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Department of Insurance
State of Idaho

Attorneys for Idaho Department of Insurance

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE
OF THE STATE OF IDAHO**

In the Matter of:

AMERICAN FAMILY LIFE
ASSURANCE COMPANY OF
COLUMBUS

Idaho Certificate of Authority No. 916
NAIC ID No. 60380

Docket Nos. 18-2816-12

CONSENT ORDER

COME NOW the State of Idaho, Department of Insurance (Department), and AMERICAN FAMILY LIFE ASSURANCE COMPANY OF COLUMBUS (Aflac), and hereby stipulate and agree as follows:

1. Aflac is a licensed insurance company in Idaho, domiciled in the state of Nebraska, holding Idaho Certificate of Authority No. 916 since May 20, 1970. Such certificate of

authority authorizes Aflac to engage in Idaho in the business of life insurance and disability insurance, excluding managed care.

2. Section 41-2103 of the Idaho Insurance Code, title 41, Idaho Code, entitled "Scope and format of policy," provides that "[n]o policy of disability insurance shall be delivered or issued for delivery in [Idaho] unless it otherwise complies with [the Idaho Insurance Code]."

3. Commencing on April 2, 2008, and continuing through August 8, 2012, the Department maintains that Aflac was in violation of IDAPA 18.01.06.010.01 and IDAPA 18.01.06.012.01a, relating to forms A-45100-ID, A45200-ED, and A-45300-ID and a certain number of policies associated with said forms issued to Idaho residents. From July 1, 2009, to August 8, 2012, the above-mentioned forms were also not in compliance with section 41-2103(3), Idaho Code.

4. Commencing on April 2, 2008, and continuing through August 8, 2012, the Department maintains that Aflac was in violation of IDAPA 18.01.06.010.01 and IDAPA 18.01.06.012.01.a, relating to forms A81100ID, A81200ID, A81300ID, and A18400ID and a certain number of policies associated with said forms issued Idaho residents. From July 1, 2009, to August 8, 2012, the above-mentioned forms were not in compliance with section 41-2103(3), Idaho Code.

5. Commencing on April 2, 2008, and continuing through August 8, 2012, the Department maintains that Aflac was in violation of IDAPA 18.01.06.010.01, IDAPA 18.01.06.012.01.a, and section 41-2103(3), Idaho Code, relating to forms A46100ID, A46200ID, and A46300ID and a certain number of policies associated with said forms issued to Idaho residents.

6. Aflac represents to the Department that Aflac denied four (4) claims due to its use of noncompliant forms, as identified above; that, on its own, Aflac reversed one (1) denial; and that the other three (3) denials were reversed after the Department asked Aflac to reconsider the denials.

7. Aflac neither admits nor denies that its conduct in the areas of regulatory concern identified in this Consent Order violated any law or regulation, and desires to enter into this agreement in order to promote regulatory efficiency as evidenced by the execution and delivery of the monetary penalty set forth in paragraph 8 below.

8. In full and complete settlement of these items, the Department and Aflac agree that Aflac shall pay to the Department an administrative penalty in the amount of thirty thousand dollars (\$30,000) by no later than April 1, 2014.

9. Aflac agrees that in the future it will comply with all requirements of the Idaho Insurance Code and rules promulgated thereunder and specifically with all requirements of law relating to its policies and forms filed with the Department.

10. Aflac acknowledges that this is an administrative action that is required to be reported on Department licensing applications and license renewal forms.

11. This Consent Order constitutes full and final resolution of all matters addressed herein, and the Department agrees, upon execution of this Consent Order by Aflac and Aflac's full compliance with all terms and conditions set forth herein, the Department shall seek no further sanctions for the violations addressed herein.

IT IS SO AGREED.

DATED this 26th day of March, 2014.

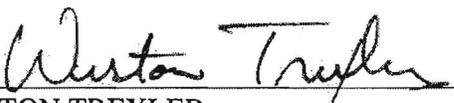
AMERICAN FAMILY ASSURANCE COMPANY
OF COLUMBUS

By: 
THOMAS L. MCDANIEL

Title: VICE PRESIDENT, CHIEF COMPLIANCE OFFICER

DATED this 26 day of March, 2014.

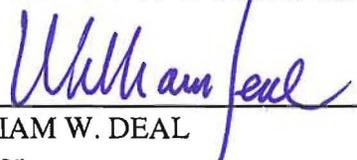
STATE OF IDAHO
DEPARTMENT OF INSURANCE


WESTON TREXLER
Bureau Chief, Product Review

IT IS SO ORDERED.

DATED this 1 day of April, 2014.

STATE OF IDAHO
DEPARTMENT OF INSURANCE


WILLIAM W. DEAL
Director

CERTIFICATE OF SERVICE

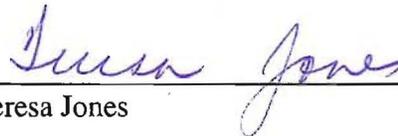
I HEREBY CERTIFY that on this 1st day of April, 2014, I caused a true and correct, fully-executed copy of the foregoing CONSENT ORDER to be served on the following by the designated means:

Scott Harrison, Esq.
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- first class mail
- certified mail
- hand delivery
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Teresa Jones