MIKE KREIDLER
STATE INSURANCE COMMISSIONER

STATE OF WASHINGTON

Phone: (360) 725-7000

4126 02/14/06 $2,400.00

OFFICE OF
INSURANCE COMMISSIONER

In the Matter of		No. D 2006 - 37
FINANCIAL AMERICAN LIFE INSURANCE COMPANY,	)	CONSENT ORDER
An Authorized Insurer.	)	

Comes now the Insurance Commissioner of the State of Washington, pursuant to the authority set forth in RCW 48.01.020 and RCW 48.05.130-185, and having reviewed the official records and files of the Office of the Insurance Commissioner, makes the following:

FINDINGS OF FACT

1. Financial American Life Insurance Company is an insurer holding a certificate of authority to transact insurance in the State of Washington, and is therefore governed by Title 48 RCW.

2. RCW 48.05.130-185 provides a process for addressing insurer violations of Title 48 Revised Code of Washington and Title 284 Washington Administrative Code.

3. RCW 48.05.250 requires each insurer, before the first day of March, to file a true statement of its financial condition, transactions, and affairs as of the thirty-first day of December preceding.

4. Chapter 284-07 WAC sets forth the form and requirements for filing financial statements for the year ended the immediately preceding December thirty-first. The commissioner sets a later due date for certain annual statement exhibits, schedules and supplements that are a part of the NAIC Quarterly and Annual Statement Instructions and NAIC Quarterly and Annual Statement Blank.

5. Financial American Life Insurance Company failed to file with the commissioner its annual financial statement supplemental electronic filing for the year ended December 31, 2004 by April 1, 2005.

6. Attached Exhibit A is incorporated herein for the purpose of identifying the date of Financial American Life Insurance Company's annual statement April supplemental filing.

Based upon the foregoing Findings of Fact, the Commissioner makes the following:

CONCLUSIONS OF LAW

1. Financial American Life Insurance Company by and through the conduct described above has violated RCW 48.05.250 and Chapter 284-07 WAC by failing to timely file in proper form its annual statement April supplemental filing as of December 31, 2004.

Mailing Address: P.O. Box 40255 • Olympia, WA 98504-0255
Street Address: 5000 Capitol Blvd. • Tumwater, WA 98501

2. RCW 48.05.185 authorizes the Insurance Commissioner to impose a fine in lieu of the suspension or revocation of a certificate of authority.

3. Financial American Life Insurance Company committed the following violation of Washington law:

Financial American Life Insurance Company failed to timely file its annual financial statement April supplemental for the year ended December 31, 2004 in the form required by Chapter 284-07 WAC.

CONSENT TO ORDER

Financial American Life Insurance Company consents to entry of this Order, waives further administrative or judicial proceedings in this matter, and acknowledges its duty to comply fully with the applicable laws of the State of Washington. The Insurance Commissioner has offered a settlement in lieu of suspending or revoking the certificate of authority.

By agreement of the parties, the Insurance Commissioner will impose a fine of $2400 on condition that:

1. Within thirty days, Financial American Life Insurance Company pays to the Insurance Commissioner the full amount of the fine;

2. Financial American Life Insurance Company commits no further violations of the statutes and regulations that are the subject of this Consent Order;

3. Financial American Life Insurance Company voluntarily consents to this order to resolve the issues and conduct described herein and with the understanding that the payment of the amount due is a condition to avoiding suspension or revocation of the Certificate of Authority.

EXECUTED this 13TH day of FEB, 2006.

Signature

PRESIDENT
Title

ORDER OF THE INSURANCE COMMISSIONER

NOW, THEREFORE, pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner hereby orders as follows:

1. Financial American Life Insurance Company is ordered to pay a fine in the amount of $2400 upon the condition that the Company fully complies with the laws and regulations of the State of Washington which are the subject of this Order; and

2. Upon failure to pay the fine within the time limit set forth above, the sum will be recoverable in a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington, pursuant to RCW 48.05.185.

ENTERED TUMWATER, WASHINGTON this 15th day of February, 2006

MIKE KREIDLER
Insurance Commissioner

By: _____

JAMES T. ODIORNE, CPA, JD
Deputy Insurance Commissioner
Company Supervision Division

Washington Office of Insurance Commissioner
Late And Outstanding Filings
Filings Due in 2005
Filings Report as of Monday, Jan 30, 2006 at 2:15:06 pm

Exhibit A

Financial American Life Insurance Company

NAIC # 71455

	Filing Type	Due	Electronic Received
Complete Filings - Late			
A&H Policy Experience	Original	4/1/2005	4/25/2005
April Supplemental Filing	Original	4/1/2005	4/25/2005
Management's Discussion and Analysis	Original	4/1/2005	4/25/2005

$2,400	**Total Fine Composed of:**	**$0**	**Fine for Annual Statement and Supplements**
		$2,400	**Fine for April Supplements**
		$0	**Fine for Audited Financial Statement**
		$0	**Fine for First Quarter Financial Statement**
		$0	**Fine for Second Quarter Financial Statement**
		$0	**Fine for Third Quarter Financial Statement**

Explanation of the field descriptions:
A. Filing Type—The filing type designated on the electronic filing.
B. Due—the date the filing is due.
C. Electronic Received—the date our records show as accepting the electronic filing.