



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Market Conduct Report

of

Brighthouse Life Insurance Company

July 25, 2023

The Market Conduct Division of the Connecticut Insurance Department examined by survey the market conduct practices of Brighthouse Life Insurance Company using a sample period of January 1, 2021 through December 31, 2021. The examination survey was limited to Connecticut life and Long-Term Care insurance business.

Brighthouse Life Insurance Company has its principal administrative office in the State of North Carolina. By authority granted under §38a-15 of the Connecticut General Statutes, this examination survey was conducted by Market Conduct examiners of the State of Connecticut Insurance Department (the Department) at the Department offices in Hartford, Connecticut.

The purpose of the examination survey was to evaluate the Company's market conduct practices in the State of Connecticut. The examiners reviewed the Company's survey response, which included new business, claims, complaints and underwriting information requested for the examination period.

The Department's findings are as follows:

- Ten (10) producers acting as agents of Respondent without required appointment.
- Failure to pay claims in a timely manner
- Failure to pay interest on claims not paid in a timely manner

As it relates to the issues listed above, the Company was not in compliance with applicable Connecticut Statutes and Regulations.



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

-----X
IN THE MATTER OF:
BRIGHTHOUSE LIFE INSURANCE COMPANY:
-----X

DOCKET MC 23-68

STIPULATION AND CONSENT ORDER

It is hereby stipulated and agreed between Brighthouse Life Insurance Company and the State of Connecticut Insurance Department by and through Andrew N. Mais, Insurance Commissioner, to wit:

I

WHEREAS, pursuant to a Market Conduct examination, the Insurance Commissioner alleges the following with respect to Brighthouse Life Insurance Company:

1. Brighthouse Life Insurance Company, hereinafter referred to as Respondent, is domiciled in the State of North Carolina and is licensed to transact life and health insurance in the State of Connecticut. The NAIC company code number is 87726.
2. From January 1, 2023 through July 24, 2023 the Department conducted an examination of Respondent's market conduct practices in the State of Connecticut covering the period from January 1, 2021 through December 31, 2021.
3. During the period under examination, Respondent failed to follow established practices and procedures to ensure compliance with statutory requirements, resulting in the instance of:
 - a) Ten (10) producers acting as agents of Respondent without required appointment.
 - b) Failure to pay certain claims in a timely manner
 - c) Failure to pay interest on certain claims not paid in a timely manner
4. The conduct as described above violates §38a-702m of the Connecticut General Statutes, and constitutes cause for the imposition of a fine or other administrative penalty under §38a-2 and §38a-774 of the Connecticut General Statutes.

II

1. WHEREAS, Respondent admits to the allegations contained in paragraphs three and four of Article I of this Stipulation; and
2. WHEREAS, Respondent agrees to undertake a complete review of its practices and procedures to enhance compliance with Connecticut statutes in the areas of concern, as described in the Market Conduct Report and this Stipulation; and
3. WHEREAS, Respondent agrees to provide the Insurance Commissioner with a summary of actions taken to comply with the recommendations in the Market Conduct Report within ninety (90) days of the date of this document; and
4. WHEREAS, Respondent agrees to pay a fine in the amount of \$20,000 for the alleged violations described herein; and
5. WHEREAS, Respondent, being desirous of terminating this proceeding without the necessity of a formal proceeding or further litigation, does consent to the making of this Consent Order and voluntarily waives:
 - a. any right to a hearing; and
 - b. any requirement that the Insurance Commissioner's decision contain a statement of findings of fact and conclusions of law; and
 - c. any and all rights to object to or challenge before the Insurance Commissioner or in any judicial proceeding any aspect, provision or requirement of this Stipulation.

NOW THEREFORE, upon the consent of the parties, it is hereby ordered and adjudged:

1. That the Insurance Commissioner has jurisdiction of the subject matter of this administrative proceeding.
2. That Respondent is fined the sum of Twenty Thousand Dollars (\$20,000) for the violations herein above described.

Brighthouse Life Insurance Company

By: Rosemary Morgan
(Representative of Insurance Company)

CERTIFICATION

The undersigned deposes and says that he/she has duly executed this Stipulation and Consent Order on this 4th day of August 2023 for and on behalf of Brighthouse Life Insurance Company that he/she is the Chief Compliance Officer and Associate General Counsel of such company, and he/she has authority to execute and file such instrument.

By: Rosemary Morgan
Rosemary Morgan, Chief Compliance Officer
and Associate General Counsel

State of Florida

County of Hillsborough

Personally appeared on this 4th day of August 2023
Rosemary Morgan signer and sealer of the foregoing
Stipulation and Consent Order, acknowledged same to be his/her free act and deed before me.

Zena Jones
Notary Public/Commissioner of the Superior Court

ZENA JONES
Notary Public-State of Florida
Commission # HH39573
Commission Expires 12/27/2024

Section Below To Be Completed by State of Connecticut Insurance Department

Dated at Hartford, Connecticut this 20th day of September 2023.

Andrew N. Mais
Andrew N. Mais
Insurance Commissioner