## NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES

## MARKET CONDUCT REPORT ON EXAMINATION

OF THE

## GERBER LIFE INSURANCE COMPANY

CONDITION:

DECEMBER 31, 2019

DATE OF REPORT:

**SEPTEMBER 18, 2020** 

#### NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES

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#### AS OF

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EXAMINER:

CHONG KIM

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# Department of Financial Services

ANDREW M. CUOMO Governor LINDA A. LACEWELL Superintendent

March 25, 2021

The Honorable Linda A. Lacewell Superintendent of Financial Services New York, New York 10004

Linda A. Lacewell:

In accordance with instructions contained in Appointment No. 32062, dated March 27, 2020, and annexed hereto, an examination has been made into the condition and affairs of Gerber Life Insurance Company, hereinafter referred to as "the Company." The Company's home office is located at 1311 Mamaroneck Avenue, White Plains, NY 10605. Due to the COVID-19 pandemic the examination was conducted remotely.

Wherever "Department" appears in this report, it refers to the New York State Department of Financial Services.

The report indicating the results of this examination is respectfully submitted.

This examination covers the period from January 1, 2017, to December 31, 2019. As necessary, the examiner reviewed matters occurring subsequent to December 31, 2019, but prior to the date of this report.

The examination comprised a review of targeted market conduct activities and utilized the National Association of Insurance Commissioners' *Market Regulations Handbook* or such other examination procedures, as deemed appropriate, in such review. The market conduct activities reviewed include producer licensing, terminations and commissions.

This report on examination is confined to comments on matters which involve departure from laws, regulations or rules, or matters which require explanation or description.

#### 2. PRODUCERS

The examiner reviewed the licensing, termination and commission of the Company's producers to determine compliance with applicable statutes and regulations and the operating rules of the Company.

#### A. Licensing and Termination

The examiner selected a sample of active and terminated producers and reviewed the accuracy of the status of each producer.

Based upon the sample reviewed, no significant findings were noted.

#### B. Commission

The examiner reviewed the commissions of the Company's active and terminated producers to ensure that the Company paid commissions to the producers who maintained an active license with New York during a sale of products issued in New York by the Company.

Based upon the reviewed, no significant findings were noted.

The examiner reviewed the extent of the Company's association with Health Plan Intermediaries Holding, LLC ("HPIH"), which is a non-resident insurance producer in the state of Washington, and which sold health insurance products to the Washington consumers. The Insurance Commissioner of the state of Washington ("Insurance Commissioner") found HPIH acted as a Company's agent and sold insurance policies on behalf of the Company although HPIH was never appointed by the Company.

The Company advised the examiner that HPIH has never written any insurance products in New York on behalf of the Company. The examiner's review did not indicate otherwise.

Respectfully submitted,

/s/

Chong Kim Associate Insurance Examiner

### STATE OF NEW YORK ) )SS: COUNTY OF NEW YORK )

<u>Chong Kim</u>, being duly sworn, deposes and says that the foregoing report, subscribed by him, is true to the best of his knowledge and belief.

/s/

Chong Kim

Subscribed and sworn to before me

this\_\_\_\_\_ day of \_\_\_\_\_

## NEW YORK STATE

# **DEPARTMENT OF FINANCIAL SERVICES**

I, LINDA A. LACEWELL, Superintendent of Financial Services of the State of

New York, pursuant to the provisions of the Financial Services Law and the Insurance

Law, do hereby appoint:

## CHONG KIM

as a proper person to examine the affairs of the

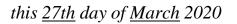
### GERBER LIFE INSURANCE COMPANY

and to make a report to me in writing of the condition of said

## COMPANY

with such other information as he shall deem requisite.

In Witness Whereof, I have hereunto subscribed my name and affixed the official Seal of the Department at the City of New York



LINDA A. LACEWELL Superintendent of Financial Services



By:

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MARK MCLEOD DEPUTY CHIEF - LIFE BUREAU