

**STATE OF VERMONT
DEPARTMENT OF FINANCIAL REGULATION**

In the matter of

**BANKERS LIFE AND CASUALTY CO.
and BLC FINANCIAL SERVICES, INC.,**

Respondents

Docket No. 17-030-S

AMENDED CONSENT ORDER

WHEREAS, following a multi-jurisdictional investigation of Bankers Life and Casualty Company and BLC Financial Services, Inc. (“Bankers”) relative to certain unlicensed business activities, the parties entered a Consent Order dated February 28, 2013 (Docket No. 13-001-S) (the “Consent Order”); and

WHEREAS, Bankers has made substantial efforts to revise its business practices to improve compliance;

NOW THEREFORE, the Commissioner of the Department of Financial Regulation hereby amends the Consent Order by removing current Section 12 and replacing it with the following:

12. Bankers Life shall comply with the following practices:

- a. An insurance producer who is not licensed to give advice concerning securities products (an “Insurance Producer”) may gather all financial information necessary to complete a Bankers Factfinder or similar document or tool required to determine insurance product suitability and may provide the consumer with a business card of, and pre-addressed stamped envelope to, a person properly licensed/registered to provide advice concerning securities products. The Insurance Producer may obtain a copy of the consumer’s statement(s) for securities products as part of the insurance factfinding process, may have general discussions concerning the differences in product features and risk between insurance and securities products, but may not make recommendations concerning the consumer’s specific securities products, all as authorized by the Commissioner. Upon the consumer’s request, the Insurance Producer may arrange for the consumer to meet with a person properly registered to provide advice concerning securities products. The Insurance Producer shall explain that the Insurance Producer is not registered to discuss securities products.

- b. In 2011, the Department issued general guidance to Insurance Producers on their role and limitations in a securities transaction and the Department is currently working on more specific guidance that it anticipates issuing soon. Accordingly, Bankers shall train their Vermont licensed insurance agents in accordance to the Department's more specific guidance within 90 days of the bulletin's issuance and, prospectively, shall train newly licensed Vermont insurance agents within 90 days of their licensure.
- c. No commissions or other compensation derived from a securities transaction shall be paid to or split with an Insurance Producer.
- d. Bankers Life shall respond promptly to any inquiries of the Department and shall allow the Department access to its books and records for examination or audit upon reasonable advance request. Bankers Life will cooperate fully with the Department's annual audit procedures.

The Consent Order (Docket No. 13-001-S) shall remain in full force and effect in all other respects.

IT IS HEREBY ORDERED on this 28th day of November, 2017.



Michael S. Pieciak, Commissioner
Vermont Department of Financial Regulation

CONSENT TO ENTRY OF AMENDED CONSENT ORDER

Bankers states that no promise of any kinds or nature whatsoever that is not reflected in this Amended Consent Order was made to it to induce it to enter into this Amended Consent Order and that it has entered into this Amended Consent Order voluntarily.

Bankers expressly acknowledges that other than the removal and replacement of Section 12, the Consent Order shall remain in full force and effect.

WILLIAM D. FRITTS, JR (name) represents that he or she has been authorized to enter into this Amended Consent Order on behalf of Bankers Life and Casualty Company.

Bankers Life and Casualty Company

By: William D. Fritts, Jr.

Title: SVP, Reg & Gov't Affairs

Date: November 27, 2017