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**STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
SAN FRANCISCO**

In the Matter of)	ORDER
)	
GUARANTEE LIFE INSURANCE)	
COMPANY)	File No: UPA-00-01-1360-A
)	
Respondent)	
)	
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WHEREAS, the Respondent has executed the Stipulation and Waiver attached hereto, the provisions of which are hereby incorporated by reference;

WHEREAS, Respondent has waived its right to a hearing and has stipulated to the entry of this Order;

WHEREAS, Respondent neither admits nor denies that it has engaged in any improper claims handling, and the Insurance Commissioner's investigation did not reveal that Respondent had engaged in a pattern and practice of unfair claims handling;

NOW THEREFORE, based upon the stipulations contained in said Stipulation and Waiver, a copy of which is attached, it is ordered that Respondent cease and desist from knowingly committing or performing with such frequency as to indicate a general business practice the following unfair claims settlement practices: (1) the non-payment of claims when liability for those claims is reasonably clear, and there is no conflicting evidence reasonably justifying non-payment and (2) the undue delay in payment of disability insurance claims if, under the facts presented, prompt payment is warranted;

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Respondent agrees to pay to the State of California a monetary penalty of forty-five thousand dollars (\$45,000) pursuant to Insurance Code Section 790.035. Respondent shall pay such sum no later than twenty (20) days from the due date set forth in the Department of Insurance's invoice for such amount.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 22nd day of March, 2001.

HARRY W. LOW
Insurance Commissioner of the
State of California

By: _____ /s/