

COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS



IN THE MATTER OF:)
)
BANKERS LIFE AND CASUALTY CO.,)
and BLC FINANCIAL SERVICES, INC.)
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AGENCY FILE
NUMBER 2012-AH-0267
(AMENDED)

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 January 2, 2013, Order No. 2012-AH-0267 (the “Consent Order”); and

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

NOW THEREFORE, the Commissioner of the Kentucky Department of Financial Institutions (“Commissioner”) hereby amends the Consent Order by removing current Paragraph 10 of Section III of the Consent Order and replacing it in its entirety with the following:

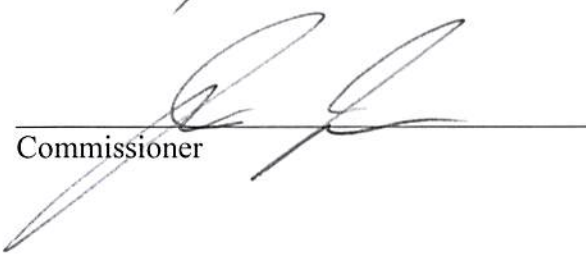
10. Bankers Life shall comply with the following practices:

- a. An insurance producer who is not registered 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 a consumer with a business card of, and pre-addressed stamped envelope to, a person properly registered to provide advice concerning securities products.
- b. An Insurance Producer shall explain to a consumer that the Insurance Producer is not registered to discuss securities products.
- c. An Insurance Producer shall not:
 - 1. make recommendations or provide advice concerning a consumer's specific securities products;
 - 2. compare a consumer's specific securities or investment performance with other financial or investment products such as annuities or life insurance;

3. recommend that any securities product be liquidated or used to fund an annuity or life insurance product; or
 4. use any terms or titles that indicate to a consumer that the Insurance Producer is registered or licensed to provide investment advice or sell securities.
- d. An Insurance Producer may obtain a copy of a consumer's statement(s) for securities products as part of the insurance fact-finding process and may have general discussions concerning the differences in product features and risk between insurance and securities products.
- e. Upon a consumer's request, an Insurance Producer may arrange for a consumer to meet with a person properly registered to provide advice concerning securities products. An Insurance Producer may attend any meeting (including meetings attended by securities-licensed individuals) if:
1. the meeting is scheduled, at least in part, to discuss insurance products;
 2. the Insurance Producer clearly states during any meeting that he or she is not registered to discuss securities products; and
 3. the Insurance Producer does not engage in any prohibited activities for insurance-only licensed individuals.
- f. No commission or other form of compensation (cash and non-cash), as defined by Rule 206(4)-3 of the Investment Advisers Act of 1940 and amendments thereto, derived from a securities transaction or advisory relationship shall be paid to or split with an Insurance Producer.
- g. Bankers shall develop a program to train its Insurance Producers in accordance with this Amended Consent Order within thirty (30) days of its issuance and, prospectively, within thirty (30) days for any newly licensed or newly employed Insurance Producer.

The Consent Order shall remain in full force and effect in all other respects.

IT IS HEREBY ORDERED on this 10th day of July, 2020.



Deputy Commissioner

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 Paragraph 10 of Section III of the Consent Order, the Consent Order shall remain in full force and effect.

William D. Fritts, Jr. 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: Senior Vice President

Date: June 15, 2020