

**DELAWARE DEPARTMENT OF INSURANCE**  
**MARKET CONDUCT EXAMINATION REPORT**

**United of Omaha Life Insurance Company**  
**NAIC #69868**

**3300 Mutual of Omaha Plaza**  
**Omaha, NE 68175**

**As of**

**December 31, 2024**

TRINIDAD NAVARRO  
COMMISSIONER



STATE OF DELAWARE  
DEPARTMENT OF INSURANCE

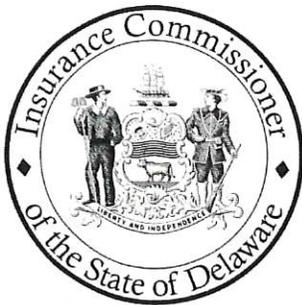
I, Trinidad Navarro, Insurance Commissioner of the State of Delaware, do hereby certify that the attached REPORT ON EXAMINATION, made as of December 31, 2024 on

**United of Omaha Life Insurance Company**

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

Attest By:

A handwritten signature in blue ink, appearing to read "Trinidad Navarro", written over a horizontal line.



In Witness Whereof, I have hereunto set my hand  
and affixed the official seal of this Department at the  
City of Dover, this 18th day of February, 2026.

A handwritten signature in blue ink, appearing to read "Trinidad Navarro", written over a horizontal line.

Trinidad Navarro  
Insurance Commissioner

TRINIDAD NAVARRO  
COMMISSIONER



STATE OF DELAWARE  
DEPARTMENT OF INSURANCE

REPORT ON EXAMINATION  
OF THE

**United of Omaha Life Insurance Company**

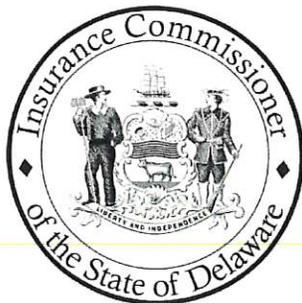
AS OF

December 31, 2024

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 18th day of February, 2026.



Trinidad Navarro  
Insurance Commissioner

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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 69868-25-511 and pursuant to statutory provisions including 18 *Del. C.* §§ 318-322, a market conduct examination has been conducted of the affairs and practices of:

**United of Omaha Life Insurance Company**  
**NAIC #69868**

The examination was performed as of December 31, 2024.

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 called as part of a life project started in 2025 to review the Company's practices in the life insurance marketplace in Delaware. The examination focused on the Company's life insurance 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 and Underwriting and Rating.

The following exceptions were noted:

- **15 Exceptions**

- **18 Del. C. § 1716. 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.*

The Company failed to notify the Insurance Commissioner of the producer termination within 30 days following the effective date of the termination.

- **34 Exceptions**

- **18 Del. C. § 1716(d) Copy of notification to be provided to producer.**

- *(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 certified mail, return receipt requested, postage prepaid or by overnight delivery using a*

*nationally recognized carrier.*

The Company failed to mail a copy of the termination notification to the producer at his or her last known address.

- **7 Exceptions**

- **18 Del. C. § 1715. Appointments.**

- *(b) To appoint a producer as its agent, the appointing insurer shall file, in a format approved by the Insurance Commissioner, a notice of appointment within 15 days from the date the agency contract is executed or the first insurance application is submitted. An insurer may also elect to appoint a producer to all or some insurers within the insurer's holding company system or group by the filing of a single appointment request. The group appointment provision of this section is only applicable upon implementation by this Department of an electronic appointment process.*

The Company failed to ensure that the producers were appointed within 15 days from the date the first insurance application was submitted.

- **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:*
      - *7.1.1 Require with or as a part of each completed application for life insurance or annuity, a statement signed by the agent or broker as to whether he or she knows replacement is or may be involved in the transaction.*

The Company failed to provide proof that a statement was signed by the agent as to whether he knew that a replacement was involved in the transaction.

- **3 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 provide proof that a written communication advising of the replacement or proposed replacement was sent to the existing insurer in two files.

The written communication advising of the replacement to the existing insurer was made beyond 7 working days in one file.

- **1 Exception**

**18 Del. C. § 1703. License required.**

*A person shall not sell, solicit or negotiate insurance in this State for any class or classes of insurance unless the person is licensed for that line of authority in accordance with this chapter.*

The Company failed to ensure that the producer was licensed before accepting the application.

- **2 Exceptions**

**18 Del. Admin. C. § 1203-5.0 Disclosure Requirements**

*5.1 The insurer shall provide, to all prospective purchasers, a Buyer's Guide and a Policy Summary prior to accepting the applicant's initial premium or premium deposit, unless the policy for which application is made contains an unconditional refund provision of at least ten days or unless the Policy Summary contains such an unconditional refund offer, in which event the Buyer's Guide and Policy Summary must be delivered with the policy or prior to delivery of the policy.*

*5.2 The insurer shall provide a Buyer's Guide and a Policy Summary to any prospective purchaser upon request.*

*7.1 Failure of an insurer to provide or deliver a Buyer's Guide, or a Policy Summary as provided in section 5.0 shall constitute an omission which misrepresents the benefits, advantages, conditions or terms of an insurance policy. In each such instance, the insurer shall, after hearing, be subjected to the penalties as prescribed in 18 Del.C. §106.*

The company failed to provide proof that a buyer's guide was provided to the prospective purchasers.

- **2 Exceptions**

**18 Del. C. § 2712. Filing, approval of forms.**

*(a) No basic insurance policy or annuity contract, form, or application form where written application is required and is to be made a part of the policy or contract or printed rider or endorsement form or form of renewal certificate shall be delivered or issued for delivery in this State, unless the form has been filed with the Commissioner.*

The Company failed to ensure that the form used was filed in Delaware.

- **2 Exceptions**

**18 Del. Admin. C. § 1210-9.0 Delivery of Illustration and Record Retention**

*9.2.2 If the policy is issued, a basic illustration conforming to the policy as issued shall be sent with the policy and signed no later than the time the policy is delivered. A copy shall be provided to the insurer and the policy owner.*

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The Company failed to provide proof of the illustration signed no later than the time the policy was delivered.

## **SCOPE OF EXAMINATION**

The Market Conduct Examination was conducted pursuant to the authority granted by 18 *Del. C.* §§ 318-322 and covered the examination period of January 1, 2022, through December 31, 2024, unless otherwise noted. This examination was called part of a Life Project started in 2025. The scope of the examination includes, but is not limited to, the Company's practices and procedures relating to company operations and management, complaints handling, marketing and sales, producer licensing, policyholder services, underwriting and claims handling. The focus of the examination was on the Company's life insurance business. This is a multi-company review of life insurers' practices surrounding underwriting, denials in underwriting, claims – both paid and denied, and the use of Artificial Intelligence (AI) if applicable.

## **METHODOLOGY**

This examination was performed in accordance with Market Regulation standards established by the Department and examination procedures suggested by the National Association of Insurance Commissioners (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.

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**

Founded in 1909 as Mutual Benefit Health & Accident Association, Mutual of Omaha has grown into a Fortune 500 company offering insurance and financial solutions throughout the United States and Puerto Rico. Mutual of Omaha is the parent company of United of Omaha Life Insurance Company.

Mutual of Omaha offers individual medicare supplement, senior dental, senior vision, accident, critical illness, cancer, hospital indemnity and long-term care products.

United of Omaha Life Insurance Company offers both individual and group insurance products. Individual product offerings include medicare supplement, term life, whole life, universal life, and indexed universal life. Group product offerings include term life, annuity, disability income, critical illness, hospital indemnity, dental, vision and accident.

The products are offered through an agency sales force, group sales offices, independent agents and direct to consumers.

According to the State of Delaware Department of Insurance, United of Omaha Life Insurance Company is authorized to transact the business of: life, variable life, annuities, variable annuities, credit life, health and credit health insurance within the State of Delaware as such classes are now or may be defined.

As of their 2022 Annual Statement for the State of Delaware, United of Omaha Life Insurance Company reported ordinary life insurance premiums for \$12,239,254.

As of their 2023 Annual Statement for the State of Delaware, United of Omaha Life Insurance Company reported ordinary life insurance premiums for \$15,842,426.

As of their 2024 Annual Statement for the State of Delaware, United of Omaha Life Insurance Company reported ordinary life insurance premiums for \$15,238,450.

## **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.
- A written overview of the Company's history and profile.
- A description of Company's management structure as it relates to life insurance, and copies of the organizational charts.
- A list of five audits conducted during the examination period, and a paragraph describing the Company's internal audit annual risk assessment and annual audit plan.

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- A Copy of the Company's compliance department policy and procedures.
- A statement that managing general agents, general agents and third-party administrators were not used during the examination period.
- A statement that third-party administrators were not utilized in Delaware for business functions (e.g. claims and underwriting) related to individual life products during the examination period.
- A list of vendors conducting activities on behalf of the Company during the examination period.
- A copy of the Company's records and information management policy.
- A list of fines and one market conduct examination report.
- The Company's annual statements for 2022, 2023 and 2024.

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 was requested to provide a list of all consumer complaints received during the examination period. The Company was also requested to provide copies of consumer complaint logs for 2022, 2023 and 2024. The Company provided a list of six consumer complaints received. All six complaint files were requested, received and reviewed. The Company also provided the complaint logs as requested

The complaint files and the complaint logs were reviewed for compliance with the State of Delaware Statutes and Regulations including but not limited to, 18 *Del. C.* §2304 (17). This Section of the Code requires maintenance of a complete record of all complaints received since the date of the 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.

No exceptions were noted.

## **MARKETING AND SALES**

### **A. Advertising and Sales Policies and Procedures**

The Company was requested to provide documentation of the Company's policies and procedures related to advertising and sales. The Company provided their producer training material, replacement procedures, illustration procedures, suitability

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procedures, product specific training materials, approval process for marketing and sales material, incentives and motivational awards policies, notification procedures for changes in insurance regulations, and procedures to monitor compliance with education and training requirements. The advertising and sales policies and procedures were reviewed for compliance with applicable State of Delaware Statutes and Regulations.

No exceptions were noted.

**B. Advertising and Sales Materials**

The Company provided a list of 603 company generated pieces of advertising utilized during the examination period. The advertising consisted of articles, brochures, display ads, emails, email newsletters, flyer handouts, guides, illustrations, landing pages, letters, postcards, self-mailers, power point templates, presentations, scripts, social media, videos and websites.

A sample of 86 pieces of advertising was requested, received and reviewed. The 86 advertising materials and the Company's web site, <https://www.mutualofomaha.com>, were reviewed for compliance with the State of Delaware Statutes and Regulations including but not limited to, Title 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 list of 1,828 active producers. A random sample of 113 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 for compliance with the State of Delaware Statutes and Regulations. In addition, a comparison was made with the producers identified on the applications reviewed in the policy issued sections of the examination. For this examination purposes, producer licensing and appointment exceptions found in the other sections of the examination are addressed in their respective sections.

No exceptions were noted.

**B. Producer Terminations**

The Company provided a universe of 1,543 producers terminated during the examination period. A random sample of 113 terminated producers was selected for review. The producer termination process was reviewed for compliance with the State of Delaware Statutes and Regulations.

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The following exceptions were noted:

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

The Company failed to notify the Insurance Commissioner of the producer termination within 30 days following the effective date of the termination.

*Recommendation:* It is recommended that the Company review its procedures to ensure that the Insurance Commissioner is notified of the producer termination timely as required by 18 Del. C. § 1716(a)(b).

**34 Exceptions- 18 Del. C. § 1716(d) Copy of notification to be provided to producer.**

The Company failed to mail a copy of the notification to the producer at his or her last known address

*Recommendation:* It is recommended that the Company review its procedures to mail a copy of the termination notification to the producer at his or her last known address and timely as required by 18 Del. C. § 1716(d).

## **POLICYHOLDER SERVICE**

### **A. Policyholder Service Policies and Procedures**

The Company was requested to provide documentation of the Company's policies and procedures related to policyholder and/or beneficiary services. This was to include the documentation of procedures for locating missing policyholders or beneficiary information, non-forfeiture options communication to the policyholders, provision of annual reports of policy values to the policyholders, and the procedures for handling unearned premium calculation and refund. The Company was also requested to provide documentation that policy loan and surrender requests were processed timely and accurately. The Company provided the requested documentation, which was reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

### **B. Individual Life Insurance Policy Loans**

The Company provided a list of 721 individual life insurance policy loans requested during the examination period. A random sample of 86 policy loan files was requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

### **C. Individual Life Insurance Policies Surrendered**

The Company provided a list of 605 individual life insurance policies surrendered during the examination period. A random sample of 86 surrendered 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.

## **UNDERWRITING AND RATING**

### **A. Individual Life Insurance Policy Rates**

The Company was requested to provide copies of the rates approved for use in Delaware during the examination period. The Company indicated that individual life insurance rates are not required to be filed in Delaware. The rates for policies are built into the Company's administrative issue systems.

No exceptions were noted.

### **B. Individual Life Insurance Underwriting Guidelines**

The Company was requested to provide copies of the underwriting guidelines in use in Delaware during the examination period. The underwriting guidelines were to include the Company's accelerated underwriting and predictive modeling and a detailed description of the processes, if used. The guidelines were also to include a copy of the application, the application denial process, along with a copy of a denial letter, and the application denial appeal process.

The Company was requested to provide a copy of the company's written Artificial Intelligence System (AIS) Program. The Company was also requested to provide an explanation of how much AI is involved in the Underwriting process. In addition, the Company was requested to provide an explanation how the company uses AI and what controls are in place to ensure compliance with the pertinent State of Delaware Statutes and Regulations. The Company provided a Program Narrative of the Company's Artificial Intelligence (AIS) Program. The Company indicated how AI is used and stated that the associates are required to have the expertise to comply with applicable laws and regulations governing insurance or have access to someone who has the required expertise. The Company indicated that United of Omaha does not use any form of generative AI in the Underwriting process. The Company indicated that humans perform all reviews related to rescission of an existing policy. The Company indicated that humans review all appeals.

In case the Company uses Predictive Models, the Company was requested to provide a narrative description of the model's intended goals and objectives and how the model is developed and validated to ensure that the AI Systems that rely on such models correctly

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and efficiently predict or implement those goals and objectives.

The Company was requested to provide a listing of health issues that result in an "automatic denial" and also to provide actuarial proof that supports the reasons. The Company was also requested to provide a detailed explanation if family history related to any of the diseases (health issues above) is also a reason for denials. For example - if the consumer doesn't have a listed health concern (i.e. high blood pressure or cholesterol), but they indicate there is a family history, whether they are denied for family history. Or, if the reasons are limited to only the applicant.

The Company was requested to provide the number of application declination appeals received during the examination period and the number of those appeals that were overturned. If the Company makes the decision to deny an application or rescind a Policy, the Company was requested to advise whether medical records are submitted and reviewed and if so, whether they are reviewed by a human. And if by a human, whether by a medically trained professional or by an underwriter with no formal medical training.

The Company was requested to provide an explanation whether the universal life insurance policies were marketed as long-term investment that could provide retirement income.

The Company was requested to provide a list of any lawsuits filed against the Company during the examination period as a result of any underwriting denials.

The Company provided copies of the underwriting guidelines. The guidelines were reviewed to ensure that underwriting guidelines were in place and being followed in a uniform and consistent manner.

The Company provided copies of the life insurance applications. The Company also provided copies of the denial and decline letters that included the appeal process and a summary of rights.

The Company provided a description of the Automated underwriting (AU), Accelerated Underwriting (lab-free) and Predictive Model processes used.

The Company indicated that the Company's system score used in the accelerated underwriting process reviews a set of customer data to produce a score. This score, along with other underwriting evidence, is used to determine if an applicant is potentially eligible for an accelerated process. However, the tool is not used to make a final underwriting decision.

The Company indicated that United of Omaha does not use Third-Party Administrators in the life underwriting processes.

The Company indicated that for fully underwritten policies, the Company does not maintain a "list" of conditions which result in an automatic denial. Any condition which

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is considered an automatic denial is included in the reinsurance manuals utilized in the underwriting process. For simplified underwriting the Company does not maintain a list of conditions which are automatic denials. Depending on the simplified issue product, the Company uses application questions, underwriting guidelines and/or reinsurance manuals in the underwriting process.

For fully underwritten policies, if a proposed insured has a family history of an auto declinable impairment per the reinsurance underwriting manual, it does not mean that the proposed insured will be automatically denied coverage. When reviewing one's family history, the assessment is based on all considerations of the case. Family history is handled with individual consideration and reviewed by the Medical Department. For simplified underwriting, family history is not considered in the underwriting process for simplified issue products. Any conditions which would result in a denial of coverage are limited to those of the applicant.

The Company indicated that their administrative systems do not capture appeal information for declined applications during the underwriting process. However, the Company indicated that 22 appeals were received during the examination period, of which 12 appeals were overturned. The Company also indicated that if the Company makes the decision to deny an application or rescind a Policy, the medical records submitted and reviewed are reviewed by humans. That is, by experienced life underwriters.

The Company indicated that the primary focus of the Company's universal life product is to provide long-term death benefit protection. The cash value can be used for many things. For example, children's college expenses, helping supplement retirement income or emergency expenses. The policy's cash value can be accessed through income tax-free loans and withdrawals. Any policy withdrawals, loans and loan interest will reduce policy values and benefits.

The Company indicated that there were no lawsuits filed against the Company in Delaware during the examination period as a result of any underwriting denials.

The guidelines, and all the information provided, were reviewed to ensure that underwriting guidelines were in place and being followed in a uniform and consistent manner and that no underwriting practices or procedures were in place that could be considered discriminatory in nature or specifically prohibited by statute or regulation.

No exceptions were noted.

### **C. Individual Life Insurance Policy Forms**

The Company provided a list of 107 life insurance policy forms in use during the examination period. A sample of 48 forms, which were determined to be within the scope of the examination, was requested, received and reviewed. The forms provided were reviewed for compliance with the State of Delaware Statutes and Regulations, including

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but not limited to 18 *Del. C.* § 2712, Filing, approval of forms. For this examination purposes, form exceptions found in the other sections of the examination are addressed in their respective sections.

No exceptions were noted.

**D. Individual Term Life Insurance Policies Issued as New**

The Company provided a list of 296 individual term life insurance policies issued as new during the examination 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 exceptions were noted:

**2 Exceptions - 18 *Del. C.* § 1715(a)(b). Appointments.**

The Company failed to ensure that the producers were appointed within 15 days from the date the first insurance application was submitted.

*Recommendation:* It is recommended that the Company review its procedures to ensure that all producers are appointed by the Company within 15 days from the date the application is submitted as required by 18 *Del. C.* § 1715(a)(b).

**1 Exception - 18 *Del. Admin. C.* § 1204-7.1.1 Duties of Insurers That Use Agents and Brokers**

The Company failed to provide proof that a statement was signed by the agent as to whether he knew that a replacement was involved in the transaction.

*Recommendation:* It is recommended that the Company review its procedures to ensure that a statement, signed by the agent or broker as to whether he or she knows a replacement is or may be involved in the transaction, is part of each completed application as required by 18 *Del. Admin. C.* § 1204-7.1.1.

**E. Individual Term Life Insurance Policies Issued as Replacements**

The Company provided a list of 22 individual-term life insurance policies issued as replacements during the examination period. All 22 policies were 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 Duties of Insurers That Use Agents and Brokers**

The Company failed to provide proof that a written communication advising of the replacement or proposed replacement was sent to the existing insurer.

*Recommendation:* It is recommended that the Company review its procedures to ensure that the written communication advising of the replacement to the existing insurer is 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 is issued, whichever is sooner as required by 18 Del. Admin. C. § 1204-7.1.2.2.

**F. Individual Whole Life Insurance Policies Issued as New**

The Company provided a list of 5,627 individual whole life insurance policies issued as new during the examination period. A random sample of 115 policies was requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

The following exceptions were noted:

**1 Exception - 18 Del. C. § 1703. License required.**

The Company failed to ensure that the producer was licensed before accepting the application.

*Recommendation:* It is recommended that the Company review its procedures to ensure that all applications are accepted from duly licensed producers as required by 18 Del. C. § 1703.

**2 Exceptions - 18 Del. C. § 1715(a)(b). Appointments.**

The Company failed to ensure that the producers were appointed within 15 days from the date the first insurance application was submitted.

*Recommendation:* It is recommended that the Company review its procedures to ensure that all producers are appointed by the Company within 15 days from the date the application is submitted as required by 18 Del. C. § 1715(a)(b).

**2 Exceptions - 18 Del. Admin. C. § 1203-5.1 Disclosure Requirements**

The Company failed to provide proof that a buyer's guide was provided.

*Recommendation:* It is recommended that the Company review its procedures to ensure that a buyer's guide is provided to all prospective purchasers as required by 18 Del. Admin. C. § 1203-5.1.

### **G. Individual Whole Life Insurance Policies Issued as Replacements**

The Company provided a list of 330 individual whole life insurance policies issued as replacements during the examination period. A random sample of 79 policies was requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

The following exceptions were noted:

#### **1 Exception – 18 Del. C. § 2712. Filing, approval of forms.**

The Company failed to ensure that the form used was filed in Delaware.

*Recommendation:* It is recommended that the Company review its procedures to ensure that all the forms used are filed as required by 18 Del. C. § 2712.

#### **1 Exception - 18 Del. Admin. C. § 1204-7.1.1.2.2 Duties of Insurers That Use Agents and Brokers**

The written communication advising of the replacement to the existing insurer was made beyond 7 working days.

*Recommendation:* It is recommended that the Company review its procedures to ensure that the written communication advising of the replacement to the existing insurer is 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 is issued, whichever is sooner as required by 18 Del. Admin. C. § 1204-7.1.2.2.

### **H. Individual Universal Life Insurance Policies Issued as New**

The Company provided a list of 827 individual universal life insurance policies issued as new during the examination period. A random sample of 86 policies was requested, received and reviewed. The policy files were reviewed for compliance with the State of Delaware Statutes and Regulations.

The following exceptions were noted:

#### **2 Exceptions - 18 Del. Admin. C. § 1210-9.2.2 Delivery of Illustration and Record Retention**

The Company failed to provide proof of the illustration signed no later than the time the policy was delivered.

*Recommendation:* It is recommended that the Company review its procedures to ensure that all illustrations are signed no later than the time the policy is delivered as required by 18 Del. Admin. C. § 1210-9.2.2.

## **I. Individual Universal Life Insurance Policies Issued as Replacements**

The Company provided a list of 65 individual universal life insurance policies issued as replacements during the examination period. All 65 policies were requested, received and reviewed. The policy files were reviewed for compliance with the State of Delaware Statutes and Regulations.

The following exceptions were noted:

### **1 Exception – 18 Del. C. § 2712(a). Filing, approval of forms.**

The Company failed to ensure that the application form used was filed in Delaware.

*Recommendation:* It is recommended that the Company review its procedures to ensure that all forms used are filed in Delaware as required by 18 Del. C. § 2712(a).

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

The Company failed to show proof that a written communication advising of the replacement to the existing insurer was sent to the existing insurer.

*Recommendation:* It is recommended that the Company review its procedures to ensure that the written communication advising of the replacement to the existing insurer is 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 is issued, whichever is sooner as required by 18 Del. Admin. C. § 1204-7.1.2.2.

## **J. Individual Life Insurance Policy Applications Declined**

The Company provided a list of 802 individual life insurance policy applications declined during the examination period. A random sample of 86 policy applications 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 Policies Cancelled**

The Company provided a list of 528 individual life insurance policies cancelled during the examination period. A random sample of 86 cancelled policy files was requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

The following exceptions were noted:

**3 Exceptions - 18 Del. C. § 1715(a)(b). Appointments.**

The Company failed to provide proof that the producers were appointed by the Company.

*Recommendation:* It is recommended that the Company review its procedures to ensure that all producers are appointed by the Company within 15 days from the date the first insurance application is submitted as required by 18 Del. C. § 1715(a)(b).

**L. Individual Life Insurance Policies Rescinded**

The Company provided a list of six policies rescinded during the examination period. All six rescinded policy files were requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

**CLAIMS**

**A. Individual Life Insurance Claims Paid**

The Company provided a list of 1,367 individual life insurance policy claims received and paid during the examination period. A random sample of 105 claims paid files was requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

**B. Individual Life Insurance Claims Denied**

The Company provided a list of five claims received and denied during the examination period. All five denied claim files were requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

**C. Individual Life Insurance Policy Claims Rescinded**

The Company provided a list of 11 claim policies rescinded during the examination period. All 11 rescinded policy files were requested, received and reviewed. The files were reviewed for compliance with the State of Delaware Statutes and Regulations.

No exceptions were noted.

## **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 that the Insurance Commissioner is notified of the producer termination timely as required by 18 *Del. C.* § 1716(a)(b). (Producer Licensing)
2. It is recommended that the Company review its procedures to mail a copy of the termination notification to the producer at his or her last known address and timely as required by 18 *Del. C.* § 1716(d). (Producer Licensing)
3. It is recommended that the Company review its procedures to ensure that all producers are appointed by the Company within 15 days from the date the application is submitted, as required by 18 *Del. C.* § 1715(a)(b). (Underwriting and Rating)
4. It is recommended that the Company review its procedures to ensure that a statement, signed by the agent or broker as to whether he or she knows a replacement is or may be involved in the transaction is part of each completed application as required by 18 *Del. Admin. C.* § 1204-7.1.1. (Underwriting and Rating)
5. It is recommended that the Company review its procedures to ensure that the written communication advising of the replacement to the existing insurer is 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 is issued, whichever is sooner as required by 18 *Del. Admin. C.* § 1204-7.1.2.2. (Underwriting and Rating)
6. It is recommended that the Company review its procedures to ensure that all applications are accepted from duly licensed producers as required by 18 *Del. C.* § 1703. (Underwriting and Rating)
7. It is recommended that the Company review its procedures to ensure that a buyer's guide is provided to all prospective purchasers as required by 18 *Del. Admin. C.* § 1203-5.1. (Underwriting and Rating)
8. It is recommended that the Company review its procedures to ensure that all forms used are filed in Delaware as required by 18 *Del. C.* § 2712(a). (Underwriting and Rating)
9. It is recommended that the Company review its procedures to ensure that all illustrations are signed no later than the time the policy is delivered as required by 18 *Del. Admin. C.* § 1210-9.2.2. (Underwriting and Rating)

**Delaware Market Conduct Examination Report  
United of Omaha Life Insurance Company**

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



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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 #69868-25-511



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