

STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT

RECEIVED
NH INSURANCE DEPARTMENT
AUG 23 2023

In Re: Northwestern Mutual Life Insurance Company
Docket No.: Ins. No. 22-055-EP

CONSENT ORDER

This Consent Order is made between the New Hampshire Insurance Department (“NHID”) and Northwestern Mutual Life Insurance Company (“Respondent”), the terms of which are as follows:

FINDINGS OF FACT

1. Respondent is a Wisconsin domiciled insurance carrier with an NAIC Company Code of 67091 and is authorized to write business in New Hampshire in the lines of variable, life, and accident & health.
2. Throughout 2019, 2020, and 2021, agent producers of Respondent located in New Hampshire sent tens of thousands of e-mails to prospective clients which misrepresented their experience and client base.
3. Though Respondent had electronic systems in place to monitor e-mail communications, as well as training and guidance for insurance producers, these systems failed to stop the issuance of these misleading e-mails.
4. Throughout the pendency of this investigation, Respondent has been cooperative with the NHID towards resolution of the issues identified above.

CONCLUSIONS OF LAW

Based on the foregoing Findings of Fact and the applicable provisions of law, the NHID concludes and finds the following Conclusions of Law:

- a. Respondent is subject to the jurisdiction of the NHID.

- b. INS 2602.02 (b) requires that “[a]ll advertisements, regardless of by whom written, created, designed or presented, shall be the responsibility of the insurer, as well as the producer who created or presented the advertisement. Insurers shall establish and all times maintain a system of control over the content, form and method of dissemination of all advertisements of its policies.”
- c. Respondent violated INS 2602.02 (b) by virtue of some of its agent producers sending the aforementioned ten of thousands of emails that misrepresented their experience and client base.
- d. Each identified violation could result in a penalty not to exceed \$2,500.

ORDER

WHEREFORE, the NHID orders and Respondent consents to the following:

- a. The Respondent waives all rights to a formal administrative hearing in this matter and agrees that this Consent Order shall have the full force and effect of an Order fully entered in accordance with the adjudicatory procedure provided for in RSA Chapter 541-A and Ins Part 200.
- b. For the purposes of resolving this matter without a formal administrative hearing, Respondent agrees to the following:
 - i. Respondent shall cease and desist from violating INS 2602.02 (b) by complying with the undertakings set forth below;
 - ii. To provide regular updates every 120 days to the NHID over the next year as to its efforts to improve both its electronic e-mail compliance system as

well as its efforts to improve and provide additional guidance to personnel and representatives of Respondent to prevent the issues identified above;

iii. an administrative penalty of \$200,000 due upon execution of this consent order, made payable to “Treasurer, State of New Hampshire”, and mailed to the attention of Sarah Prescott, New Hampshire Insurance Department, 21 South Fruit Street, Suite 14, Concord, NH 03301; and

iv. to have an appropriate person or persons appear as a witness and testify for the NHID, if necessary, at any hearing held to adjudicate the misconduct of any agent of Respondent the NHID determines engaged in unlawful conduct.

c. In the event that Respondent fails to meet any of the terms set forth in this section, the NHID may institute further administrative proceedings under the authority of RSA 400-A:15, III or any other applicable law.

d. By entering into this Consent Order, the NHID and the Respondent intend to fully resolve all issues relating to the above-mentioned matters. This Consent Order shall be deemed a complete settlement and full and final resolution and is in lieu of any other action(s) that has and could have been brought by the NHID relating to these matters. Provided however, notwithstanding the foregoing, the NHID may take any and all appropriate actions should the Respondent violate any provision of the State’s insurance laws in the future.

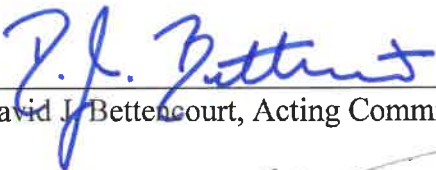
e. This Consent Order shall be fully enforceable in any Superior Court in the State of New Hampshire, and any actions to enforce this Consent Order shall be governed by the laws of the State of New Hampshire.

f. This Consent Order is considered a public regulatory action and will be reported to the National Association of Insurance Commissioners. The Respondent must, in the future, answer “YES” to any question which asks “have you ever been named or involved as party in an administrative proceeding” or any substantially similar question.

IT IS SO ORDERED.

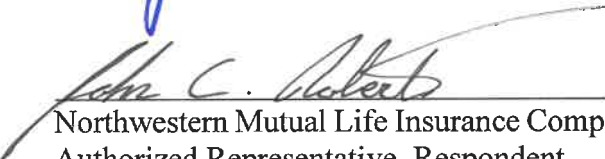
NEW HAMPSHIRE INSURANCE DEPARTMENT

Date: 8/24/23



David J. Bettencourt, Acting Commissioner

Date: August 21, 2023



Northwestern Mutual Life Insurance Company,
Authorized Representative, Respondent