one hundred thousand dollars aggregate for all violations in a calendar year per insurer, person, or entity, when such violations warrant the refusal, suspension, or revocation of such certificate or license, or the imposition of the fine....

La. R. S. 1557 maintains in pertinent part:

§ 1557. Commissions

- A. (1) An insurer or insurance producer shall not pay, directly or indirectly, any commission, service fee, brokerage, or other valuable consideration to any person or entity for selling, soliciting, or negotiating insurance in this state unless such person or entity holds a valid license as required by law.

La. R. S. 1558 maintains in pertinent part:

§ 1558. Appointments

- B. (1) An insurer lawfully authorized to transact business in this state shall appoint as its agent any person or person holding a license issued under the provisions of this Subpart. To appoint a producer as its agent, the appointing insurer shall file, in a manner prescribed by the commissioner of insurance, a notice of appointment within fifteen days from the date the agency contract is executed. An insurer may

also elect to appoint a producer to all or some insurers within the insurer's holding company system or group by the filing of a single appointment request.

La. R. S. 1562 maintain in pertinent part:

§ 1562. Prohibited acts

- A. (1) No insurer or insurance producer shall pay any money or commission or brokerage, or give or allow any valuable consideration or compensation to any person or business entity not duly licensed as an insurance producer, nor to an insurer not licensed to do business in this state, for or because of service rendered or performed in this state selling, soliciting, negotiating, or effecting a contract of insurance on any property or risks, or insurable interests, or business activities located within or transacted within this state.

VIOLATIONS

An insurer utilizing and paying commissions to an unlicensed producer in order to conduct the business of insurance when a license, and appointment, is required is a violation of La. R.S. 22:1557(A)(1), La. R.S. 22:1558(B)(1), and La. R.S. 22:1562(A)(1).

BE ADVISED:

COMMISSIONER'S ACTION:

Due to the information and documentation in the possession of the LDI, The Commissioner of Insurance, in accordance with La. R. S. 22:18, hereby imposes a **FINE of thirty-five thousand dollars** (\$35,000.00) on NAIC number **61298** and LDI number **283** issued to **Bankers Life of Louisiana**, and you are hereby ordered to pay the fine immediately.

YOUR ACTION:

Be advised that this constitutes an administrative action and that it will be reported to the National Insurance Producer Registry. You may need to report this administrative action to other states in which you hold an active license. Contact that state's insurance department if you are unsure of their requirements.

Please remit your \$35,000.00 fine payment and a copy of this notice to:

Louisiana Department of Insurance
Attn: Accounts Receivable
P.O. Box 94214
Baton Rouge, LA 70804-9214

Pursuant to La. R.S.22:2191(A)(2) any person aggrieved by an act of the Commissioner may request a hearing within thirty days of receipt of notice of such act. You must make a written demand for an appeal within thirty (30) days from the date of this notice. Failure to file a written demand for an appeal within thirty (30) days from the date of this notice will preclude your right to an administrative hearing. Pursuant to La. R.S. 22:2191(B), your written demand for an appeal (1) shall reference the particular sections of the statutes and rules involved; (2) shall provide a short and plain statement of the matters asserted for review; and (3) shall attach a copy of the order or decision that you are appealing. Your written demand for an appeal shall be filed with the Louisiana Department of Insurance at the address below:

Louisiana Department of Insurance
Attn: Liz Butler, Executive Counsel
P. O. Box 94214
Baton Rouge, LA 70804-9214

Telephone: (225) 342-4673
Fax: (225) 342-1632

File in Person at:
1702 N. Third Street
Baton Rouge, LA 70802

Signed in Baton Rouge, Louisiana this 20th day of June 2019.

JAMES J. DONELON
COMMISSIONER OF INSURANCE
STATE OF LOUISIANA

BY:

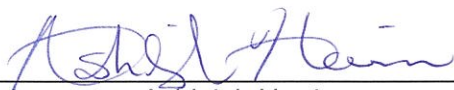

Matthew Stewart
Deputy Commissioner
Divisions of Fraud & Enforcement
Louisiana Department of Insurance
Telephone: (225) 219-5819

CERTIFICATE OF SERVICE

Article No.: 7016 0910 0000 3977 5748

Article No.: 7016 0910 0000 3977 5755

I hereby certify that I have this day served the foregoing document upon Bankers Life of Louisiana by mailing a copy thereof properly addressed with postage prepaid, this 20th day of June 2019.



Ashleigh Harrison