



LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON
COMMISSIONER

REGULATORY STIPULATION

BE IT KNOWN, on the date(s) below specified, came and appeared:

Louisiana Department of Insurance

and

The Lincoln National Life Insurance Company

WHEREAS, The Lincoln National Life Insurance Company is an admitted insurer licensed in Louisiana and was granted a Certificate of Authority to conduct the business of insurance on July 2, 1928. The Lincoln National Life Insurance Company has a National Association Insurance Commissioners (NAIC) identification number of 65676.

WHEREAS, documentation was received by the Louisiana Department of Insurance (LDI) that The Lincoln National Life Insurance Company made extra-contractual offers to surrender certain life insurance policies in the State of Louisiana.

WHEREAS, La. R.S. 22:861 provides in pertinent part:

A. (1) No basic insurance policy form, other than fidelity or surety bond forms, or application form where written application is required and is to be attached to the policy, or be a part of the contract or printed life, annuity, or health and accident rider or endorsement form shall be issued, delivered, or used unless it has been filed with and approved by the commissioner of insurance.

(2) For purposes of this Section, a basic insurance policy form shall include a certificate of coverage, any other evidence of coverage, or a subscriber agreement.

WHEREAS, La. R.S. 22:867 provides in pertinent part:

A. No agreement in conflict with, modifying or extending the coverage of any contract of insurance shall be valid unless it is in writing and physically made a part of the policy or other written evidence of insurance, or it is incorporated in the policy or other written evidence of insurance by specific reference to another policy or written evidence of

insurance. This Section shall not apply to contracts as provided in Subpart C or Part IV of this Chapter.


NOW THEREFORE, the LDI, appearing herein through Matthew Stewart, Deputy Commissioner, Division of Insurance Fraud and Enforcement, and The Lincoln National Life Insurance Company appearing herein through Laura Muse, Vice President, its duly authorized, empowered, and undersigned representative (collectively the "Parties"), stipulate and agree to the following:

- (1) The Lincoln National Life Insurance Company made enhanced cash surrender value offers to 136 policyholders residents in the State of Louisiana, eight (8) of whom accepted and surrendered their life insurance policies ("policies").
- (2) None of the 136 policyholders to whom offers were made filed a complaint with the LDI.
- (3) The Lincoln National Life Insurance Company denies violation of Louisiana law, but acknowledges as a fact that it made extra-contractual offers to surrender certain life insurance policies in the State of Louisiana.
- (4) The Lincoln National Life Insurance Company did not receive prior approval from the LDI for any extra-contractual offer.
- (5) The Lincoln National Life Insurance Company promptly responded to all inquiries from the LDI.
- (6) The Lincoln National Life Insurance Company has ceased extra-contractual offers to Louisiana policyholders.
- (7) The Lincoln National Life Insurance Company agrees to the imposition and payment of a fine in the amount of ten thousand dollars (\$10,000.00) in the form of a check made payable to the LDI within ten (10) days after the effective date of this Regulatory Stipulation for alleged violations of the above cited statutes to resolve this matter.
- (8) The Lincoln National Life Insurance Company acknowledges that by entering into this Regulatory Stipulation, it waives the appearance and any other rights it may have to an adjudicatory hearing.
- (9) This Regulatory Stipulation constitutes an administrative action and will be reported to the NAIC. You may need to report this administrative action to other states, agencies, and/or parties in accordance with applicable state or federal laws.

This Regulatory Stipulation shall take effect upon the last date signed by all Parties. The representative for The Lincoln National Life Insurance Company has the authority to represent the company as listed in this Regulatory Stipulation above, as well as The Lincoln National Life Insurance Company in its entirety.

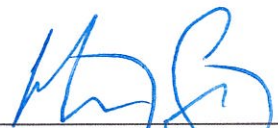
This Regulatory Stipulation may be executed in multiple copies, each of which shall be considered an original.

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

BY: 
Laura Muse
Vice President

10/18/19
Date

LOUISIANA DEPARTMENT OF INSURANCE

BY: 
Matthew Stewart, Deputy Commissioner
Division of Fraud and Enforcement
Louisiana Department of Insurance
1702 N. Third Street
Baton Rouge, LA 70802

10/18/19
Date