

**STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT**

In Re: Sterling Life Insurance Company

Docket No.: INS No. 10-012-EP

SETTLEMENT AGREEMENT AND ORDER

This Settlement Agreement and Order (“Agreement”) is made this 10th day of November, 2010 between the New Hampshire Insurance Department (“NHID”) and Sterling Life Insurance Company (“Sterling Life”).

1. On October 12, 2010, the NHID issued an Order to Show Cause and Notice of Hearing against Sterling Life. The Order to Show Cause alleged that Sterling Life failed to pay an assessment levied by the Life and Health Insurance Guaranty Association pursuant to RSA 408:9.

2. The hearing on the above allegation was scheduled for November 18, 2010.

3. Pursuant to RSA 541-A:31, V, the NHID and Sterling Life engaged in settlement negotiations and agreed to resolve the dispute informally.

4. Therefore, for the purpose of resolving the above-referenced matter and in lieu of further administrative proceedings, the Department and Sterling Life have reached an agreement as follows:

A. The foregoing recitals are hereby adopted and made part of this Settlement Agreement and Order.

B. Sterling Life knowingly waives its right to a hearing in this matter. Furthermore, this Settlement Agreement and Order shall be final and non-appealable.

C. Sterling Life agrees to pay the assessment levied by the Life and Health Insurance Guaranty Association. Sterling Life further agrees to pay an administrative forfeiture to

the State of New Hampshire in the amount of \$1,000.00 (One Thousand Dollars).

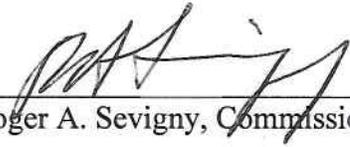
Payment of the assessment and the administrative forfeiture shall be made no later than 10 days following the execution of this Settlement Agreement and Order.

D. By entering into this Settlement Agreement and Order, the NHID and Sterling Life intend to resolve all issues relating to the matters raised in the Order to Show Cause, and this Settlement Agreement and Order shall be deemed a full and final resolution of all allegations set forth in the Order to Show Cause.

SO ORDERED.

NEW HAMPSHIRE INSURANCE DEPARTMENT

Date: 11-10-10



Roger A. Sevigny, Commissioner

STERLING LIFE INSURANCE COMPANY

Date: 11/22/2010



Name (print): Craig Bodway

Title: Vice President, Compliance & Regulatory Affairs