

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, SEPTEMBER 8, 2004

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2004-00209

PROTECTIVE LIFE INSURANCE
COMPANY,

Defendant

SETTLEMENT ORDER

Based on a market conduct examination performed by the Bureau of Insurance, it is alleged that Defendant, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, in certain instances, has violated §§ 38.2-316 A, 38.2-316 B, 38.2-316 C, 38.2-502, 38.2-503, 38.2-610, 38.2-1318 C, 38.2-1812 A, 38.2-1822 A, 38.2-1833 A 1, 38.2-1834 D, 38.2-3724 A, 38.2-3735 A 2, and 38.2-3735 C 2 of the Code of Virginia, as well as 14 VAC 5-40-40 D, 14 VAC 5-40-40 D 2, 14 VAC 5-90-60 B, and 14 VAC 5-90-130 A.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1040 of the Code of Virginia to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke Defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that Defendant has committed the aforesaid alleged violations.

Defendant has been advised of its right to a hearing in this matter, whereupon Defendant, without admitting any violation of Virginia law, has made an offer of settlement to the Commission wherein Defendant has tendered to the Commonwealth of Virginia the sum of ten thousand dollars (\$10,000) and waived its right to a hearing.

The Bureau of Insurance has recommended that the Commission accept the offer of settlement of Defendant pursuant to the authority granted the Commission in § 12.1-15 of the Code of Virginia.

THE COMMISSION, having considered the record herein, the offer of settlement of Defendant, and the recommendation of the Bureau of Insurance, is of the opinion that Defendant's offer should be accepted.

IT IS THEREFORE ORDERED THAT:

(1) The offer of Defendant in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) The papers herein be placed in the file for ended causes.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: Lynn W. Williams, Senior Associate Counsel, Protective Life Insurance Company, P.O. Box 2606, Birmingham, Alabama 35202; and the Bureau of Insurance in care of Deputy Commissioner Jacqueline K. Cunningham.

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ACKNOWLEDGEMENT AND CONSENT

The Defendant, Protective Life Insurance Company, acknowledges that it is duly licensed to transact the business of insurance in the Commonwealth of Virginia, and as such, falls under the jurisdiction of the State Corporation Commission as to the party and subject matter of the Settlement Order attached.

Defendant further acknowledges an awareness of a right to a hearing before the Commission regarding the above referenced matter, and waives all right to such hearing.

Without admitting or denying the allegations made in the Settlement Order by the Bureau of Insurance, Defendant consents to the form, substance and entry of the attached Settlement Order. Defendant hereby tenders a check or money order in the sum of \$10,000 in accordance with the terms of the Settlement Order.

Defendant further states that this offer of settlement is given voluntarily, without any threat or promise of any kind by the Commission or by any member, officer, agent or representative of it.

Entered this 30th day of August, 2004.

COMPANY NAME

PROTECTIVE LIFE INSURANCE COMPANY

By: Deborah J. Long Secretary and
Senior Vice President
General Counsel
Deborah J. Long

Printed Name

Defendant has amended the attached Settlement Order, and consents to its form, substance and entry of the Order, as amended.

By: _____

Printed Name