



**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE**

TENNESSEE INSURANCE DIVISION,)
)
 Petitioner,)
)
 vs.) **TID No.: 20-199**
)
 BANKERS LIFE INSURANCE COMPANY,)
 COLORADO BANKERS LIFE INSURANCE)
 COMPANY, AND SOUTHLAND NATIONAL)
 INSURANCE CORPORATION,)
)
 Respondents.)
)

AGREED ORDER

WHEREAS, Petitioner, the Insurance Division of the Tennessee Department of Commerce and Insurance (“Division”), and Bankers Life Insurance Company, Colorado Bankers Life Insurance Company, and Southland National Insurance Corporation (“Respondents”) hereby stipulate and agree, subject to the approval of the Commissioner of the Tennessee Department of Commerce and Insurance (“Commissioner”), as follows:

GENERAL STIPULATIONS

1. It is expressly understood that this Agreed Order (“Order”) is subject to the Commissioner’s acceptance and has no force and effect until such acceptance is evidenced by the entry and execution of the Commissioner.
2. This Order is executed by the Respondents for the purpose of avoiding further administrative action with respect to this cause. Furthermore, should this Order not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Order by the

Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

3. The Respondents fully understand that this Order will in no way preclude additional proceedings by the Commissioner against the Respondents for acts or omissions not specifically addressed in this Order or for facts and/or omissions that do not arise from the facts or transactions herein addressed.

4. The Respondents fully understand that this Order will in no way preclude proceedings by state government representatives, other than the Commissioner, for violations of the law addressed specifically in this Order against the Respondents for violations of law under statutes, rules, or regulations of the State of Tennessee, which may arise out of the facts, acts, or omissions contained in the Findings of Fact and Conclusions of Law stated herein, or which may arise as a result of the execution of this Order by the Respondents.

5. The Respondents expressly waive all further procedural steps, and expressly waive all rights to seek judicial review of or to otherwise challenge or contest the validity of this Order, the stipulations and imposition of discipline contained herein, and the consideration and entry and execution of said Order by the Commissioner.

AUTHORITY AND JURISDICTION

6. The Commissioner has jurisdiction over this matter pursuant to Title 56 of the Tennessee Code Annotated (“Tenn. Code Ann.”), specifically Tenn. Code Ann. §§ 56-1-101 *et seq.*, 56-1-202, 56-1-401 *et seq.*, 56-2-101, and 56-2-305 (the “Law”). The Law places on the Commissioner the responsibility of its provisions.

PARTIES

7. The Division is the lawful agent through which the Commissioner administers the Law and is authorized to bring this action for the protection of the public.

8. The Respondents are insurance companies domiciled in the State of North Carolina. Respondent one (1) Bankers Life Insurance Company (“BLIC”) (NAIC# 81043) has a certificate of authority to write and sell life, credit, and accident and health insurance in the state of Tennessee. Respondents two (2) and three (3), Colorado Bankers Life Insurance Company (“CBLIC”) (NAIC# 84786) and Southland National Insurance Corporation (“SNIC”) (NAIC# 79057), have certificates of authority to write and sell life and accident and health insurance in the State of Tennessee.

FINDINGS OF FACT

9. The Respondents’ parent company is GBIG Holdings, Inc., which is part of a group named Global Bankers Insurance Group. These entities are part of a larger group of companies known as Global Growth.

10. Greg Lindberg (“Lindberg”) is the founder of Global Bankers Insurance Group and owner of Global Growth Holdings, Inc.

11. Mr. Lindberg was indicted in March of 2019 for the attempted bribery of the North Carolina Insurance Commissioner.

12. Mr. Lindberg was convicted and sentenced to seven (7) years in federal prison.

13. The Respondents were placed in rehabilitation on June 27, 2019, by order of the Superior Court of Wake County, North Carolina.

14. Non-insurance companies affiliated with all three (3) Respondent companies have defaulted on their payment obligations to the Respondent companies.

15. BLIC and SNIC have a negative surplus and are considered to be in a financially hazardous condition. CBLIC has long-term liquidity concerns and is considered to be in a financially hazardous condition.

CONCLUSIONS OF LAW

16. Tenn. Code Ann. § 56-1-416 provides, *inter alia*, that the Commissioner shall revoke or suspend all certificates of authority granted to an insurance company if the Commissioner is of the opinion, upon examination or other evidence, that a foreign insurance company is in an unsound condition, and that no new business shall be done by the company or its agents under suspension or revocation while such default or disability continues and not until its authority to do business is restored by the Commissioner.

17. Tenn. Comp. R. & Regs. 0780-01-66-.03(1) provides, *inter alia*, that the Commissioner may consider “[a]dverse findings reported in financial condition and market conduct examination reports, audit reports, and actuarial opinions, reports or summaries” in determining whether an insurance company transacting business in this state is in a hazardous financial condition.

18. Tenn. Comp. R. & Regs. 0780-01-66-.03(7) provides, *inter alia*, that the Commissioner may consider “[w]hether a reinsurer, obligor or any entity within the insurer’s insurance holding company system, is insolvent, threatened with insolvency or delinquent in payment of its monetary or other obligations, and . . . may affect the solvency of the insurer” in determining whether an insurance company transacting business in this state is in a hazardous financial condition.

19. Tenn. Comp. R. & Regs. 0780-01-66-.03(10) provides, *inter alia*, that the Commissioner may consider “[t]he age and collectability of receivables” in determining whether

an insurance company transacting business in this state is in a hazardous financial condition.

20. Tenn. Comp. R. & Regs. 0780-01-66-.03(11) provides, *inter alia*, that the Commissioner may consider “[w]hether the management of an insurer, including officers, directors, or any other person who directly or indirectly controls the operation of the insurer, fails to possess and demonstrate the competence, fitness and reputation deemed necessary to serve the insurer in such position” in determining whether an insurance company transacting business in this state is in a hazardous financial condition.

21. Tenn. Comp. R. & Regs. 0780-01-66-.03(16) provides, *inter alia*, that the Commissioner may consider “[w]hether the insurer has experienced or will experience in the foreseeable future cash flow or liquidity problems” in determining whether an insurance company transacting business in this state is in a hazardous financial condition.

ORDER

NOW, THEREFORE, on the basis of the foregoing and the Respondents’ waiver of the right to a hearing and appeal under Tennessee insurance law and Tennessee’s Uniform Administrative Procedures Act, Tenn. Code Ann. §§ 4-5-101 *et seq.*, and the Respondents’ admission of jurisdiction of the Commissioner, the Commissioner finds that the Respondents for the purpose of settling this matter, admit the Findings of Fact and Conclusions of Law, agree to the entry and execution of this Order, and agree that this Order is in the public interest, necessary for the protection of insureds and consistent with the purposes fairly intended by the policy and provisions of the Law.

IT IS ORDERED, pursuant to Tenn. Code Ann. § 56-1-416, that:

1. The certificate of authority for all three (3) Respondent companies is **SUSPENDED**.

2. The Respondents are required to obtain written approval from the Division before they issue or assume any new insurance business related to Tennessee consumers or insurance companies that may have an impact on Tennessee consumers or insurance companies.

3. The Respondents shall have two (2) years to demonstrate sound financial condition to the Commissioner. If the Respondents have not shown sound financial condition, through methods deemed acceptable to the Commissioner such as filed NAIC financial statements, within two (2) years from the date of this Order, unless the Commissioner has extended the no-writing period at the reasonable request of the Respondents, the Respondents waive all rights to notice and a hearing under Tenn. Code Ann. §§ 4-5-301 *et seq.*, and the Respondents' certificate of authority shall be automatically **REVOKED** without further action by the Commissioner or the Division.

4. The Respondents shall continue to pay fees, licensure, and taxes as required by law, and to service existing policyholders and adjust losses.

6. Prior to any reinstatement of its license, the Respondents shall pay any and all penalties accrued as a result of late or missed filings required to maintain an active license.

7. The Respondents are required to notify the Division within three (3) days of any change in its governing board or any trustees that are or may be appointed to supervise the Respondents.

8. This Order is in the public interest and in the best interests of the parties. This Order represents a compromise and settlement of the controversy between the parties and is for settlement purposes only. By the signature affixed below, the Respondents affirmatively state that they have freely agreed to the entry and execution of this Order, that they have been advised that they may consult legal counsel in this matter and have had the opportunity to consult with legal counsel, that they waive their right to a hearing on the matters underlying this Order and to a review


of the Findings of Fact and Conclusions of Law contained herein, and that no threats or promises of any kind have been made by the Commissioner, the Division, or any agent or representative thereof. The parties, by signing this Order, affirmatively state their agreement to be bound by the terms of this Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement set forth in this Order, are binding upon them.

9. Nothing in this Order should be construed to limit the authority of the Division or the Commissioner to take further action against the Respondents for actions not contemplated herein should such action, in the opinion of the Division or the Commissioner, be necessary.


10. This Order may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document. The facsimile, email, or other electronically delivered signatures of the parties shall be deemed to constitute original signatures, and facsimile or electronic copies shall be deemed to constitute duplicate originals.

IT IS SO ORDERED.

ENTERED AND EXECUTED January 22, 2021.


Carter Lawrence (Jan 22, 2021 11:34 CST)
Carter Lawrence, Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY AND EXECUTION:

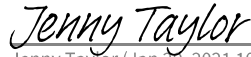


Michael Dinius
Special Deputy Rehabilitator
Bankers Life Insurance Company
Colorado Bankers Life Insurance Company
Southland National Insurance Corporation



Bill Huddleston (Jan 20, 2021 18:42 CST)

Bill Huddleston
Assistant Commissioner for Insurance
Department of Commerce and Insurance



Jenny Taylor (Jan 20, 2021 10:15 CST)

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