

DELAWARE DEPARTMENT OF INSURANCE
MARKET CONDUCT EXAMINATION REPORT

Equitable Financial Life Insurance Company
NAIC #62944

1345 Avenue of the Americas
New York, NY 10105

As of

August 31, 2023

TRINIDAD NAVARRO
COMMISSIONER



STATE OF DELAWARE
DEPARTMENT OF INSURANCE

I, Trinidad Navarro, Insurance Commissioner of the State of Delaware, do hereby certify that the attached REPORT ON EXAMINATION, made as of August 31, 2023 on

Equitable Financial Life Insurance Company

is a true and correct copy of the document filed with this Department.

Attest By:



In Witness Whereof, I have hereunto set my hand
and affixed the official seal of this Department at the
City of Dover, this 21 day of November, 2024.

Trinidad Navarro
Insurance Commissioner

TRINIDAD NAVARRO
COMMISSIONER



STATE OF DELAWARE
DEPARTMENT OF INSURANCE

REPORT ON EXAMINATION

OF THE

Equitable Financial Life Insurance Company

AS OF

August 31, 2023

The above-captioned Report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the Company as reflected in the Report.

This Report is hereby accepted, adopted and filed as an official record of this Department.



In Witness Whereof, I have hereunto set my hand
and affixed the official seal of this Department at the
City of Dover, this 21 day of November, 2024.

Handwritten signature of Trinidad Navarro in blue ink.

Trinidad Navarro
Insurance Commissioner

**Delaware Market Conduct Examination Report
Equitable Financial Life Insurance Company**

Table of Contents

EXECUTIVE SUMMARY	2
SCOPE OF EXAMINATION.....	4
METHODOLOGY	4
COMPANY HISTORY AND PROFILE	5
COMPANY OPERATIONS AND MANAGEMENT	7
COMPLAINTS HANDLING.....	7
MARKETING AND SALES.....	8
PRODUCER LICENSING	9
POLICYHOLDER SERVICE	9
UNDERWRITING AND RATING.....	10
CLAIMS	14
CONCLUSION.....	15

Honorable Trinidad Navarro
Insurance Commissioner
State of Delaware
1351 West North Street
Suite 101
Dover, Delaware 19904

Dear Commissioner Navarro:

In compliance with the instructions contained in Examination Authority Number 62944-23-633 and pursuant to statutory provisions including 18 *Del. C.* §§ 318-322, a market conduct examination has been conducted of the affairs and practices of:

Equitable Financial Life Insurance Company
NAIC #62944

The examination was performed as of August 31, 2023.

The examination was conducted at the offices of the Delaware Department of Insurance, hereinafter referred to as the Department or DDOI, or other suitable locations.

The report of examination herein is respectfully submitted.

EXECUTIVE SUMMARY

The examination was announced as a market conduct examination to review the Company's practices in the life insurance marketplace in Delaware. The examination focused on the Company's annuity business in the following areas of operation: Company Operations and Management, Complaint Handling, Marketing and Sales, Producer Licensing, Policyholder Service, Underwriting and Rating, and Claims.

All the exceptions noted were in the areas of Producer Licensing, Underwriting, and Claims.

The following exceptions were noted:

- **3 Exceptions**

- **18 Del. C. § 1716(a)(b)(c)(d). Notification to Insurance Commissioner of termination.**

(a) Termination for cause. -- An insurer or authorized representative of the insurer that terminates the appointment, employment, contract or other insurance business relationship with a producer shall notify the Insurance Commissioner within 30 days following the effective date of the termination, using a format prescribed by the Insurance Commissioner, if the reason for termination is 1 of the reasons set forth in § 1712 of this title or the insurer has knowledge the producer was found by a court, government body or self-regulatory organization authorized by law to have engaged in any of the activities in § 1712 of this title. Upon the written request of the Insurance Commissioner, the insurer shall provide additional information, documents, records or other data pertaining to the termination or activity of the producer.

(b) Termination without cause. -- An insurer or authorized representative of the insurer that terminates the appointment, employment or contract with a producer for any reason not set forth in § 1712 of this title shall notify the Insurance Commissioner within 30 days following the effective date of the termination, using a format prescribed by the Insurance Commissioner. Upon written request of the Insurance Commissioner, the insurer shall provide additional information, documents, records or other data pertaining to the termination.

(c) Ongoing notification requirement. -- The insurer or the authorized representative of the insurer shall promptly notify the Insurance Commissioner in a format acceptable to the Insurance Commissioner if, upon further review or investigation, the insurer discovers additional information that would have been reportable to the Insurance Commissioner in accordance with subsection (a) of this section had the insurer then known of its existence.

(d) Copy of notification to be provided to producer. --

(1) Within 15 days after making the notification required by subsections (a), (b) and (c) of this section, the insurer shall mail a copy of the notification to the producer at his or her last known address. If the producer is terminated for cause for any of the reasons listed in § 1712 of this title, the insurer shall provide a copy of the notification to the producer at that producer's last known address by

Delaware Market Conduct Examination Report
Equitable Financial Life Insurance Company

certified mail, return receipt requested, postage prepaid or by overnight delivery using a nationally recognized carrier.

(2) Within 30 days after the producer has received the original or additional notification, the producer may file written comments concerning the substance of the notification with the Insurance Commissioner. The producer shall, by the same means, simultaneously send a copy of the comments to the reporting insurer, and the comments shall become a part of the Insurance Commissioner's file and accompany every copy of a report distributed or disclosed for any reason about the producer as permitted under subsection (f) of this section.

The Company failed to send a copy of the termination notification to the producer.

- **1 Exception**

18 Del. Admin. C. § 1204-7.1 Duties of Insurers That Use Agents and Brokers

Each insurer that uses an agent of broker in a life insurance or annuity sale shall:

7.1.2 Where a replacement is involved:

7.1.2.2 Send to each existing insurer a written communication advising of the replacement or proposed replacement of the policy. The communication should include the information obtained pursuant to section 7.1.2.1 above and a Summary or Ledger Statement describing the proposed new policy. This written communication shall be made within 7 working days of the date the application is received in the replacing insurer's home office, or the date the proposed life insurance policy or annuity contract is issued, whichever is sooner.

The Company failed to send a written communication advising of the replacement to the existing insurer in a timely manner.

- **17 Exceptions**

18 Del. Admin. C. § 1204-7.1 Duties of Insurers That Use Agents and Brokers

Each insurer that uses an agent of broker in a life insurance or annuity sale shall:

7.1.2 Where a replacement is involved:

7.1.2.2 Send to each existing insurer a written communication advising of the replacement or proposed replacement of the policy. The communication should include the information obtained pursuant to section 7.1.2.1 above and a Summary or Ledger Statement describing the proposed new policy. This written communication shall be made within 7 working days of the date the application is received in the replacing insurer's home office, or the date the proposed life insurance policy or annuity contract is issued, whichever is sooner.

The Company failed to ensure the written communication advising of the replacement to the existing insurer included a Summary or Ledger Statement.

**Delaware Market Conduct Examination Report
Equitable Financial Life Insurance Company**

- **2 Exceptions**

18 Del. Admin. C. § 902-1.2.1.2

Failing to acknowledge and respond within 15 working days, upon receipt by the insurer, to communications with respect to claims by insureds arising under insurance policies.

The Company failed to acknowledge the claims within 15 working days.

SCOPE OF EXAMINATION

The Market Conduct Examination was conducted pursuant to the authority granted by 18 Del. C. §§ 318-322 and covered the experience period of January 1, 2018, through August 31, 2023, unless otherwise noted. The purpose of the examination was to determine compliance by the Company with Delaware complaints handling, policy loans handling, claims handling, agent appointment and termination, replacement and surrender laws and regulations related to the sales and marketing of individual life insurance.

The examination is a market conduct examination of the Company's life insurance business in the following areas of operation: Company Operations and Management, Complaints Handling, Marketing and Sales, Producer Licensing, Policyholder Service, Underwriting and Rating, and Claims.

METHODOLOGY

This examination was performed in accordance with Market Regulation standards established by the Department and examination procedures suggested by the NAIC. While examiners report on the errors found in individual files, the examiners also focus on general business practices of the Company. The Company was requested to identify the universe of files for each segment of the review. Based on the universe sizes identified, random sampling was utilized to select the files reviewed for this examination.

Delaware Market Conduct Examination Reports generally note only those items to which the Department, after review, takes exception. An exception is any instance of Company activity that does not comply with an insurance statute or regulation. Exceptions contained in the Report may result in imposition of penalties. Generally, practices, procedures, or files that were reviewed by Department examiners during the course of an examination may not be referred to in the Report if no improprieties were noted.

However, the Examination Report may include management recommendations addressing areas of concern noted by the Department, but for which no statutory violation was identified. This enables Company management to review these areas of concern in order to determine the potential impact upon Company operations or future compliance.

**Delaware Market Conduct Examination Report
Equitable Financial Life Insurance Company**

Throughout the course of the examination, Company officials were provided status memoranda, which referenced specific policy numbers with citation to each section of law violated. Additional information was requested to clarify apparent violations. An exit conference was conducted with Company officials to discuss the various types of exceptions identified during the examination and review written summaries provided on the exceptions found.

COMPANY HISTORY AND PROFILE

The Company was incorporated as a stock life insurance company under the laws of New York on July 26, 1859, under the name of Equitable Life Assurance Society of the United States. The Company was licensed on July 25, 1859, and commenced business on July 28, 1859. In 1917, the Company commenced a process to become a mutual life insurance company. The Company completed its conversion to a mutual company in 1925.

On July 22, 1992, the Company demutualized and converted back to a stock life insurance company and became a wholly owned subsidiary of The Equitable Companies Incorporated (“EQ”). In connection with the demutualization, the Company’s eligible policyholders received cash, policy credits, or common stock of EQ. At the time of the demutualization, AXA S.A. (“AXA”), a French holding company for an international group of insurance and related financial services companies, became the owner of 49% of EQ’s common shares outstanding as well as the owner of convertible preferred stock and convertible debentures. As a result, AXA’s ownership percentage of EQ as of December 31, 1995, increased to 60.6%.

On September 3, 1999, EQ changed its name to AXA Financial, Inc. (“AXA Financial”). In 1999, AXA Client Solutions, LLC (“Client Solutions”) was formed as a wholly owned direct subsidiary of AXA Financial. At the same time, AXA Financial contributed all of the Company’s common stock to Client Solutions, making Client Solutions the direct parent of the Company.

On August 30, 2000, AXA Financial received a proposal from AXA for the acquisition of all of the outstanding common shares of AXA Financial not owned by AXA. On January 2, 2001, AXA completed its acquisition of the remaining minority interest in AXA Financial.

On January 1, 2002, Client Solutions distributed all of the Company’s common stock to AXA Financial, thereby making AXA Financial the direct parent of the Company. On April 22, 2002, Client Solutions changed its name to AXA Financial Services, LLC. Effective June 1, 2002, AXA Financial transferred ownership of the Company back to AXA Financial Services, LLC thereby making it once again the parent of the Company.

Effective September 7, 2004, the Company, formerly known as The Equitable Life Assurance Society of the United States, changed its name to AXA Equitable Life Insurance Company.

Delaware Market Conduct Examination Report
Equitable Financial Life Insurance Company

Effective November 7, 2007, AXA Financial Services, LLC changed its name to AXA Equitable Financial Services, LLC (“AXA Equitable Financial”).

Since the 2008 global financial crisis, European insurance companies, including AXA Equitable Financial’s ultimate controlling parent, AXA, experienced challenges with tougher and sometimes conflicting capital requirements between European and U.S. regulators for many types of life insurance products. Partly in response to changes in European insurance company accounting and solvency laws, AXA began the process of divesting its interest in AXA Equitable Holdings, Inc. (“AXA Equitable Holdings”), the direct parent of AXA Equitable Financial from AXA in 2017.

On May 24, 2018, AXA completed an initial public offering in which it sold its shares of AXA Equitable Holdings’ common stock to the public. As of December 31, 2020, AXA owned less than 10% of the outstanding common stock of AXA Equitable Holdings and continued to divest its ownership interests. On May 17, 2021, AXA completed the divestiture of all its ownership interest in AXA Equitable Holdings.

In 2020, both AXA Equitable Holdings and AXA Equitable Financial Services removed “AXA” from its legal entity name and AXA Equitable Life Insurance Company received approval from the Department to change its name to Equitable Financial Life Insurance Company (“EFLIC”) on June 15, 2020.

Holding Company

The Company is a wholly owned subsidiary of Equitable Financial Services, LLC (“EFS”), a New York limited liability company. EFS is in turn a wholly owned subsidiary of Equitable Holdings, Inc., a Delaware publicly traded corporation. Equitable Holdings, Inc. is the ultimate parent of the Company. In January 2020, AXA Equitable Holdings changed its name to its current name, Equitable Holdings, Inc.

The Company is licensed to transact business in all 50 states, the District of Columbia, Puerto Rico, and the US Virgin Islands.

According to the Certificate of Authority, Equitable Financial Life Insurance Company is authorized to transact the business of Regulation 1 Variable Annuities, Regulation 44 Variable Life, Section 902 Life and Section 903 Health insurance within the State of Delaware.

Equitable does not operate on a branch system. All Equitable insurance products are distributed by either Equitable Network, LLC and its subsidiaries or Equitable Distributors, LLC and its subsidiaries. Equitable Network functions primarily as a retail distributor, selling products directly to customers through individual Equitable Network insurance agents. Equitable Distributors operates as a wholesaler, distributing Equitable products to third party general agents.

**Delaware Market Conduct Examination Report
Equitable Financial Life Insurance Company**

As of their Annual Statements for the State of Delaware, Equitable Financial reported the following ordinary life insurance premiums:

YEAR	Ordinary Life Insurance Premium DE ONLY
2018	35,252,350
2019	31,224,937
2020	28,477,361
2021	27,520,578
2022	26,112,366

COMPANY OPERATIONS AND MANAGEMENT

The Company provided the requested information documenting its management and operational procedures in areas for which they conduct business in the State of Delaware, including:

- The State of Delaware Department of Insurance Certificate of Authority.
- The Company History Narrative.
- The Management Structure narrative and copies of the Company’s Simplified Organization Chart, Life New Business Organization Chart, and an Inforce Operations Organization Chart.
- A list of 91 Audits conducted during the experience period.
- A copy of Equitable Holding, LLC Anti-Fraud Plan.
- A copy of the Records and Information Management (RIM) Program Policy.
- A list of Actions and Reports, an Order of Disciplinary Action, two Orders of Civil Penalty, one Market Conduct Examination Report and one Financial Examination Report.
- Copies of the Company’s Annual Statements for 2018, 2019, 2020, 2021 and 2022.

The documentation was reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

COMPLAINTS HANDLING

A. Consumer Complaints

The Company provided a universe of 25 consumer complaints received during the experience period. All 25 complaints were requested, received, and reviewed. The Company also provided the complaint logs as requested. The Department’s list of written

**Delaware Market Conduct Examination Report
Equitable Financial Life Insurance Company**

consumer complaints was compared to the Company's complaint logs.

The complaint files and the five years of complaint logs were reviewed for compliance with the State of Delaware Statutes and regulations, including but not limited to, 18 *Del. C.* § 2304 (17) Failure to maintain complaint handling procedures. This Section of the Code requires maintenance of a complete record of all complaints received from the date of its last examination. The record shall indicate the total number of complaints, their classification by line of insurance, the nature of each complaint, the disposition of the complaint and the time it took to process each complaint. Any written complaint involving claims were also reviewed for compliance with 18 *Del. Admin. C.* § 902-1.2.1.2 Prohibited Unfair Claim Settlement Practices.

No exceptions were noted.

MARKETING AND SALES

A. Advertising and Sales Materials – Company Generated

The Company provided a list of 16,432 pieces of advertising utilized during the experience period. The advertising consisted of letters, flyers, emails, webpages, articles, brochures, PowerPoint presentations, proposals, social media posts, videos, manuals, fact cards, questionnaires, newsletters, trainings, letters and the Company's web page. A sample of 116 pieces of advertising were requested, received and reviewed. The 116 advertising materials and the Company's web site, <https://equitable.com> were reviewed to ascertain compliance with the State of Delaware Statutes and Regulations, including but not limited to, 18 *Del. C.* §2303, Unfair Methods of Competition and Unfair or Deceptive Acts or Practices.

No exceptions were noted.

B. Advertising and Sales Materials – Producer Generated

The Company provided a list of 1,429 Company generated pieces of advertising utilized by producers during the experience period. The advertising consisted of articles, audio/video files, biographies, brochures, business cards, DBA letterheads, emails, flyers, invitations, letters, newsletters, off-platform website - pre-authorized, presentation seminars, print advertisements, questionnaires, scripts, social media content, third party materials and web-based (intranet/internet). A sample of 115 pieces of advertising were requested, received and reviewed. The advertising materials were reviewed for compliance with the State of Delaware Statutes and Regulations, including but not limited to, 18 *Del. C.* §2303, Unfair Methods of Competition and Unfair or Deceptive Acts or Practices.

No exceptions were noted.

PRODUCER LICENSING

A. Producer Licensing and Appointments

The Company provided a universe list of 888 retail channel active producers. A random sample of 86 producers was selected. The list was compared to departmental records of producers, and the NAIC State Based System (SBS) Lookup Search, to verify the licensing and appointments, and compliance with the State of Delaware Statutes and Regulations. In addition, a comparison was made on the producers identified on applications reviewed in the policy issued sections of the exam. For this examination purposes, producer licensing exceptions found in the other sections of the examination will be addressed in their respective summaries.

No exceptions were noted.

B. Producer Terminations

The Company provided a universe of 439 retail channel terminated producers. A random sample of 84 terminated producers was selected for review. The sample was reviewed for compliance with the State of Delaware Statutes and Regulations.

The following exceptions were noted:

3 Exceptions - 18 Del. C. § 1716(d). Notification to Insurance Commissioner of termination.

The Company failed to send a copy of the termination notification to the producer.

Recommendation: It is recommended that the Company review its procedures to ensure the Company sends a copy of the termination notification to all producers as required by 18 Del. C. § 1716(d).

POLICYHOLDER SERVICE

A. Individual Life Insurance Policy Loans

The Company provided a universe of 81 individual life insurance policy loans requested during the experience period. A sample of 79 policy loans were requested, received and reviewed. The policy files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

B. Individual Life Insurance Policies Surrendered

The Company provided a universe of 161 individual life insurance policies surrendered during the experience period. A random sample of 79 policy files was requested, received and reviewed. The files were reviewed to ensure compliance with State of Delaware Statutes and Regulations.

No exceptions were noted.

UNDERWRITING AND RATING

A. Underwriting Guidelines

The Company was requested to provide copies of the underwriting guidelines in use in Delaware during the experience period. The underwriting guidelines were to include the Company's accelerated underwriting and predictive modeling and a detailed description of the processes, including, a copy of the application, DNA requirements, the application denial process, along with a copy of a denial letter, and the application denial appeal process. The Company was also requested to provide an explanation whether the universal life policies were being marketed as a long-term investment that could provide retirement income.

The Company provided the following underwriting guidelines: equitable life underwriting condensed guide, equitable underwriting guidance - accelerated underwriting, tobacco usage guidelines, financial with at a glance, retention and reinsurance, reinstatement guidelines, regulatory guidelines, risk classes all products, and when to use adverse underwriting decision (AUD) letter. The guidelines were reviewed and there were no exceptions noted.

The Company also provided a copy of the application, the application denial process, along with copies of the denial letter, and the application denial appeal process. The Company indicated that no DNA samples were required to obtain life insurance.

The Company indicated that the Company does not use any algorithmic or predictive models. The Company offers accelerated underwriting, called Easy Underwriting. With Easy Underwriting, no labs or exams are required. The underwriting is based on the application and other data such as Medical Information Bureau report, motor vehicle report, prescription history, and a risk classifier, which is based on public records and credit information. Medical records may be required if warranted. To qualify for Easy Underwriting, proposed insureds must be between the ages 18-60 with face amounts up to \$2 million. Easy Underwriting is available on the Company's single life term and permanent products.

If a proposed insured does not qualify for accelerated underwriting, and coverage is otherwise available, the case may be moved to full traditional underwriting which may

**Delaware Market Conduct Examination Report
Equitable Financial Life Insurance Company**

include paramedical exams and labs. If an adverse decision is made, the proposed insured is provided with an adverse decision letter concerning the reasons for the adverse decision.

The Company also indicated that the Company does not market universal life insurance policies as long-term investment income that can provide retirement income but rather the primary goal of the Company's universal life products was death benefit protection.

During the course of the examination, the examiners reviewed the company's individual life insurance policies issued and policies not taken, and individual life insurance applications declined, incomplete, pending and withdrawn. Within each of these sample groups, applications and denial letters that included the appeal instructions were reviewed and they were determined to be consistent with the company's guidelines.

No exceptions were noted.

B. Policy Forms

The Company provided a universe of 157 policy forms in use during the experience period. A random sample of 79 policy forms was requested, received and reviewed. The forms were reviewed for compliance with the State of Delaware Statutes and Regulations, including but not limited to, 18 *Del. C.* § 2712, Filing, approval of forms.

No exceptions were noted.

C. Individual Term Life Insurance Policies Issued as New

The Company provided a universe of 108 term life insurance policies issued as new during the experience period. A random sample of 79 policies was requested, received and reviewed. The policy files were reviewed for compliance with the State of Delaware Statutes and Regulations.

The following exception was noted:

1 Exception - 18 *Del. Admin. C.* § 1204-7.1.2.2 Duties of Insurers That Use Agents and Brokers

The Company failed to ensure that the written communication advising of the replacement to the existing insurer was communicated within 7 working days.

Recommendation: It is recommended that the Company review its procedures to ensure the written communication advising of the replacement to the existing insurer communicated within 7 working days as required by 18 *Del. Admin. C.* § 1204-7.1.2.2.

D. Individual Universal Life Insurance Policies Issued as New

The Company provided a universe of 18 individual universal life insurance policies issued

**Delaware Market Conduct Examination Report
Equitable Financial Life Insurance Company**

as new during the experience period. All 18 policies were requested, received and reviewed. The policy files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

E. Individual Variable Life Insurance Policies Issued as New

The Company provided a universe of three individual variable life insurance policies issued as new during the experience period. The entire universe of three policy files was requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

F. Individual Life Insurance Policy Replacement Applications

The Company provided a universe of 63 individual life insurance policy replacement applications taken during the experience period. All 63 application files were requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

The following exceptions were noted:

17 Exceptions - 18 Del. Admin. C. § 1204-7.1.2.2 Duties of Insurers That Use Agents and Brokers

The Company failed to include a summary or ledger statement in the written communication advising of the replacement or proposed replacement of the policy to the existing insurer.

Recommendation: It is recommended that the Company review its procedures to ensure the written communication advising of the replacement to the existing insurer includes a Summary or Ledger Statement as required by 18 Del. Admin. C. § 1204-7.1.2.2.

G. Individual Life Insurance Policy Applications Incomplete

The Company provided a universe of 31 individual life insurance policy applications that were incomplete during the experience period. The entire universe of 31 policy applications was requested, received and reviewed. The policy applications files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

H. Individual Life Insurance Policy Applications Declined

The Company provided a universe of 17 individual life insurance policy applications declined during the experience period. The entire universe of 17 policy application files was requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

I. Individual Life Insurance Policies Not Taken

The Company provided a universe of 12 individual life insurance policies not taken by the applicant during the experience period. The entire universe of 12 policy files was requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

J. Individual Life Insurance Policy Applications Pending

The Company provided a universe of three individual life insurance policy applications that were pending during the experience period. The entire universe of three policy application files was requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

K. Individual Life Insurance Policy Applications Postponed

The Company provided a universe of six individual life insurance policy applications postponed during the experience period. The entire universe of six policy applications was requested, received and reviewed. The policy application files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

L. Individual Life Insurance Policy Applications Withdrawn

The Company provided a universe of 34 individual life insurance policy applications withdrawn during the experience period. The entire universe of 34 policy application files was requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

CLAIMS

A. Paid Claims Paid

The Company provided a universe of 178 claims received during the experience period. A random sample of 76 claims was requested, received and reviewed. The claim files were reviewed for compliance with the State of Delaware Statutes and Regulations.

The following exceptions were noted:

2 Exceptions - 18 Del. Admin. C. § 902-1.2.1.2

The Company failed to acknowledge the claims within 15 working days.

Recommendation: It is recommended that the Company review its procedures to ensure all claims are acknowledged within 15 working days as required by 18 Del. Admin. C. § 902-1.2.1.2.

B. Denied Claims

The Company was requested to provide a list of all claims received and denied during the experience period. The Company indicated that there were no claims denied during the experience period.

No exceptions were noted.

Delaware Market Conduct Examination Report
Equitable Financial Life Insurance Company

CONCLUSION

The recommendations made below identify corrective measures the Department finds necessary as a result of the exceptions noted in the Report. Location in the Report is referenced in parenthesis.

1. It is recommended that the Company review its procedures to ensure the Company mails a copy of the termination notification to the producer at his or her last known address as required by 18 *Del. C.* § 1716(d). (Producer Licensing)
2. It is recommended that the Company review its procedures to ensure the written communication advising of the replacement to the existing insurer is communicated within 7 working days as required by 18 *Del. Admin. C.* § 1204-7.1.2.2. (Underwriting and Rating)
3. It is recommended that the Company review its procedures to ensure the written communication advising of the replacement to the existing insurer includes a Summary or Ledger Statement as required by 18 *Del. Admin. C.* § 1204-7.1.2.2. (Underwriting and Rating)
4. It is recommended that the Company review its procedures to ensure all claims are acknowledged within 15 working days as required by 18 *Del. Admin. C.* § 902-1.2.1.2. (Claims)

**Delaware Market Conduct Examination Report
Equitable Financial Life Insurance Company**

The examination conducted by Joseph Krug, CPA, AFE, MCM; Christina Hughart, JD, MCM; Stephen Misenheimer; and Frank Kyazze, MCM, CIE, FLMI, ALHC, MBA, is respectfully submitted.



Frank W. K. Kyazze, MCM, CIE, FLMI, ALHC
Examiner-in-Charge
Market Conduct
Delaware Department of Insurance

I, Frank W.K. Kyazze, hereby verify and attest, under oath, that the above is a true and correct copy of the examination report and findings of the market conduct examination submitted to the Delaware Department of Insurance pursuant to examination authority #62944-23-633.



Frank W. K. Kyazze, MCM, CIE, FLMI, ALHC