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# NEWS

## Illinois Department of Insurance

FOR IMMEDIATE RELEASE:

Friday, November 16, 2012

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### Department of Insurance Announces Multi-Million Dollar Settlement with John Hancock Life Insurance Co.

#### *Illinois participated in multi-state effort to examine payment of Life Insurance Benefits*

**CHICAGO – November 16, 2012.** Illinois Department of Insurance (DOI) Director Andrew Boron today announced an agreement has been reached with John Hancock Life Insurance Company) as part of a multi-million dollar settlement with several states. Under the settlement, John Hancock agreed to change business practices related to the payment of life insurance benefits and also agreed to pay \$13,300,000 to states that are a party to the settlement.

The Regulatory Settlement Agreement is the result of a multi-state examination to investigate John Hancock's practices and procedures for identifying and paying proceeds to beneficiaries of life insurance policies and annuities. Illinois, along with five other lead states, initiated discussions with the company regarding compliance and the need for reform.

"We appreciate John Hancock's cooperation in reforming its business practices of locating beneficiaries and to improve on its service to customers," said DOI Director Boron. "We also applaud the efforts of our fellow lead states in working to protect policy beneficiaries and consumers in the payments of benefits rightfully owed."

Under the agreement, John Hancock will implement business reforms to promote a timely and efficient search for the beneficiaries of its in force life insurance policies and annuities through regular matches of its insureds and annuitants against the Social Security Administration's Death Master File.

The agreement becomes effective after it is signed by 20 states. Illinois, along with California, New Hampshire, North Dakota, Pennsylvania and Florida, which lead the examination, have signed the agreement.

A copy of the settlement agreement is available on the DOI website at <http://insurance.illinois.gov/Home/ImpLinks.asp>. Consumers who have any questions regarding this settlement, or who have any questions or concerns about their insurance, should contact the Department's Consumer Division at <http://insurance.illinois.gov> or call 866-445-5364.

#### **About the Illinois Department of Insurance**

The Department's mission is to protect consumers by providing assistance and information, by efficiently regulating the insurance industry's market behavior and financial solvency, and by fostering a competitive insurance marketplace. The Department assists consumers with all insurance complaints, including health, auto, life, and homeowner.

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