



PAT QUINN  
Governor

ANDREW BORON  
Director

# NEWS

## Illinois Department of Insurance

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### State Announces a Multi-Million Dollar Settlement with Lincoln

*With this settlement, over 55% of the national market has agreed to business reforms*

**CHICAGO – December 11, 2013.** Illinois Department of Insurance (DOI) Director Andrew Boron today announced an agreement with Lincoln National Life Insurance Company, Lincoln Life and Annuity Company of New York, and First Penn Pacific Life Insurance Company (collectively “Lincoln”) as part of a multi-million dollar settlement with several states regarding its use of the Social Security Administration’s Death Master File (DMF). Under the settlement, Lincoln will pay \$12.6 million dollars to states that are a party to the settlement.

This settlement with Lincoln stems from multi-state market conduct examinations of the forty largest life insurers regarding the timely payment of proceeds to beneficiaries of life insurance policies and annuities. The principal lead state in this investigation was Pennsylvania, with support from insurance regulators from Florida, California, Illinois, Indiana, New Hampshire, and North Dakota.

“I am pleased that market conduct examinations of eight of the ten largest insurers in the United States have been resolved,” said DOI Director Boron. “These life insurers, and the other smaller insurers who have settled, represent more than 55% of the market, and the resolutions demonstrate that the majority of the industry is now properly and fairly using the DMF.”

Under the agreement, Lincoln will implement business reforms to promote a timely and efficient search for the beneficiaries of both its in-force life insurance policies and annuities using the DMF. These companies will regularly match all of its insureds and annuitants against the DMF to help promptly identify when an insured has died, to locate and make payment to beneficiaries.

A copy of the Lincoln settlement agreement is available on the DOI website at <http://insurance.illinois.gov/Home/ImpLinks.asp>. Consumers who have any questions regarding this settlement, or who have any questions or concerns about their insurance, should contact the Department’s Consumer Division at <http://insurance.illinois.gov> or call 866-445-5364.

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