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*Texas State Securities Board*

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MEMBER

IN THE MATTER OF  
BANKERS LIFE AND CASUALTY  
COMPANY AND  
BLC FINANCIAL SERVICES, INC.

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§  
§  
§

Order No. IC20-CAF-02

TO: William D. Fritts, Jr.  
Senior Vice President  
CNO Financial Group  
11825 North Pennsylvania St  
Carmel, IN 46032

**AMENDED CONSENT ORDER**

WHEREAS, following a multi-jurisdictional investigation of Bankers Life and Casualty Company ("Bankers Life") and BLC Financial Services, Inc. ("BLCFS") (collectively "Bankers") to determine whether Bankers should have been registered as a dealer and investment adviser between January 1, 2005 and December 2, 2011, the parties entered into a Consent Order dated September 5, 2012 (Order No. IC12-CAF-14) (the "Consent Order"); and

WHEREAS, pursuant to the Consent Order, Bankers was ordered to: cease and desist from engaging in unregistered activity as a dealer and investment adviser or otherwise violating the Texas Securities Act; pay \$537,897.78 to the general fund of the state of Texas; and comply with specific requirements listed in the Consent Order with respect to its activities as an insurance producer; and

WHEREAS, Bankers has made substantial efforts to revise its business practices to improve compliance, including developing policies and procedures to ensure compliance with the prohibition on an unregistered person from making securities recommendations or providing advice concerning securities products.

NOW THEREFORE, the Securities Commissioner of the Texas State Securities Board hereby amends the Consent Order by removing Current Section 7 and replacing it with the following:

7. Bankers Life shall comply with the following practices:

- a. An insurance producer who is not licensed to give advice concerning securities products (an "Insurance Producer") may gather all financial information necessary to complete a Bankers Factfinder or similar document or tool required to determine insurance product suitability and may provide the consumer with a business card of, and pre-addressed stamped envelope to, a person properly licensed/registered to provide advice concerning securities products. The Insurance Producer may obtain a copy of the consumer's statement(s) for securities products as part of the insurance factfinding process. The insurance producer may not make recommendations concerning the consumer's specific securities products, compare the consumer's specific securities or investment performance with other financial products, including annuities or life insurance, or recommend specific securities be liquidated or used to fund an annuity or life insurance product. Upon the consumer's request, the Insurance Producer may arrange for the consumer to meet with a securities licensed individual. The Insurance Producer shall explain that the Insurance Producer is not licensed to discuss securities products.
- b. The Insurance Producer may attend a meeting with the consumer (including meetings attended by securities licensed individuals) so long as the meeting is scheduled, at least in part, to discuss insurance products.
- c. Bankers shall maintain policies and procedures to ensure compliance with the prohibition on an unregistered person from making securities recommendations or providing advice concerning securities products.
- d. No commissions or other compensation derived from a securities transaction shall be paid to or split with an Insurance Producer.

The Consent Order shall remain in full force and effect in all other respects.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 19<sup>th</sup>  
day of February, 2020.



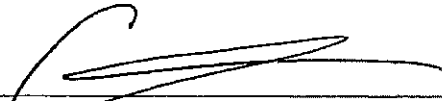
Travis J. Iles  
Securities Commissioner

Approved as to Form:



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Clinton Edgar  
Deputy Commissioner



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Christopher T. Roach  
Roach Ruprecht Sanchez  
& Bischoff, P.C.  
Attorney for Respondent

**CONSENT TO ENTRY OF AMENDED CONSENT ORDER**

Bankers, by signing below, agrees to the entry of this Amended Consent Order and waives any right to a hearing or to judicial review.

Bankers states that no promise of any kind or nature whatsoever that is not reflected in this Consent Order was made to it to induce it to enter into this Consent Order and that it has entered into this Consent Order voluntarily.

William D. Fritts, Jr. represents that he has been authorized to enter into this Consent Order on behalf of Bankers Life and Casualty Company.

Bankers Life and Casualty Company

By: William D. Fritts Jr.

Title: SVP, Regulatory & Gov't Affairs

Date: Feb. 19, 2020