

## **FLORIDA SETTLEMENT AGREEMENT**

This Settlement Agreement (“Agreement”) is entered into by and between the Florida Department of Legal Affairs, Office of the Attorney General (the “Attorney General”), the Florida Office of Insurance Regulation (“OIR”), the Florida Department of Financial Services (the “Department”) (collectively, the “State of Florida”), and AXA Equitable Life Insurance Company, AXA Equitable Life & Annuity Company, MONY Life Insurance Company, MONY Life Insurance Company of America, U.S. Financial Life Insurance Company, and each of their predecessors, successors, and assigns and subsidiaries, (collectively referred to as “the Company”) (the State of Florida and the Company are collectively referred to herein as the “Parties”).

A. WHEREAS, the Attorney General has authority under state and federal law to investigate and prosecute potential violations of laws related to certain business practices;

B. WHEREAS, OIR has regulatory jurisdiction over the insurance industry in the State of Florida;

C. WHEREAS, the Department, through its Bureau of Unclaimed Property, has jurisdiction over the administration and enforcement of Florida’s unclaimed property laws, under Chapter 717, Florida Statutes, and rules promulgated thereunder;

D. WHEREAS, commencing on or about May 23, 2012, the Department, through its Bureau of Unclaimed Property, initiated an audit of the Company relating to the unclaimed property laws of Florida (the “Audit”);

E. WHEREAS, on or about December 5, 2012, OIR, together with other state insurance regulators, initiated a multi-state examination of the Company’s claims settlement, policy administration and unclaimed property practices and administration (“Multi-State Examination”);

F. WHEREAS, OIR, the Department and the Attorney General jointly inquired into the

Company's claims settlement, policy administration and unclaimed property practices and administration ("Investigation");

G. WHEREAS, on October 30, 2015, the Multi-State Examination resulted in a Regulatory Settlement Agreement (the "RSA"), a copy of which is attached hereto and made part hereof as Exhibit 1;

H. WHEREAS, on October 30, 2015, the Audit resulted in a Settlement Agreement between the Department and the Company (the "Settlement Agreement"), a copy of which is attached hereto and made part hereof as Exhibit 2.

I. WHEREAS, the Company maintains that it has policies and procedures to ensure payment of valid claims to Beneficiaries or, in the event that the Company's search identifies no living Beneficiary, to report and remit unclaimed Proceeds to the appropriate states in accordance with applicable law, including state unclaimed property laws;

J. WHEREAS, the Company denies any wrongdoing or activities that violate any applicable laws but in view of the complex issues raised and the probability that long-term litigation would be required to resolve the disputes between the Parties hereto, the Company and the State of Florida desire to resolve differences between the Parties as to the interpretation and enforcement of applicable law;

K. WHEREAS, as provided by the RSA and without admitting any liability whatsoever, the Company agrees to pay the State of Florida for the examination, compliance, monitoring and investigation costs associated with the Investigation, to be paid by the Company and allocated thereafter according to the RSA. The Company agrees that the State of Florida's share, under the RSA, may be allocated among the Attorney General, the Department and OIR.

NOW, THEREFORE, the Parties agree as follows:

1. The RSA, Settlement Agreement and Agreement are in the public interest;
2. Any future modification or termination of the RSA between the Company and insurance regulators under paragraph 3.c. of the RSA shall have no force and effect with respect to the Company's obligations to report and remit unclaimed property or to the Department's or the Attorney General's rights to enforce Florida's unclaimed property laws or any other applicable laws relating to the reporting and remitting of unclaimed property;
3. The State of Florida retains the right to enforce this Agreement, the RSA and the Settlement Agreement as provided by applicable law;
4. This Agreement shall become effective on the date that the following two conditions have been met: 1) This agreement has been signed by the Parties; and 2) The RSA has become effective as per the terms contained therein;
5. This Agreement shall be governed by and interpreted according to the laws of the State of Florida and enforcement of this Agreement shall be in the Circuit Court in and for Leon County, Florida;
6. This Agreement may be signed in counterparts.

***[SIGNATURE PAGES IMMEDIATELY FOLLOW]***

Companies' Signature Page

AXA Equitable Life Insurance Company, AXA Equitable Life & Annuity Company, MONY Life Insurance Company, MONY Life Insurance Company of America, U.S. Financial Life Insurance Company, and each of their predecessors, successors, and assigns and subsidiaries

By:

Name:



Printed Name: Paul R. Boucher

Title: Lead Director/Vice President

DATE: October 30, 2015



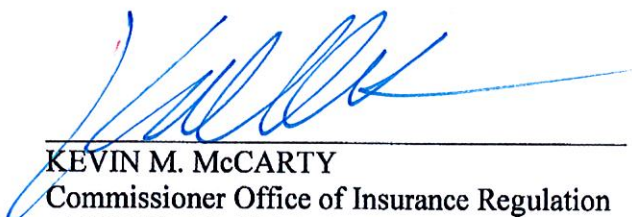
PAMELA JO BONDI  
Attorney General  
PATRICIA A. CONNERS  
Associate Deputy Attorney General  
CHRISTOPHER R. HUNT  
Assistant Attorney General  
Antitrust Division

11-16-15  
Date



JEFF ATWATER  
Chief Financial Officer  
DREW PARKER  
General Counsel

11/19/15  
Date



KEVIN M. McCARTY  
Commissioner Office of Insurance Regulation  
ANOUSH ARAKALIAN BRANGACCIO  
General Counsel

11-17-18  
Date

## **REGULATORY SETTLEMENT AGREEMENT**

This Regulatory Settlement Agreement ("**Agreement**") is entered into by and between the following insurance companies: **AXA Equitable Life Insurance Company, AXA Equitable Life & Annuity Company, MONY Life Insurance Company MONY Life Insurance Company of America, and U.S. Financial Life Insurance Company; and each of its predecessors, successors, and assigns and subsidiaries** (collectively referred to herein as the "**Company**"), and the **California Department of Insurance; Florida Office of Insurance Regulation; New Hampshire Insurance Department; North Dakota Insurance Department; and Pennsylvania Insurance Department as Lead States** ("**Lead States**") in the multi-state targeted market conduct examination of the Company called on December 5, 2012 (the "**Multi-State Examination**"), and the insurance departments executing a Participating State Adoption in the form set forth on Schedule B (the "**Participating States**"). The Lead States and Participating States are collectively referred to as the "**Departments.**" The Departments and the Company are collectively referred to herein as the "**Parties.**"

### **RECITALS**

**WHEREAS**, the Departments have regulatory jurisdiction over the business of insurance conducted in their respective jurisdictions, including the authority to conduct market conduct examinations;

**WHEREAS**, the Departments are the Lead and Participating States in the Multi-State Examination that was called to assess the Company's settlement practices, procedures and policy administration relating to claims, and the use of the Social Security Death Master File ("**DMF**") or similar database or service, including the Company's efforts to identify the owners and beneficiaries of unclaimed Proceeds;

**WHEREAS**, based upon the information gathered to date, the Departments have identified concerns regarding the adequacy of the Company's policies and procedures to ensure that life insurance policies, annuities and Retained Asset Accounts are timely paid to Beneficiaries and are timely reported or remitted in accordance with the Unclaimed Property Laws and the Insurance Laws;

**WHEREAS**, the Company denies any wrongdoing or engaging in any activities that violate any Insurance Laws in the jurisdiction of each Department or any other applicable laws, but in view of the complex issues raised and the probability that long-term litigation and/or administrative proceedings would be required to resolve the disputes between the Parties hereto, the Company and the Departments desire to resolve the differences between the Parties as to the interpretation and enforcement of Insurance Laws and all claims that the Departments have asserted or may assert with respect to the Company's claim settlement practices related to the use of the DMF;

**WHEREAS**, since at least 2005, certain divisions in the Company made quarterly comparisons of certain of its blocks of annuity business in payout mode. In addition, certain

divisions of the Company have performed DMF comparisons related to their corporate/bank-owned life insurance since 2000 and life insurance waiver of premium claims since 2008;

**WHEREAS**, the Company represents that when it learned of a match against the DMF, it referred the case to the appropriate divisions within the Company to determine whether a death claim needed to be opened;

**WHEREAS**, although the Company performed DMF comparisons for portions of its annuity, corporate/bank-owned life insurance and life insurance waiver of premium claims, prior to August 2011, the Company did not have procedures in place to perform regular DMF comparisons to identify when insureds under in-force life policies or annuitants in the "accumulation" phase have died so that the death claim process can be initiated, beneficiaries can be searched for and contacted, and any remaining unclaimed death benefits can be escheated;

**WHEREAS**, the Company represents prior to the commencement of this Examination, beginning in July 2011 and through July 2013, it has complied with and satisfied all obligations under the New York State Insurance Department Special Report Pursuant to Section of 308 of the New York Insurance Law (July 5, 2011), to perform an enterprise-wide comparison against the DMF of its entire in-force blocks of life insurance, annuity contracts and retained assets accounts, as well as certain terminated life insurance policies, for the period 1992 – mid-2011, and that the Company has paid beneficiaries and has paid funds to or has established liabilities to be paid to states as unclaimed property as a result of this Special Report;

**WHEREAS**, the Company represents that since August 2012, in compliance with Section 3240 of the New York Insurance Law and New York Department of Financial Services Regulation 200, it has established policies, procedures and systems whereby it performs an enterprise-wide comparison against the DMF of its entire in-force blocks of life insurance, annuity contracts and retained assets accounts, as well as certain terminated life insurance policies on a quarterly basis, and that the Company has paid beneficiaries and has established liabilities to be paid to states as unclaimed property as a result of these policies, procedures and systems;

**WHEREAS**, the Departments assert that the Company's prior asymmetrical DMF usage is inconsistent with certain obligations under the Insurance Laws, and the Company asserts that its practices were not asymmetrical and in fact complied with Unclaimed Property and Insurance Laws; and

**WHEREAS**, the Company has cooperated with the Departments and their examiners in the course of the Multi-State Examination by making its books and records available for examination, and its personnel and agents available to assist as requested by the Departments and the Company represents that at all times relevant to this Agreement, the Company and its officers, directors, employees, agents, and representatives acted in good faith and in a manner they believed to be in the best interest of the Company's Policyholders.

**NOW, THEREFORE**, the Parties agree as follows:

1. **Defined Terms.** Those capitalized terms in this Agreement not otherwise defined in the text shall have the following meanings:
  - a. **"Accountholder"** means the owner of a "Retained Asset Account."
  - b. **"Annuity Contract"** means a fixed or variable annuity contract other than a fixed or variable annuity contract issued (1) in connection with an employment based plan subject to the Employee Retirement Income Security Act of 1974, or (2) to fund an employment-based retirement plan, including any deferred compensation plans.
  - c. **"Annuity Contract Owner"** means the owner of an Annuity Contract.
  - d. **"Beneficiary"** or **"Beneficiaries"** means the party or parties entitled or contingently entitled to receive the Proceeds from a Policy, an Annuity Contract, or a Retained Asset Account.
  - e. **"Company Records"** means in-force and certain lapsed Policies, Annuity Contract and Retained Asset Account information maintained on the Company's administrative systems or the administrative systems of any third-party retained by the Company, as opposed to such information being maintained by a group life insurance customer or some other third party retained by the group customer. Company Records does not include lapsed Policies that have been compared against the DMF for eighteen (18) months following the lapse date of the applicable policy.
  - f. **"Date of Death"** means the date on which an Insured has died.
  - g. **"Date of Death Notice"** means the date the Company first has notice of the Date of Death of an Insured. For purposes of this Agreement, Date of Death Notice shall include, but not be limited to, the date the Company received information of a DMF match or any other source or record maintained or located in Company Records.
  - h. **"DMF"** means a version of the United States Social Security Administration's Death Master File or any other database or service that is at least as comprehensive as the United States Social Security Administration's Death Master File for determining that a person has reportedly died.
  - i. **"DMF Match"** means a match of an Insured contained in the Company Records to a unique biological individual listed in the DMF under the criteria provided in the attached Schedule A.



- j. **“Effective Date”** means the date this Agreement has been executed by the Company, each of the Departments of Insurance of California, Florida, New Hampshire, North Dakota, and Pennsylvania (the **“Lead Departments”**) and the Departments of at least thirteen (13) **“Participating States.”**
- k. **“Exception”** means a fact situation described in subparagraphs i. – iii. below which serves to exclude the Proceeds from payment to a beneficiary or escheatment as a result of a DMF Match:
- i. for death benefits under a Policy, Annuity Contract and Retained Asset Account: (a) the individual identified in the Date of Death Notice as the Insured is either alive or not the Insured; (b) the Policy was not in force at the Date of Death; (c) there is no death benefit due and payable upon death due to, among other things: (i) the application of a contestability period, (ii) the existence of an exclusionary event or (iii) pending litigation; (d) the beneficiary is a minor and unable to accept payment of the Proceeds under applicable Uniform Transfer to Minors Act; (e) the death benefit under an Annuity Contract is within the five (5) year deferral period under the Internal Revenue Code and the Beneficiary has indicated an intent to defer; (f) the death indicated was the first of two Insureds or Annuity Contract Owners to die under a second to die policy; (g) the dormancy period has not expired; (h) claims received under non-Recordkeeper group life insurance or annuity contracts (including group life insurance or annuity certificates issued where the Company lacks and/or is unable to obtain sufficient information necessary to determine that a life insurance or annuity benefit is due or is unable to determine the benefit amount without contacting a third party) (i) the full value of any benefits due and payable upon death has in fact been remitted to the Beneficiary or reported and remitted as Unclaimed Property to the affected jurisdiction(s);
  - ii. for Annuities that have reached their Maturity Date: (a) there is no benefit due and payable on the Maturity Date; (b) documented contact has occurred with the Annuity Contract Owner including but not limited to a request by the Annuity Contract Owner to change the designation of a Beneficiary, Annuity Contract Owner or annuitant; a non-automated request to reallocate the value of the Annuity contract among variable investment options; or a non-automated request to renew or change a fixed interest guarantee period under the Annuity contract; (c) the Annuity Contract Owner has taken action which is inconsistent with the desire to annuitize; (d) the value of the Proceeds payable upon Maturity Date is the subject of pending

litigation; and/or (e) the full value of any benefits due and payable upon the Maturity Date has in fact been remitted to the Annuity Contract Owner or Beneficiary or reported and remitted as Unclaimed Property to the affected jurisdiction(s);

- iii. for Retained Asset Accounts: (a) the Accountholder has taken affirmative action in respect to the Retained Asset Account that is inconsistent with abandonment (automatic financial or administrative transactions, including automated deposits or withdrawals prearranged by the account owner, and/or the non-receipt by the Company of returned mail shall not constitute "affirmative action" for this purpose, except to the extent where the affected jurisdiction specifically recognizes that such activity is sufficient to prevent property from being presumed abandoned); or (b) the full value of the Retained Asset Account has in fact been remitted to the Beneficiary or reported and remitted as Unclaimed Property to the affected jurisdiction(s).

- l. **"Future Settlement Agreement"** means any agreement entered into by any other insurer and the Departments concerning the subject matter of this Agreement.
- m. **"Insurance Laws"** means the insurance laws, rules and regulations in effect in each of the Department's jurisdictions and any official guidance issued by one or more of the Department under such laws, rules and regulations.
- n. **"Insured"** means an individual identified in a Policy, Retained Asset Account or Annuity Contract whose death entitles a beneficiary or other person to file a claim for, or otherwise receive "Proceeds" in accordance with the terms of the Policy, Retained Asset Account or Annuity Contract.
- o. **"Maturity Date"** means the date in an Annuity Contract that annuity payments are scheduled to begin, unless the records of the Company indicate that the Maturity Date has been extended with documented contact with the Annuity Contract Owner, or (ii) the Annuity Contract Owner has taken action with respect to the Annuity Contract that is inconsistent with a desire to annuitize. For purposes hereof, "action in respect to the Annuity Contract that is inconsistent with a desire to annuitize" shall mean a partial annuitization, a partial withdrawal of contract value (including required minimum distributions or systematic withdrawals, unless such distributions or withdrawals remain uncashed, and partial exchanges of the Annuity Contract for another annuity contract), termination or surrender of the Annuity Contract, payment of all Proceeds due, fund transfers, beneficiary changes, or payment of additional annuity considerations.

- p. **"Policy"** means any individual life insurance policy or endowment policy or group life insurance policy or certificate of life insurance for which the Company performs "Recordkeeping" services and provides a death benefit. The term "Policy" shall not include credit or mortgage life insurance policies or certificates issued thereunder, other group life insurance policies or certificates issued thereunder where the Company does not perform Recordkeeping functions; or any benefits payable under accidental death or health coverages, including but not limited to disability and long term care arising from the reported death of a person insured under such coverage.
- q. **"Proceeds"** means the benefits payable under a Policy, Annuity Contract or Retained Asset Account of the Company.
- r. **"Recordkeeping"** means maintaining the information contained in the Company's Records necessary to process a claim, including without limitation, the Insured's full name, address, date of birth, telephone number, Social Security Number, coverage eligibility, premium payment status, benefit amount and Beneficiary's information, including without limitation, the Beneficiary's full name, address, date of birth, telephone number and Social Security Number.
- s. **"Retained Asset Account"** means any mechanism whereby the settlement of proceeds payable under a Policy or individual Annuity Contract, including, but not limited to, the payment of cash surrender value, is accomplished by the Company or an entity acting on behalf of the Company establishing an account with check or draft writing privileges, where those proceeds are retained by the Company, pursuant to a supplementary contract not involving annuity benefits.
- t. **"Thorough Search"** means that the:
  - i. Company shall use its best efforts, as described below, to identify, and determine a current address for, and contact the Beneficiary. The Company shall make at least two (2) attempts to contact the Beneficiary in writing at the address maintained in Company Records.
    - a. Protocol for No Response to Letters
      - i. If no response to the letters in (i) above is received, the Company shall attempt to contact the Beneficiary at least two (2) times at the most current telephone number contained in the Company's Records if such telephone number exists in the Company Records or is obtained

by the Company by an online search or locator tool;

- ii. If no response to the calls described in (a)(i) above is received or no telephone number is available, the Company shall attempt to contact the Beneficiary at the most current available e-mail address, if any, that exists in the Company Records;
- iii. If no response to the e-mail described in (a)(ii) above is received or no e-mail address exists in the Company Records, the Company shall conduct research to locate a more updated or accurate mailing address using a national online search or locator tool, such as Lexis Nexis, Accurint or other comparable databases and send a third and final first class letter to the Beneficiary at the address, if any, found by the Company using such database service;

b. Protocol for Returned Mail

- i. If any writing described in (i) above is returned as undeliverable, the Company will not be required to send any additional mailings to that address and will within thirty (30) days conduct research to locate a more updated or accurate address using a national online search or locator tool, such as Lexis Nexis, Accurint or other comparable databases;
- ii. If the Company obtains an updated address using national online search or locator tools described in (b)(i) above, the Company shall make at least two (2) attempts in writing to contact the Beneficiary at that address;
- iii. If no response to the letters in (b)(i) or (b)(ii) is received or there is no updated address found or the letters described in (b)(ii) are returned as undeliverable, the Company shall attempt to contact the Beneficiary at least two (2) times at the most current telephone number contained in the Company's Records or is obtained by the Company by a national online search or locator tool;

- iv. If no response to the calls described in (b)(iii) above is received by the Company or no telephone number is available, the Company shall attempt to contact the Beneficiary at the most current available e-mail address, if any, that exists in the Company Records;
  - v. If no response is received by the Company to the activities of (b)(iii) or (b)(iv) above, Company shall send a third and final first class letter to the address identified in (b)(i), if any.
- ii. The Company shall maintain documentation of all its Thorough Search efforts.

The Company may utilize any alternative methodology to the above process to locate a Beneficiary that the Company can demonstrate to the Lead States provides equivalent or better results.

If the value of a policy, contract, or account is *de minimis* (defined as \$100 or less), the Company may satisfy its obligations to conduct a Thorough Search by making at least one (1) attempt to contact the Beneficiary or Beneficiaries by mail at the address indicated in the Company Records, or, if the Company Records do not identify a Beneficiary and address, may report and remit the funds to the affected jurisdiction(s) as Unclaimed Property in accordance with Unclaimed Property Laws.

Notwithstanding the foregoing, the Company's obligation to conduct a Thorough Search shall cease upon documented contact with a Beneficiary. In the event that the Company fails to locate a Beneficiary, including through the efforts described above, the Company shall report and remit the policy proceeds in accordance with the applicable jurisdiction's Unclaimed Property Laws.

- u. **"Unclaimed Property"** means property subject to state Unclaimed Property Laws.
- v. **"Unclaimed Property Audit Agreement"** means (i) the Global Resolution Agreement between the Company, Verus Financial, LLC and the Unclaimed Property regulators and (ii) the agreement between the Company and the Florida Department of Financial Services.
- w. **"Unclaimed Property Laws"** means the Laws, Rules and Regulations regulating unclaimed property in each of the Departments' jurisdictions that apply to insurance companies.

2. **Specific Business Practices and Reforms.** For the term of this Agreement, the Company will institute the following policies and procedures, or continue the same if they have been heretofore adopted, as the case may be:

- a. The Company shall compare all Insureds in its Company Records against the complete DMF, and against any updates to the DMF at least quarterly thereafter. The Company shall have no responsibility for errors, omissions or delays in information contained in the DMF or any update files. The Company shall use the comparison criteria specified in Schedule A.
- b. If the Company is not contacted by a Beneficiary within one hundred twenty (120) days from the Date of Death Notice, the Company shall promptly commence a Thorough Search, which shall be completed within one (1) year from the Date of Death Notice. The obligation to conduct a Thorough Search under the terms of this Agreement shall not abrogate the right of the Company to complete any due diligence within the timeframe required by any applicable law. If (i) the Beneficiary cannot be located by a Thorough Search and (ii) the Company is unable to establish an Exception, it shall report and remit the Proceeds as Unclaimed Property to the affected jurisdiction(s) within three (3) or five (5) years, as applicable, from the Date of Death.
- c. For the sole purpose of this Agreement, the Company shall implement policies and procedures to establish that a DMF Match shall require the Company to initiate its death claims process and conduct a Thorough Search for Beneficiaries in accordance with this Agreement. Nothing herein is intended nor shall be deemed to determine, waive or otherwise satisfy the requirements for establishing proof of death for any purpose, or to confer any rights on any party other than the Company and the Departments.
- d. In the event of a DMF Match, such match will be deemed a Date of Death for all of Company's applicable lines of business.
- e. In the event that one of the Company's line of business conducts a search for matches of its Insureds against the DMF at intervals more frequent than those provided for in this Agreement and such DMF Match results in action being taken with respect to a Policy, Annuity Contract, or Retained Asset Account, then that line of business shall share the relevant Insured information among applicable lines of business.
- f. In the event that the beneficiary contacts the Company as a result of a Thorough Search, the Company shall provide the appropriate claim forms or instructions, if required, to the Beneficiary to make a claim, including instructions as to the need to provide an official death certificate if consistent with law and the Policy, Annuity Contract, or

Retained Asset Account. The Company reserves the right to require satisfactory confirmation of death, including a death certificate, as due proof of death, before Proceeds are paid to a Beneficiary or a Beneficiary's legal representative if consistent with law and the Policy, Annuity Contract, or Retained Asset Account. Nothing in this Agreement shall be construed to supersede the Company's right to maintain effective procedures and resources to deter and investigate fraudulent insurance acts as required by applicable law.

- g. To the extent permitted under applicable law, the Company may disclose the minimum necessary personal information about an Insured or Beneficiary to a person whom the Company reasonably believes may be able to assist the Company locate the Insured or Beneficiary or a person otherwise entitled to payment of the Proceeds, provided however, the Company shall not implement policies or practices that will or may diminish the rights of or amounts of Proceeds due to Beneficiaries under its Policies, Annuity Contracts, or Retained Asset Accounts.
- h. The Company shall conduct a Thorough Search for group life insurance policies, including group life insurance certificates issued thereunder, where a group life insurance claim is received for which the Company, from information in its administrative systems and/or the group policy claim form, is able to determine that a benefit is due and is able to determine the benefit amount, but the beneficiary cannot be identified and/or located.
- i. Within six (6) months after the Effective Date of this Agreement the Company shall establish policies and procedures to ensure that:
  - i. With respect to any Annuity Contract for which an Exception does not apply, at least two (2) first class mail letters are sent to an Annuity Contract Owner, with the first letter mailed no less than forty-five (45) days and the second letter (if no response to the first letter is made) no less than twenty (20) days prior to the Maturity Date of an Annuity Contract that: (a) identifies the options available to the Beneficiary (e.g., annuitization, extension of the Maturity Date; surrender of the Contract); and (b) notifies the Annuity Contract Owner that an extension of the Maturity Date requires affirmative consent;
  - ii. If any letter described in 2(i)(i) above is returned as undeliverable, the Company shall promptly conduct research to locate a more updated or accurate mailing address using a national online search or locator tool such as Lexis Nexis or Accurint or other comparable database and send a final first

class letter to the Annuity Contract Owner at the address, if any, found by the Company using such database service;

- iii. An affirmative request by an Annuity Contract Owner or authorized representative shall be required by the Company before a Maturity Date is extended, and such request will be recorded in the Company's books and records;
  - iv. If the Company's letters described in (i) and/or (ii) above are not returned to the Company as undeliverable and the Company receives no response to the letters, the Company will effect the Annuity Contract's annuity maturity contractual default option as soon as reasonably practicable, but in no event more than forty-five (45) days following the Maturity Date, unless the Annuity Contract expressly requires otherwise, in which case the Company will administer the Annuity Contract in accordance with its terms.
- j. The Company shall ensure that all Retained Asset Accounts are monitored for inactivity and each Accountholder is notified that the failure to make a withdrawal from the account or to respond to communications from the Company may cause the account to be declared dormant and subject to escheat based on the last documented contact with the Accountholder or the Accountholder's authorized representative. The value of the Retained Asset Account(s) shall be the value of the account as of the date the property is paid to the Accountholder or reported and remitted to the affected jurisdiction(s).
- k. A Thorough Search for a Beneficiary of a Retained Asset Account or an Accountholder, as appropriate, shall commence following the passage of three (3) or five (5) years in accordance with the Unclaimed Property Laws of the affected jurisdiction after the later of: (i) the date that the Accountholder last initiated a financial or administrative transaction or (ii) the last Accountholder-authenticated response to the Company that is documented on the Company's books and records. In the event that, within one (1) year after the commencement of the Thorough Search, the Company is unable to locate a Beneficiary or Accountholder and is unable to establish an Exception, it shall report and remit the Proceeds of the Retained Asset Account as Unclaimed Property to the affected jurisdiction(s) in accordance with the Unclaimed Property Laws.
- l. Within twelve (12) months after the Effective Date of this Agreement, the Company shall establish policies and procedures to ensure that prior to the delivery of a Policy or Annuity Contract or establishment of a Retained Asset Account, and upon any change of a Beneficiary, the Company shall request, at a minimum, the name, address, date of birth,



social security number, and telephone number of every Insured and Beneficiary of such Policy, Annuity Contract or Retained Asset Account, as applicable.

**3. Regulatory Oversight.** Each of the Departments shall maintain independent regulatory oversight over the Company's compliance with the terms of this Agreement and in furtherance thereof, the Company agrees to the following:

- a. For a period of thirty-six (36) months following the Effective Date, the Company shall provide to the Lead Departments quarterly reports on the implementation and execution of the requirements of this Agreement. Each report shall be delivered to each of the Lead Departments within forty-five (45) days following the end of the applicable reporting period. Copies of these reports will also be made available to a Department's designated examiner, upon reasonable request, to assist the Departments in monitoring compliance with the requirements of this Agreement.
- b. Thirty-Nine (39) months following the Effective Date the Lead Departments shall conduct a multi-state examination of Company's compliance with the requirements of this Agreement that shall be a continuation of the Multi-State Examination. The Lead Departments shall provide a report summarizing the results of that examination to the Company and Departments. The examination shall be performed with the cost of the examination to be borne by Company in accordance with the Lead Departments respective laws.
- c. The Company may petition a Department to terminate or modify this Agreement in that jurisdiction. Such petition may include, but not be limited to the following grounds: (i) the Agreement's terms, in whole or in part, are inconsistent with the statutes, rules, controlling case law, or regulations then in effect in that jurisdiction or (ii) that a Future Settlement Agreement with a company possessing substantial market share is more favorable than this Agreement. A Department shall not unreasonably withhold its consent to the relief requested by the Company in its petition. Once made by the Company, the Multi-State Examination Payment, as allocated to each Department, is final and non-recoverable from the Departments or any other governmental agency or official within the States signing this agreement under any circumstances including termination of this Agreement.
- d. In addition to the payments set forth in Paragraph 5, the reasonable costs and expenses of the Departments incurred after the date of this Agreement and related to the monitoring of the Company's compliance with the Agreement, including the costs and expenses of conducting any reviews or examinations permitted by the Agreement, as well as participating in any meetings, presentations or discussions with the

Company, shall be borne by the Company as costs of the Multi-State Examination.

- e. If the jurisdiction of any Department adopts any Insurance Law addressing insurance companies' use of the DMF (or its equivalent) in connection with insurance companies' procedures concerning the payment of Proceeds to Beneficiaries, then the Company's compliance with the terms of such Insurance Law of that jurisdiction after the Effective Date of this Agreement shall be deemed to comply with the terms of this Agreement (i) which relate solely to the use of the DMF; and (ii) for the purposes of compliance herewith for that jurisdiction alone.
  - f. The monitoring of the Company for compliance with the terms of this Agreement constitutes an ongoing examination by each of the Departments in accordance with the laws of its jurisdiction. Consistent with applicable law, each Department shall accord confidential treatment to the work papers, recorded information, documents, copies of work papers, and documents produced by, obtained by or disclosed by Company.
  - g. No later than five years following the Effective Date, the Lead Departments will complete the Multi-State Examination with a final review concerning the Company's compliance with the Agreement. If that review confirms that the Company has fulfilled its obligations under the Agreement, the Multi-State Examination will be closed. The Agreement will terminate eight (8) years following the Effective Date (the "Termination Date"), contingent upon the Company's submission of its prospective policies and procedures for DMF matching and Beneficiary outreach to be used thereafter. This submission shall be made to the Lead Departments six (6) calendar months prior to the Termination Date.
4. **Company Covenants.** The Company covenants and agrees with each of the Departments as follows:
- a. Proceeds under a Policy shall be determined in accordance with the Policy terms.
  - b. Proceeds under Annuity Contracts shall be determined in accordance with the contract terms.
  - c. The value of a Retained Asset Account shall be the value of the account as of the date the Proceeds are removed from the Retained Asset Account to be paid to the Beneficiary.
  - d. Beneficiaries shall not be charged for any fees or costs associated with a search or verification conducted pursuant to this Agreement.

- e. The Company shall comply with the Unclaimed Property Audit Agreement.

5. **Multi-State Examination Payment.** Without admitting any liability whatsoever, the Company agrees to pay the Departments the sum of \$3.28 million (the "Payment") for the examination, compliance and monitoring costs incurred by the Departments associated with the Multi-State Examination which funds may be used for any purpose permitted by law. The Lead Departments shall be responsible for allocating the Payment among the Departments. The Company agrees to remit the Payment within ten (10) days after the Effective Date and the Lead Departments provide the Company with payment directions. Upon the receipt of the Payment, as allocated by each of the Departments, the Company's financial obligations incurred by the Departments arising out of the Multi-State Examination will be fully satisfied, except as set forth in Paragraph 3d. The Payment shall be in addition to the Company's obligation to reimburse the Lead Departments for reasonable third-party expenses, including expenses for consultants, incurred in connection with the Lead Department's role in the Multi-State Examination.

6. **Miscellaneous.**

- a. This Agreement is an agreement solely between the named Parties as defined above, and no other person or entity shall be deemed to obtain or possess any enforceable rights against the Company as a third party beneficiary or otherwise as a result of this Agreement. The Parties agree that this Agreement is not intended to and shall not confer any rights upon any other person or entity and shall not be used for any other purpose. Nothing in this Agreement shall be construed to provide for a private right of action to any person or entity not a Party to this Agreement. Nor shall the Agreement be deemed to create any intended or incidental third party beneficiaries, and the matters herein shall remain within the sole and exclusive jurisdiction of the Departments.
- b. This Agreement does not impair, restrict, suspend, or disqualify the Company from engaging in any lawful business in any jurisdiction, based upon, or arising out of, the Multi-State Examination regarding any alleged act or omission of the Company, provided that all matters set forth in this Agreement shall remain with the sole and exclusive jurisdiction of the Departments.
- c. This Agreement contains the entire agreement between the Parties regarding the Company's claims settlement practices, procedures, policy administration relating to the matching of Insureds against the DMF or any similar database and there are no other understandings or agreements, verbal or otherwise, between the Parties, except as set forth herein. In entering into this Agreement, no Party has relied on a representation not set forth herein. No amendment or modification of

any provision of this Agreement, or consent to any departure from this Agreement, shall be effective unless in writing and signed by the Party to be charged therewith, and then such modification or consent shall be effective only in the specific instance and for the specific purpose for which given.

- d. Neither this Agreement, nor any of the communications or negotiations leading up to this Agreement, nor any actions taken or documents executed in connection with this Agreement, is now or may be deemed in the future to be an admission or evidence of any liability or wrongdoing by the Company with respect to the subject matter of the Multi-State Examination.
- e. Subject to the Company's performance of and compliance with the terms and conditions in this Agreement and Schedules, each Department hereby releases the Company from any and all claims, demands, interest, penalties, actions or causes of action that each Department may have by reason of any matter, cause or thing whatsoever, regarding or relating to the subject matter of the Multi-State Examination; provided, however, that nothing herein is intended to relieve or release the Company from its obligations under this Agreement nor preclude the Lead Departments from conducting subsequent Multi-State Examinations to assess the Company's compliance with, or from enforcing, this Agreement.
- f. In the event that any portion of this Agreement is enjoined or held invalid under the laws of a Department's jurisdiction, such enjoined or invalid portion shall be deemed to be severed only for the duration of the injunction, if applicable, and only with respect to that Department and its jurisdiction, and all remaining provisions of this Agreement shall be given full force and effect and shall not in any way be affected thereby.
- g. Nothing in this Agreement shall be construed as an admission of any party's position as to the preemptive effect of the Employee Retirement Income Security Act of 1974, as periodically amended, or the law of the jurisdiction as applied to employment based plans.
- h. This Agreement shall not be construed to allow or require the Company to implement policies or practices that will or may diminish the rights or the Proceeds due to Beneficiaries under the terms of its Policies, Annuity Contracts, or Retained Asset Accounts.
- i. To the extent that any laws, rules, or regulations are adopted by any Department, or a regulatory agency of a Department that conflict with any of the terms and conditions of this Agreement, then the application of those affected terms and conditions shall be superseded by such laws, rules or regulations as it applies to that Department, provided that

all other unaffected terms and conditions of the Agreement shall remain in full force and effect.

- j. Nothing in this Agreement shall abrogate the obligations of the Company under the Unclaimed Property Audit Agreement.
  - k. The Parties represent and warrant that the person executing this Agreement on behalf of each Party has the legal authority to bind the Party to the terms of this Agreement.
  - l. This Agreement may be executed in counterparts. A true and correct copy of the Agreement shall be enforceable the same as an original.
  - m. Company agrees that the Departments may adopt, agree to and approve the RSA through the issuance of an order, provided that it contains no provisions other than those set forth in the RSA.
7. **Enforcement.** The failure to comply with any provision of this Agreement shall constitute a breach of the Agreement, a violation of an Order of the Departments and a violation of Company's Agreement with the Departments, and shall subject Company to such administrative and enforcement actions and penalties as each Department deems appropriate, consistent with each Department's respective laws.

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED THIS AGREEMENT AS OF THE DATE SET FORTH AFTER EACH OF THEIR NAMES.

***[SIGNATURE PAGES IMMEDIATELY FOLLOW]***

**COMPANIES SIGNATURE PAGE**

**AXA Equitable Life Insurance Company, AXA Equitable Life & Annuity Company, MONY Life Insurance Company MONY Life Insurance Company of America, and U.S. Financial Life Insurance Company; and each of their predecessors, successors, and assigns and subsidiaries**


BY:   
Signature,

Paul R. Boucher, Lead Director/Vice President

DATE: October 30, 2015

**LEAD DEPARTMENTS SIGNATURE PAGE**

FLORIDA OFFICE OF INSURANCE  
REGULATION

BY:   
KEVIN M. McCARTY, COMMISSIONER

DATE: 11/17/2015

NORTH DAKOTA INSURANCE  
DEPARTMENT

BY: \_\_\_\_\_  
ADAM HAMM, COMMISSIONER

DATE:

CALIFORNIA DEPARTMENT OF INSURANCE    PENNSYLVANIA INSURANCE  
DEPARTMENT    DEPARTMENT

BY: \_\_\_\_\_  
DAVE JONES, COMMISSIONER

DATE:

BY: \_\_\_\_\_  
TERESA MILLER, COMMISSIONER

DATE:

NEW HAMPSHIRE INSURANCE  
DEPARTMENT

BY: \_\_\_\_\_  
ROGER A. SEVIGNY, COMMISSIONER

DATE:

**LEAD DEPARTMENTS SIGNATURE PAGE**


FLORIDA OFFICE OF INSURANCE  
REGULATION

BY: KEVIN M. McCARTY, COMMISSIONER  
DATE:

NORTH DAKOTA INSURANCE  
DEPARTMENT

BY: ADAM HAMM, COMMISSIONER  
DATE:

CALIFORNIA DEPARTMENT OF INSURANCE      PENNSYLVANIA INSURANCE  
DEPARTMENT

BY:   
DAVE JONES, COMMISSIONER  
DATE: 11/9/15

BY: TERESA MILLER, COMMISSIONER  
DATE:

NEW HAMPSHIRE INSURANCE  
DEPARTMENT

BY: ROGER A. SEVIGNY, COMMISSIONER  
DATE:



**LEAD DEPARTMENTS SIGNATURE PAGE**

FLORIDA OFFICE OF INSURANCE  
REGULATION

BY: \_\_\_\_\_  
KEVIN M. McCARTY, COMMISSIONER  
DATE: \_\_\_\_\_

NORTH DAKOTA INSURANCE  
DEPARTMENT


BY: \_\_\_\_\_  
ADAM HAMM, COMMISSIONER  
DATE: \_\_\_\_\_

CALIFORNIA DEPARTMENT OF INSURANCE    PENNSYLVANIA INSURANCE  
DEPARTMENT

BY: \_\_\_\_\_  
DAVE JONES, COMMISSIONER  
DATE: \_\_\_\_\_

BY: \_\_\_\_\_  
TERESA MILLER, COMMISSIONER  
DATE: \_\_\_\_\_

NEW HAMPSHIRE INSURANCE  
DEPARTMENT

BY:  \_\_\_\_\_  
ROGER A. SEVIGNY, COMMISSIONER  
DATE: 11-9-15

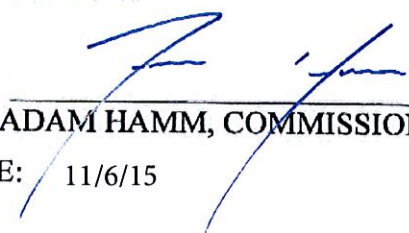
**LEAD DEPARTMENTS SIGNATURE PAGE**

FLORIDA OFFICE OF INSURANCE  
REGULATION

BY: \_\_\_\_\_  
KEVIN M. McCARTY, COMMISSIONER

DATE:

NORTH DAKOTA INSURANCE  
DEPARTMENT

BY: \_\_\_\_\_  
ADAM HAMM, COMMISSIONER

DATE: 11/6/15

CALIFORNIA DEPARTMENT OF INSURANCE    PENNSYLVANIA INSURANCE  
DEPARTMENT

BY: \_\_\_\_\_  
DAVE JONES, COMMISSIONER

DATE:

BY: \_\_\_\_\_  
TERESA MILLER, COMMISSIONER

DATE:

NEW HAMPSHIRE INSURANCE  
DEPARTMENT

BY: \_\_\_\_\_  
ROGER A. SEVIGNY, COMMISSIONER

DATE:

**LEAD DEPARTMENTS SIGNATURE PAGE**

FLORIDA OFFICE OF INSURANCE  
REGULATION

BY: \_\_\_\_\_  
KEVIN M. McCARTY, COMMISSIONER  
DATE:

NORTH DAKOTA INSURANCE  
DEPARTMENT

BY: \_\_\_\_\_  
ADAM HAMM, COMMISSIONER  
DATE:

CALIFORNIA DEPARTMENT OF INSURANCE

BY: \_\_\_\_\_  
DAVE JONES, COMMISSIONER  
DATE:

PENNSYLVANIA INSURANCE  
DEPARTMENT

BY:   
TERESA MILLER, COMMISSIONER  
DATE:

NEW HAMPSHIRE INSURANCE  
DEPARTMENT

BY: \_\_\_\_\_  
ROGER A. SEVIGNY, COMMISSIONER  
DATE:

## **SCHEDULE A RULES FOR IDENTIFYING DEATH MATCHES**

In comparing Company's records of its insured's, annuitants, Annuity Contract owners, and retained asset account owners against the DMF and any updates thereto, the governing principle to be followed shall be establishing whether or not a unique biological individual identified within the Company's data is the same as a unique biological individual identified on the DMF in a case where a benefit is due and payable. In comparing the Company's records of its insured's, annuitants, Annuity Contract owners, and retained asset account holders against the DMF, the Company shall utilize the following set forth below as the minimum standard for determining what constitutes a match.

**Category 1: Exact Social Security Number Match** occurs when the Social Security Number contained in the data found in the Company's records matches exactly to the Social Security Number contained in the DMF.

**Category 2: Non-Social Security Number Match** occurs in any of the following circumstances:

1. The Social Security Number contained in the data found in the Company's Records matches in accordance with the Fuzzy Match Criteria listed below to the Social Security Number contained in the DMF, the First and Last Names match either exactly or in accordance with the Fuzzy Match Criteria listed below and the Date of Birth matches exactly.
2. The Company's records do not include a Social Security Number or where the Social Security Number is incomplete (less than 7 digits) or otherwise invalid (e.g., 11111111, 99999999, 123456789), and there is a First Name, Last Name, and Date of Birth combination in the data produced by the Company that is a match against the data contained in the DMF where the First and Last Names match either exactly or in accordance with the Fuzzy Match Criteria listed below and the Date of Birth matches exactly, subject to paragraph 3 immediately below.
3. If there is more than one potentially matched individual returned as a result of the process described in paragraphs 1 and 2 immediately above, or if both the Social Security Number and Date of Birth found in the Company's Records match in accordance with the Fuzzy Match Criteria listed below, then the Company shall run the Social Security Numbers obtained from the DMF for the potential matched individuals against Accurant for Insurance or an equivalent database. If a search of

those databases shows that the Social Security Number is listed at the address in the Company's records for the insured, then a Category 2 Match will be considered to have been made only for individuals with a matching address.

4. If the Company's systems do not contain a complete "Date of Birth," then a "Date of Birth" exact match will be found to exist where the data that is available on the Company's systems does not conflict with the data contained in the DMF. By way of example, if the Company's systems only contain a month and year of birth, an exact "Date of Birth" match will exist if the DMF record contains the same month and year of birth. Additionally, if the Company's systems only contain a year of birth or contain a complete date of birth that includes a month and day of 1/1 (e.g., January 1) followed by a year of birth, the Date of Birth will be deemed to match exactly where the year of birth in the data that is available on the Company's systems is within one (1) year of the year of birth listed in the DMF. By way of example, if the Company's systems contain 1/1/1934, an "exact" Date of Birth match will exist if the DMF record contains a year of birth of 1933, 1934 or 1935.

**Fuzzy Match Criteria:**

1. A First Name fuzzy match includes one or more of the following:
  - a. "First Name" "Nick Names:" "JIM" and "JAMES." The Company shall utilize a Nickname database, such as the pd Nickname database from Peacock Data, Inc. or an equivalent database, as well as publicly available lists of names and nicknames to identify matching First Names where a nickname is used on one or both sides of the match.
  - b. "Initial" instead of full first name: "J FOX" and "JAMES FOX."
  - c. "Metaphone" (a recognized and accepted phonetic name matching algorithm created by Lawrence Philips and originally published in 1990): "BUDDY" and "BUDDIE."
  - d. Data entry mistakes with a maximum difference of one character with at least five characters in length: "HARRIETTA" and "HARRIETA."
  - e. If First Name is provided together with Last Name in a "Full Name" format and "First Name" and "Last Name" cannot be

reliably distinguished from one another: "ROBERT JOSEPH,"  
Both "JOSEPH ROBERT" and "ROBERT JOSEPH."

- f. Use of interchanged "First Name" and "Middle Name:,"  
"ALBERT E GILBERT" and "EARL A GILBERT."
- g. Compound "First Name:" "SARAH JANE" and "SARAH," or  
"MARY ANN" and "MARY."
- h. Use of "MRS." + "HUSBAND'S First Name + Last Name:"  
"MRS. DAVID KOOPER" and "BERTHA KOOPER" where the  
"Date of Birth" and "Social Security Number" match exactly and  
the Last Name matches exactly or in accordance with the Fuzzy  
Match Criteria listed herein.

2. A "Last Name" fuzzy match includes one or more of the following:

- a. "Anglicized" forms of last names: "MACDONALD" and  
"MCDONALD."
- b. Compound last name: "SMITH" and "SMITH-JONES."
- c. Blank spaces in last name: "VON HAUSEN" and  
"VONHAUSEN."
- d. "Metaphone" (a recognized and accepted phonetic name matching  
algorithm created by Lawrence Philips and originally published in  
1990): "GONZALEZ" and "GONZALES."
- e. If First Name is provided together with Last Name in a "Full  
Name" format and "First Name" and "Last Name" cannot be  
reliably distinguished from one another: "ROBERT JOSEPH,"  
Both "JOSEPH ROBERT" and "ROBERT."
- f. Use of apostrophe or other punctuation characters in "Last Name:"  
"O'NEAL" and "ONEAL."
- g. Data entry mistakes with a maximum difference of one (1)  
character for last name with at least eight (8) characters in length:  
"MACHIARELLI" and "MACHIAVELI."
- h. Last Name Cut-off: A match will be considered to have been  
made where due to the length of the Last Name, some of the last  
letters were not saved in the database. Examples include:

“Brezzinnows” and “Brezzinnowski” and “Tohightower” and “Tohightowers.”

- i. Married Female “Last Name” Variations: A fuzzy “Last Name” match will be considered to have been made even though the data does not match on the last name of a female, if the “Date of Birth” and “Social Security Number” match exactly and the First Name matches exactly or in accordance with the Fuzzy Match Criteria listed herein.
3. “Social Security Number” fuzzy match includes one of the following:
    - a. Two (2) Social Security Numbers with a maximum of two (2) digits in difference, any number position: “123456789” and “123466781.”
    - b. Two (2) consecutive numbers are transposed: “123456789” and “123457689”
    - c. If a Social Security Number is less than nine (9) digits in length (with a minimum of seven (7) digits) and is entirely embedded within the other Social Security Number: “12345678” and “012345678.”

#### **Other Matches and Mismatches**

Notwithstanding the fact that a policy is listed as a match in accordance with the foregoing rules, there will not be a reportable match if the Company is able to produce competent evidence to establish that the unique biological individual identified in the Company’s data is not the same as a unique biological individual identified on the DMF or such individual is not dead.

**SCHEDULE B**  
**PARTICIPATING REGULATOR ADOPTION**  
**AXA Equitable Life Insurance Company, AXA Equitable Life & Annuity**  
**Company, MONY Life Insurance Company MONY Life Insurance Company of**  
**America, and U.S. Financial Life Insurance Company**  
**EXAMINATION RESOLUTION AGREEMENT**

On behalf of \_\_\_\_\_,  
(Jurisdiction)

I, \_\_\_\_\_,  
(Chief Insurance Regulator)  
hereby adopt, agree, and approve this Agreement.

BY: \_\_\_\_\_  
(Signature)

JURISDICTION: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

Please provide the following information as to how your jurisdiction's allocation of the Multi-State Examination Payment should be sent from the above Companies.

CONTACT NAME: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_

\_\_\_\_\_  
PAYMENT MADE TO: \_\_\_\_\_

\_\_\_\_\_  
Please return this form to:  
Bridget Burke, Paralegal  
Pennsylvania Insurance Department  
Office of Chief Counsel  
1341 Strawberry Square  
Harrisburg, PA 17120



**bburke@pa.gov**  
**Fax: 717-772-1969**

## SETTLEMENT AGREEMENT

This Settlement Agreement is entered into by and between the State of Florida Department of Financial Services ("DFS") and AXA Equitable Life & Annuity Company, AXA Equitable Life Insurance Company, MONY Life Insurance Company, MONY Life Insurance Company of America, and US Financial Life Insurance Company ("AXA" or "Respondent") (collectively, DFS and Respondent shall be referred to as "Parties") as of this 19<sup>th</sup> day of November 2015:

NOW, THEREFORE, the Parties agree as follows:

### I. DEFINITIONS

Solely for purposes of this Agreement, capitalized terms have the meaning set out below:

1. "Agreement" means this Settlement Agreement entered into by DFS and Respondent.
2. "Annuity Contract" means a fixed or variable annuity contract, other than a fixed or variable annuity contract issued (a) in connection with an employment-based plan subject to the Employee Retirement Income Security Act of 1974 or (b) to fund an employment-based retirement plan, including any deferred compensation plans.
3. "Audit" means the unclaimed property audit that Auditor has been conducting of Respondent, on behalf of DFS, which is being resolved pursuant to this Agreement.
4. "Beneficiary" means the person or entity entitled to receive Proceeds from a life insurance policy (including any group life insurance certificate issued thereunder), Annuity Contract, or retained asset account.

5. **"Death Master File" or "DMF"** means the United States Social Security Administration's Death Master File or any other database or service that is at least as comprehensive as the United States Social Security Administration's Death Master File for determining that a person has reportedly died. The Death Master File must include at least one full version of the file and may include update files.
6. **"Documented Contact"** means Respondent has made a notation in its records indicating the date of the contact, the person contacted, and the address, telephone number or e-mail address of the contacted person and shall exclude automatic financial or administrative transactions and non-receipt by Respondent of returned mail sent to the policy owner, insured or beneficiary.
7. **"Dormancy Period"** means the period of years provided for by the UP Laws upon the expiration of which the Proceeds must be reported and remitted to DFS.
8. **"Duration of the Audit"** means the period concluding upon completion of all processing related to the Final Unclaimed Property Report issued by Auditor pursuant to the terms of this Agreement.
9. **"Maturity Age"** means the age of maturity or age of endowment set forth in the terms of a life insurance policy. If a life insurance policy does not specify an age of maturity or age of endowment, Maturity Age shall mean the limiting age under the life insurance policy. The limiting age of a life insurance policy is the terminal age of the mortality table specified in the policy for calculating reserves and/or non-forfeiture values, or, if the policy does not reference a mortality table for policy reserves and/or non-forfeiture values, then the limiting age is the terminal age of the mortality table used in calculating the cost of insurance for the policy.

10. **"Maturity Date"** means the date as set forth in the terms of the Annuity Contract that annuity payments are scheduled to begin, unless the records of the Respondent indicate that the Maturity Date has been extended in accordance with the terms of the Annuity Contract or the Annuity Contract owner has taken action within the Dormancy Period in respect to the Annuity Contract at issue that is inconsistent with a desire to annuitize. The Parties agree that, for purposes hereof, "action with respect to the Annuity Contract at issue that is inconsistent with a desire to annuitize" shall mean a partial withdrawal of Contract value (such as required minimum distributions, or systematic withdrawals unless such distributions or withdrawals remain uncashed, and partial exchanges of the Annuity Contract for another annuity contract), termination or surrender of the Annuity Contract, remittance of all death benefits or death remittances due, or receipt of additional purchase payments.
11. **"Proceeds"** means money payable under a life insurance policy, group life insurance certificate, Annuity Contract, or retained asset account within the Scope of the Audit.
12. **"Record keeper"** means those circumstances under which the Respondent has priced the group premium rate structure to include record keeping fees, or contractually agreed with the group policyholder to be primarily responsible (either directly or through a third party with which the Respondent has contracted for the group customer's recordkeeping) for obtaining and/or maintaining in its own systems (or the systems of the third party with which the Respondent has contracted for the group customer's recordkeeping) information about each

individual insured under a Respondent group insurance contract (or a line of coverage thereunder), credit life insurance policy, or mortgage life insurance policy, including information about the insured and beneficiary, coverage eligibility, benefit amount and premium payment status. For purposes of this Agreement, the Respondent shall be deemed a Record keeper for all group life insurance certificates, other than credit life insurance or mortgage life insurance, where any of the following conditions apply: (1) a disability or other waiver of premium or accelerated death benefit claim has been received and the Respondent could determine liability on the certificate and pay a claim without consulting either the group policyholder or other third party (other than a third party with which the Respondent has contracted) for information, other than for beneficiary information, waiver status for any individual that became eligible for waiver of premium at age forty (40) or after and died before their waiver termination and are at an age at which waiver of premium remained available under the group policy, any death benefit amount that could be determined by using information in the Respondent's systems (including dates of birth and policy plan schedules), or any other information that the Respondent would not normally require from a policyholder or other third party (other than a third party with which the Respondent has contracted) before paying a death claim; (2) there is a cash surrender value; and (3) the certificate has been converted or ported into individual life insurance policies issued by the Respondent upon the termination of a certificate holder's employment; provided that nothing in this definition is intended to or shall affect the eligibility criteria for a certificate holder from those

enumerated in the written terms of any applicable group life insurance policy or, if applicable, the plan documents pursuant to which the group life insurance policy is offered, or preclude the Respondent from asserting an exception based on lack of eligibility under Section II.1(iii)(b) of the Agreement.

13. **"Respondent"** means AXA.
14. **"Scope of the Audit"** means all unclaimed property that is required to be reported and remitted to DFS, as defined by the terms of this Agreement, with respect to life insurance policies, Annuity Contracts, and retained asset accounts that were in-force at any time during the period January 1, 1992 through December 31, 2013, regardless of whether they are currently listed as active, and including, but not limited to, policies identified as lapsed, expired, matured, reported and remitted to DFS, rescinded, or terminated. Notwithstanding any of the foregoing, the Scope of the Audit shall exclude: (a) Proceeds payable under a policy provision or rider covering accidental death; (b) Proceeds due under group life insurance policies or group annuities (including group life insurance and group annuity certificates issued thereunder), mortgage life insurance policies, or credit life insurance policies for which the Respondent is not, and was not at the time of death, the Record keeper, except for group life insurance and group annuity, mortgage life insurance, or credit life insurance claims received for which the Respondent, from information in its administrative systems, or the administrative systems of any third party retained by the Respondent, and/or the group policy claim form, is able to determine that a benefit is due and is able to determine the benefit amount, but such claims have not been fully paid or reported and remitted

as unclaimed property; and (c) any policy or certificate of life insurance that provides a death benefit under any Federal employee benefit program, including without limitation the Servicemembers Group Life Insurance and Veterans Group Life Insurance Programs, which, through Federal law or regulation, prohibits escheatment.

15. **Unclaimed Property Report (“UPR”)** means a report prepared and submitted to the Respondent by Auditor to identify property that Auditor has determined may be payable by the Respondent. The UPRs will be delivered by Auditor according to the formats described in **Schedule C** and the procedures set forth in **Schedule D**.
16. **“UP Laws”** means chapter 717, Florida Statutes (2015), and Fla. Admin. Code Chapter 69I-20.
17. **“Auditor”** means Verus Financial LLC, its successors and assigns (“Verus”).

## **II. UNCLAIMED PROPERTY REPORTS AND REMITTANCE**

Solely for purposes of concluding the Audit and solely with respect to property that is subject to this Agreement, DFS and the Respondent agree to the following procedures.

### **1. Proceeds Reportable and Remittable By Reason of Death**

- (i) The following shall be the procedures for reporting and remitting Proceeds that are remittable by reason of death.
- (ii) Auditor will submit UPRs to the Respondent in accordance with **Schedule D** identifying life insurance policies (including group life insurance certificates issued thereunder), Annuity Contracts, or retained asset accounts where a death has been identified by Auditor in accordance with **Schedule B**, and for which Auditor has determined that Proceeds may be payable. All UPRs that Auditor provides to the Respondent with respect to life insurance

policies (including group life insurance certificates issued thereunder), Annuity Contracts, or retained asset accounts shall identify deaths of the Respondent's insureds, Annuity Contract owners or annuitants, and retained asset account owners that Auditor has identified in the course of matching the Respondent's records against the DMF. The UPRs will be delivered in the format described in **Schedule C**.

(iii) Pursuant to **Section II.5.** herein and **Schedule D, Section II,** the Respondent shall provide Auditor with exceptions to the UPR and state the grounds thereof. Where such grounds are based on documents or data that have not been provided to Auditor previously, the Respondent shall provide such data or documentation within a reasonable time period following the Respondent's response to the UPR, not to exceed ten (10) days. The sole grounds for exceptions shall be one or more of the following: (a) the individual identified on the UPR is not dead; (b) the individual is not an insured, eligible to be an insured under a group life insurance certificate, an annuitant, an Annuity Contract owner, or a retained asset account owner; (c) the life insurance policy (including any group life insurance certificate issued thereunder), Annuity Contract, or retained asset account was not in force upon death; (d) there was no benefit payable upon death (e.g., the life insurance policy, group insurance certificate, Annuity Contract, or retained asset account had no value at death or was not payable at death; the death indicated was the first of two insureds to die under a second-to-die policy); (e) a benefit is not payable due to the application of a relevant contestability period or suicide exclusion period; (f) the Dormancy Period has not expired; (g) all benefits payable upon death have in fact been remitted to a Beneficiary or reported and remitted as unclaimed property; (h) if an Annuity Contract, the Beneficiary has re-registered or recorded the contract with the Respondent as a beneficial owner and any contractually permitted five-year period under section 72(s)(1)(B) of the Internal



Revenue Code (including the special rule for a surviving spouse), if applicable, or any contractually permitted period under the five-year rule of section 401(a)(9)(B) of the Internal Revenue Code (including the special rule for a surviving spouse), if applicable, has not expired, or the benefits are being paid over the life of the beneficiary under section 72(s)(2) or 401(a)(9)(B) of the Internal Revenue Code; (i) a claim for the value of any benefits payable upon death already is in the process of being paid by the Respondent to a Beneficiary and the benefits will be paid within the time allotted for payment following confirmed contact with a Beneficiary as set forth in **Schedule D**; (j) for claims received under non-Record keeper group life insurance contracts (including group life insurance certificates issued thereunder), Annuity Contracts, mortgage life insurance policies, or credit life insurance policies, and for group life insurance certificates where a disability or other waiver of premium or accelerated death benefits has been granted, the Respondent lacks and/or is unable to obtain sufficient information necessary to determine that the benefits are due or is unable to determine the amount of the Proceeds; (k) all benefits payable upon death are remittable to another State or are the subject of pending litigation; (l) all benefits payable upon death are due under a participating group life insurance policy subject to retrospective experience rating, so long as any related premium stabilization reserve shall upon termination of such group insurance policy be payable by the Respondent to (1) the group customer for the benefit of the plan participants or (2) the plan; (m) group marketed corporate, bank, and institutional owned policies where the beneficiary is the policy owner, the Respondent is in contact with the policy owner, and there are no other individual beneficiaries; (n) private placement variable universal life products and private placement variable annuities where the Respondent is in contact with the policy owner or contract owner; and/or (o) the life insurance policy (including any group life insurance certificate issued thereunder), Annuity

Contract or retained asset account is not within the Scope of the Audit. The Respondent shall further provide notice to Auditor if it believes the date of death is different than the date of death provided by Auditor if the Respondent contends such difference affects the Proceeds payable under the life insurance policy (including any group life insurance certificate issued thereunder), Annuity Contract, or retained asset account. The list of exceptions shall be provided by the Respondent no later than the times specified in Schedule D, Section II.

(iv) For purposes of this Section only, the Dormancy Period is deemed to commence upon the date of death as reflected in the DMF and expires after the requisite number of years has passed under the UP Laws. The running of the Dormancy Period shall not be tolled for any reason. The dormancy period shall not be deemed to commence where the Proceeds are payable to an individual who has not reached the age of majority under the applicable state law and the Respondent has had documented contact with the minor or his or her representative. However, if there is pending legal proceedings to resolve claims to the Proceeds, Respondent shall not be required to report and remit the Proceeds during the pendency of the legal proceedings. After the legal proceedings have ended, Respondent shall be required to report and remit the Proceeds to DFS if the owner of the proceeds is missing and the Proceeds are due to DFS.

(v) If the Respondent locates the Beneficiary or the Beneficiary's legal or properly designated representative before the Proceeds are required to be reported and remitted to DFS in accordance with Schedule D, the Respondent will make a written notation in its records indicating the date of the contact, the person contacted, and the address, telephone number or email address of the contacted person.

(vi) Proceeds shall be determined without deduction of any fees other than those permitted by the Annuity Contract or life insurance policy. Further, the Respondent agrees that it or any agent acting on its behalf will not charge Beneficiaries costs associated with this Agreement.

(a) Proceeds under life insurance policies shall be determined in accordance with the policy terms as of the date of death, exclusive of interest (other than interest payable under Section II.1(vii) below), and shall include a reversal of any amounts deducted from the policy after death, including, but not limited to, amounts deducted for premium payments, loans, and/or service charges, and of any amounts added to the policy for interest or dividends. Notwithstanding the above, charges incurred before the insured's date of death but posted after the date of death shall not be reversed. For variable life insurance, the Respondent shall determine Proceeds based on the value of assets maintained in the relevant separate accounts at the close of business on the seventh (7<sup>th</sup>) business day prior to the date Proceeds are remitted to DFS.

(b) Proceeds under Annuity Contracts with a death benefit shall be determined according to the contract terms, exclusive of interest on a death benefit (other than interest, if any, payable under Section II.1(vii) below), except that: (1) with respect to those Proceeds that remain in variable annuities, the Respondent shall determine Proceeds based on the value of assets maintained in the relevant separate accounts at the close of business on the seventh (7<sup>th</sup>) business day prior to the date Proceeds are remitted to DFS; and (2) with respect to those Proceeds that remain in fixed annuities, the Respondent shall determine Proceeds based on the values of the account within ten (10) days prior to the date the Proceeds are remitted to DFS.

(c) Proceeds under retained asset accounts shall be the value of the account as of the date the Proceeds are processed for remittance to DFS as a result of this Agreement.

(vii) The amount payable to DFS shall include the Proceeds, plus interest at a rate of three (3) percent compounded annually from the date used to establish the death benefit values in accordance with Section II.1(vi)(a) and (b) above, or from January 1, 1995, whichever is later. However, interest shall not be payable with respect to the Proceeds of retained asset accounts or with respect to Proceeds reported and remitted prior to the commencement of the Audit on December 10, 2010. With respect to Annuity Contracts no interest will be paid except where the death benefit values were placed in a suspense account or money market account earning less than three (3) percent interest compounded annually for over ninety (90) days, then interest representing the difference between three (3) percent and the interest received shall be payable on the Annuity Contract Proceeds compounded annually from the date the death benefit account values are established according to the contract terms or from January 1, 1995, whichever is later. If any Proceeds are not timely remitted as required under this Agreement, DFS may seek to enforce the terms of this Agreement or initiate an action to vindicate any rights it may possess under DFS's UP Laws for failure to report, remit, or deliver unclaimed property on a timely basis, provided that any action under the UP Laws shall be limited to that portion of the Proceeds that were not timely remitted. In the event an action is brought under DFS's UP Laws, nothing contained in this Agreement shall serve as an admission by either Party in such action.

2. Proceeds Payable Upon Maturity Age or Maturity Date

(i) The following shall be the procedures for reporting and remitting Proceeds that are payable to DFS upon reaching Maturity Age or Maturity Date.

(ii) Auditor will submit UPRs to the Respondent in accordance with **Schedule D** identifying life insurance policies (including any group life insurance certificates issued thereunder) and Annuity Contracts that Auditor has determined have reached Maturity Age or Maturity Date, and for which the period of time elapsed since the Maturity Age or Maturity Date is beyond the Dormancy Period. The UPRs will be delivered in the format described in **Schedule C**.

(iii) Pursuant to **Section II.5** herein and **Schedule D, Section II**, the Respondent shall provide Auditor with exceptions to the UPR and state the grounds thereof. Where such grounds are based on documents or data that have not been provided to Auditor previously, the Respondent shall provide such data or documentation within a reasonable time period following the Respondent's response to the UPR, not to exceed ten (10) business days. The sole grounds for exceptions shall be one or more of the following: (a) the life insurance policy (including any group insurance certificate issued thereunder) or Annuity Contract had not reached the Maturity Age or Maturity Date; (b) the policy, the group life insurance certificate, or Annuity Contract was not in force upon the Maturity Age or Maturity Date; (c) there was no benefit payable upon the Maturity Date (e.g., the policy, group life insurance certificate, or Annuity Contract had no value at the Maturity Date; the policy, group life insurance certificate, or Annuity Contract had been surrendered); (d) the Dormancy Period has not expired; (e) the value of any Proceeds payable upon the Maturity Age or Maturity Date has in fact been remitted to the Beneficiary, or the Proceeds were already reported and remitted as unclaimed property; (f)

the value of any Proceeds payable upon the Maturity Age or Maturity Date is remittable to another State or is the subject of pending litigation; (g) the terms of the Annuity Contract provide for an immediate forced annuitization at the Maturity Date and the Annuity Contract has been annuitized or is in the process of being annuitized as a result of confirmed contact with the Beneficiary per the terms of the contract; (h) the value of any Proceeds payable upon the Maturity Age or Maturity Date is in the process of being paid by the Respondent as a result of confirmed contact with the Beneficiary as set forth in **Schedule D** per the terms of the contract; and/or (i) the life insurance policy (including any group life insurance certificate issued thereunder) or Annuity Contract is not within the Scope of the Audit. The Respondent shall further provide notice to Auditor if it has determined that the Maturity Age or Maturity Date is different than the Maturity Age or Maturity Date provided by Auditor if the Respondent contends such difference affects Proceeds under the policy or Annuity Contract. The list of exceptions shall be provided by the Respondent no later than the time specified in **Schedule D, Section II**.

(iv) For purposes of this Section, the Dormancy Period commences upon the Maturity Age or Maturity Date of the policy, group life insurance certificate, or Annuity Contract, or any revised Maturity Age, Maturity Date or other deferral expiration, as confirmed in writing to the Respondent by such owner, and is restarted upon Documented Contact with the owner of the relevant policy, group life insurance certificate or Annuity Contract. For purposes of this Section, "Documented Contact" includes: (a) administrative actions such as a request by the policy owner, Beneficiary, Annuity Contract owner, annuitant, or the legal or properly designated representative thereof, to maintain the policy or Annuity Contract, defer annuitization, surrender or accept other payment to be received from the policy, group life

insurance certificate, or Annuity Contract; change the designation of a Beneficiary, Annuity Contract owner or annuitant; or change an address or contact information; or (b) financial transactions such as a non-automated withdrawal (including, without limitation, election of a guaranteed minimum withdrawal or accumulation benefit(s)); refusing rider fee change increases; commencing or altering a required minimum distribution pursuant to the Internal Revenue Code and/or exercising any premature withdrawal privileges; additions of premium; a non-automated request to transfer funds, or reallocate the value of a policy or Annuity Contract among variable investment options; or a non-automated request to renew or change a fixed interest guarantee period under the policy or Annuity Contract.

(v) The running of the Dormancy Period shall not be tolled for any reason. However, if there is pending litigation to resolve claims to the Proceeds, Respondent shall not be required to report and remit the Proceeds during the pendency of the litigation. After the litigation has ended, Respondent shall be required to report and remit the Proceeds to DFS if the owner of the proceeds is missing and the Proceeds are due to DFS.

(vi) If the Respondent locates the owner of the relevant policy, group life insurance certificate or Annuity Contract, or such person's legal or properly designated representative, before the Proceeds are required to be reported and remitted to DFS in accordance with Schedule D, the Respondent will make a written notation in its records indicating the date of the contact, the person contacted, and the address, telephone number or email address of the contacted person.

(vii) Proceeds shall be determined without deduction of any fees other than those permitted by the policy or contract. The Respondent agrees that it or any agent acting on its behalf will not charge Beneficiaries costs associated with this Agreement.

(viii) Proceeds remitted by the Respondent to DFS under an Annuity Contract shall include the current account value as follows: (a) for a variable Annuity Contract, based on the value of assets held in the underlying separate account at the close of business on the seventh (7<sup>th</sup>) business day prior to the date Proceeds are remitted to DFS, and (b) for a fixed Annuity Contract, based on the account value within ten (10) business days of the date the Proceeds are remitted to DFS and inclusive of any interest credited by the Respondent to the account value. Upon remittance, the Respondent shall have no further obligation to report and remit Proceeds under the Annuity Contract.

(ix) All Proceeds of a life insurance policy or group life insurance certificate upon reaching Maturity Age shall be determined by the Respondent in accordance with the terms of the policy, or certificate, as appropriate, and shall include a reversal of any amounts deducted from the policy after the Maturity Age, including, but not limited to, amounts deducted for premium payments, loans, and/or service charges, and of any amounts added to the policy for interest or dividends. Notwithstanding the above, charges incurred before the Maturity Age but posted after the Maturity Age shall not be reversed. For variable life insurance, the Respondent shall determine Proceeds based on the value of assets maintained in the relevant separate accounts at the close of business on the seventh (7<sup>th</sup>) business day prior to the date Proceeds are remitted to DFS. Interest shall be added to Proceeds due to DFS from the later of the Maturity Age or January 1, 1995, at the interest rate of three (3) percent compounded annually. If any Proceeds are not timely remitted as required under this Agreement, DFS may seek to enforce the terms of this Agreement or initiate an action to vindicate any rights it may possess under DFS's UP Laws for failure to report, remit, or deliver unclaimed property on a timely basis, provided that any action under the UP Laws shall be limited to that portion of the Proceeds that were not



timely remitted. In the event an action is brought under DFS's UP Laws, nothing contained in this Agreement shall serve as an admission by either party in any such action.

**3. Proceeds in Retained Asset Accounts**

(i) For all situations not otherwise governed by the provisions set forth in Section II.1, the following shall be the procedures for reporting and remitting Proceeds payable from retained asset accounts to DFS.

(ii) Auditor will submit UPRs to the Respondent in accordance with Schedule D identifying dormant retained asset accounts that Auditor has determined may be payable. The UPRs will be delivered in the format described in Schedule C.

(iii) Pursuant to Section II.5 herein and Schedule D, Section II, the Respondent shall provide Auditor with exceptions to the UPR and state the grounds thereof. Where such grounds are based on documents or data that have not been provided to Auditor previously, the Respondent shall provide such data or documentation within a reasonable time period following the Respondent's response to the UPR, not to exceed ten (10) business days. The sole grounds for exceptions shall be one or more of the following: (a) the owner of retained asset account identified in the UPR has taken affirmative action in respect to the account that is inconsistent with abandonment (automatic financial or administrative transactions, other than automated deposits or withdrawals prearranged by the account owner, and/or the non-receipt by the Respondent of returned mail shall not constitute "affirmative action" for this purpose); (b) the Dormancy Period has not expired; (c) the value of the retained asset account has in fact been remitted to the owner or reported and remitted as unclaimed property; (d) the funds in the retained asset account are remittable to another State or are the subject of pending litigation; and/or (e) the retained asset account is not within the Scope of the Audit. The list of exceptions

shall be provided by the Respondent no later than the time specified in Schedule D, Section II. For purposes of this Section, the Dormancy Period shall not be deemed to have expired with respect to Proceeds of a retained asset account if the Respondent has Documented Contact with the owner within the Dormancy Period.

(iv) If the Respondent locates the owner before the account is required to be reported and remitted to DFS in accordance with Schedule D, the Respondent will make a notation in its records indicating the date of the contact, the person contacted, and the address, telephone number or e-mail address of the contacted person. The Respondent's contact with the account owner in the manner described above will result in the account not being subject to reporting and remittance in accordance with Schedule D.

(v) For purposes of this Section, the Dormancy Period commences upon the date of the most recent non-automatic financial or administrative transaction or other contact with the owner that is documented in the books and records of the Respondent.

(vi) Proceeds under retained asset accounts shall be the value of the account as of the date the Proceeds are processed to be remitted to DFS as a result of this Agreement. Proceeds shall be determined without deduction of any fees other than those permitted by the contract. The Respondent agrees that it or any agent acting on its behalf will not charge Beneficiaries costs associated with this Agreement. If any Proceeds are not timely remitted as required under this Section of the Agreement, DFS may seek to enforce the terms of this Agreement or initiate an action to vindicate any rights it may possess under that DFS's UP Laws for failure to report, remit, or deliver unclaimed property on a timely basis, provided that any action under the UP Laws shall be limited to that portion of the Proceeds that were not timely

remitted. In the event an action is brought under DFS's UP Laws, nothing contained in this Agreement shall serve as an admission by either Party in any such action.

4. **Resolving Disputes Regarding Unclaimed Property Reports**

(i) The following shall be the procedures for resolving disputes regarding UPRs.

(ii) If Auditor disputes an exception taken by the Respondent to a UPR, Auditor shall provide notice and supporting documentation or explanation to the Respondent within the time specified in Schedule D, Section II, and the notice shall be accompanied by the Respondent's list of exceptions.

(iii) Following receipt of notice of a dispute, Auditor and the Respondent shall meet to resolve the dispute and conclude the dispute resolution process within the time specified in Schedule D, Sections I and II.

(iv) If there is no agreement after Auditor and the Respondent meet, Auditor shall provide notice to DFS of the failure to reach agreement within the time specified in Schedule D, Sections I and II. The dispute shall then be referred to DFS pursuant to the UP Laws and regulations. Determinations made by DFS as to the previously disputed UPRs shall be final and binding on the Parties.

5. **Reporting and Remittance Procedures**

(i) DFS agrees that in determining the appropriate state to report and remit Proceeds under this Agreement, the following rules shall apply:

(a) Proceeds shall be remitted to the state of the last known address of each single Beneficiary as shown in the Respondent's books and records.

(b) If there is more than one known Beneficiary, Proceeds shall be reported and remitted to the states of the last known addresses of the Beneficiaries, based

upon the amounts payable to each under the applicable life insurance policy, group life insurance certificate, or Annuity Contract for those Beneficiaries for whom a last known address is shown in the books and records of the Respondent. For those Beneficiaries for whom an address is not shown in the Respondent's books and records, subsections 6.(1)(c) and 6.(1)(d) shall apply.

(c) With respect to property related to life insurance policies or Annuity Contracts due to a Beneficiary, if there is no last known address for any Beneficiary in the Respondent's books and records, then Proceeds shall be reported and remitted to the state of the last known address of the insured or annuitant.

(d) If the Respondent's books and records do not contain a last known address for the Beneficiary and do not contain a last known address for the insured, annuitant, or retained asset account owner, or if the last known addresses of the above are all outside the United States, then the Proceeds shall be reported and remitted to the state of incorporation of the relevant Respondent entity as of the time the state of incorporation's Dormancy Period expired under the terms of this Agreement.

(ii) The existence of an unresolved dispute as to reporting and remitting Proceeds shall not affect the duty to report and remit Proceeds as to which no dispute exists.

(iii) The Respondent shall report and remit Proceeds as required by Schedule D.

(iv) The Respondent shall provide Auditor with reasonable access to monitor the UPR review and the reporting and remittance processes being performed in accordance with Schedule D.

(v) Nothing contained in this Agreement shall preclude the Respondent from exercising any right it may have to seek indemnification, refunds or corrections of errors to the extent authorized by, and in accordance with, the UP Laws to which the Respondent made a remittance or report in error.

### **III. GENERAL PROVISIONS**

1. This Agreement sets forth a process for identifying certain amounts to be reported and remitted under its terms. Notwithstanding any of the terms, phrasing, or provisions used herein, nothing in this Agreement constitutes an admission that any amount or Proceeds described herein are past due, have been owed, or were improperly withheld or retained by the Respondent, or an admission by the Respondent that the Respondent had any legal or contractual obligation to conduct DMF searches in order to determine whether an insured, Annuity Contract owner or annuitant or retained asset account owner was deceased.

2. Schedules B, C and D attached to this Agreement (Schedule A is intentionally omitted) correspond to the Schedules bearing the same heading that are attached to the Global Resolution Agreement signed by Respondent on October 30, 2015 (the "GRA"). Except as specifically provided in the Schedule D attached to this Agreement, Schedule D is intended by the Parties to be interpreted as being consistent with Schedule D of the GRA.

3. Upon the execution of the Agreement by the Respondent and Auditor, to the extent that it has not already done so, and provided it is within the Scope of the Audit or reasonably requested by Auditor to identify Proceeds that are within the Scope of the Audit, the Respondent shall provide to Auditor: (a) the underlying detailed information (defined for the purposes of this paragraph as the policy or contract number, full name, date of birth, Social Security number, and address, where available) regarding all potential matches the Respondent has identified as a result of comparisons it has performed of its life insurance policies, Annuity

Contracts, or retained asset accounts against the DMF subsequent to the initiation of the Audit; (b) a list of all matches the Respondent has determined to be valid; (c) a list of all matches the Respondent has determined to be invalid and/or for which no Proceeds are payable, as well as the specific grounds for such determinations (e.g., the Proceeds were previously paid); (d) a list of all policies or contracts where a match has been made and the Respondent has determined that Proceeds under the policies or contracts are subject to reporting and remittance; and (e) a list of all policies or contracts where a match has been made and the Respondent has paid the Proceeds under the policies, as well as information identifying all Beneficiaries of these policies or contracts that have been paid. Thereafter, by the 25th day of every month, the Respondent will provide Auditor with a list of any additional unclaimed life insurance policies, Annuity Contracts, or retained asset accounts within the Scope of the Audit the Respondent has identified or become aware of that may be unpaid, as well as a list of any such policies, contracts or accounts for which the Respondent has either attempted to contact a customer to confirm a death or obtain additional identity information or initiated due diligence as a result of a DMF match or potential match. The Respondent agrees that all life insurance policies, Annuity Contracts or retained asset accounts on any such lists that meet the conditions for reporting and remittance under the terms of this Agreement shall be processed in accordance with the terms of this Agreement.

4. For the Duration of the Audit, the Respondent shall continue to provide Auditor with the data reasonably requested by Auditor to identify Proceeds that are within the Scope of the Audit.

5. For the Duration of the Audit, the Respondent shall provide Auditor with reasonable access to the Respondent's data and systems through a Respondent employee to

respond to queries made by Auditor's personnel to test the completeness and accuracy of all records provided by the Respondent.

6. The Respondent agrees to provide all requested insured, annuitant, Annuity Contract owner, or retained asset account owner names parsed out as follows to the extent such data elements are captured in the Respondent's systems: Prefix (Mr./Dr./ Maj./etc.); First; Middle (full name or initial if the full name is not in Respondent's records); Last; and Suffix (Esq./Jr./III/etc.).

7. Upon request, the Respondent agrees to provide reasonable assistance to DFS to aid in determining the validity of claims made upon the Proceeds remitted.

8. Respondent shall be entitled to any and all indemnification, hold harmless, discharge or release of liability provided for by section 717.1201, Florida Statutes (2015), with respect to all property reported and remitted in good faith to DFS in accordance with the terms of this Agreement.

9. This Agreement shall not impair, restrict, suspend, or disqualify Respondent from engaging in any lawful business in Florida. Further, this Agreement is not intended to impair or disqualify Respondent from engaging in any lawful business in any jurisdiction, based upon, or arising out of, the unclaimed property audit regarding any alleged act or omission of Respondent that occurred prior to the execution of this Agreement, unless Respondent breaches the terms of this Agreement.

10. The Parties agree that this Agreement is not intended to and shall not confer any rights upon any other person or entity. Nothing in this Agreement shall be construed to provide for a private right of action to any person or entity. Nor shall the Agreement be deemed to create

any intended or incidental third party beneficiaries, and the matters addressed herein shall remain within the sole and exclusive jurisdiction of DFS.

11. The Parties agree that this Agreement contains the entire agreement between them with regard to Respondent's settlement practices and policy administration relating to its unclaimed property practices and that there are no other understandings or agreements, verbal or otherwise, between the Parties, except as set forth herein. Other than as set forth herein, there have been no representations that any Party has relied upon in entering into this Agreement.

12. This Agreement may not be modified, changed, canceled, amended or varied, nor may any or all of its terms be waived, except by a writing signed by all of the Parties.

13. This Agreement may be executed in counterparts, but shall not be effective until signed by all Parties.

14. This Agreement represents a compromise of disputed matters between the Parties and the Parties agree that by negotiating and entering into this Agreement, the Respondent does not admit any wrongdoing or liability of any kind. Neither this Agreement, nor any act performed or document executed in furtherance of this Agreement, nor any discussions or communications leading to this Agreement, is now or may be deemed in the future to be an admission of or evidence of liability or any wrongdoing by the Respondent or any of its current or former affiliates, subsidiaries, officers, directors, employees, agents, or representatives. Neither this Agreement, nor any discussions or communications leading up to this Agreement nor any act performed or document executed in connection with this Agreement may be cited, used, presented, or introduced in any action or proceeding as proof of any wrongful conduct or liability on the part of the Respondent, nor shall it be construed as, offered as, used as, or deemed to be evidence of or an admission or concession of any liability or wrongdoing or violation of



any applicable provision of law or regulation whatsoever by the Respondent or as a waiver by the Respondent of any applicable legal or equitable defense. However, nothing in this provision shall limit any right of the Parties to cite or refer to this Agreement for any other purpose including enforcement of this Agreement.

15. The Respondent shall be excused from its performance under this Agreement, shall not be deemed to have breached this Agreement, and shall not be liable in damages or otherwise, in the event of any delay or default in performing the Agreement's terms resulting from a circumstance not within the reasonable control of the Respondent including, but not limited to, damage to or destruction of Respondent's property, systems or facilities. Notwithstanding such circumstances, the Respondent shall exercise reasonable diligence to perform its obligations under this Agreement and shall take reasonable precautions to avoid the effects of such circumstances to the extent that they may cause delay or default with respect to the Respondent's ability to perform its obligations under this Agreement.

16. This Agreement shall be construed and interpreted in accordance with the laws of the State of Florida without regard to any conflict of laws provisions.

17. Respondent agrees that the material failure to adhere to one or more of the above terms and conditions of this Settlement Agreement shall constitute a breach of the Agreement and shall subject Respondent to any administrative or enforcement actions and penalties as may be available to DFS under applicable law.

18. The Parties agree that the sole and exclusive venue for any action to enforce or for breach of this Agreement shall be in Leon County, Florida.

19. The Parties represent and warrant that the person executing this Agreement on behalf of each Party has the legal authority to bind the Party to the terms of this Agreement.

20. The Parties agree to cooperate fully with one another in implementing this Agreement.

21. The Parties may mutually agree to any reasonable extensions of time that might become necessary to carry out the provisions of this Agreement.

AXA EQUITABLE LIFE & ANNUITY COMPANY  
AXA EQUITABLE LIFE INSURANCE COMPANY  
US FINANCIAL LIFE INSURANCE COMPANY  
MONY LIFE INSURANCE COMPANY OF AMERICA  
MONY LIFE INSURANCE COMPANY

By: Paul R Boucher  
Paul Boucher  
Its: Lead Director/Vice President

Date: 10/30/2015

Jeff Atwater  
JEFF ATWATER  
Chief Financial Officer  
State of Florida

M. Drew Parker  
General Counsel

## **Exhibits Index**

**Schedule A: Intentionally Left Blank**

**Schedule B: Rules for Identifying Death Matches**

**Schedule C: Unclaimed Property Report Information and Format**

**Schedule D: Reporting and Remittance Procedures**

**SCHEDULE A**

## **SCHEDULE B**

### **RULES FOR IDENTIFYING DEATH MATCHES**

In comparing Respondent's records of its insureds, Annuity Contract owners or annuitants, as applicable to the payment of the death benefit, and retained asset account owners against the DMF, the governing principle to be followed shall be establishing whether or not a unique biological individual identified on Respondent's data is the same as a unique biological individual identified on the DMF in a case where a benefit is due and payable. In comparing Respondent's records of its insureds, Annuity Contract owners or annuitants, and retained asset account owners against the DMF, Auditor shall divide the matches it identifies into four categories in accordance with the rules set forth below.

#### **Category 1: "Exact" Match**

A Category 1 Match occurs in any of the following circumstances:

1. There is a four-way exact match of the First Name, Last Name, Date of Birth, and Social Security Number contained in the data produced by Respondent against data contained in the DMF.
2. The First Name matches in accordance with the Fuzzy Match Criteria listed below and the Last Name, Date of Birth, and Social Security Number match exactly.

#### **Category 2: SSN Match**

A Category 2 Match occurs when:

1. There is a four-way match of the First Name, Last Name, Date of Birth, and Social Security Number such that the Social Security Number contained in the data produced by Respondent matches exactly to the Social Security Number contained in the DMF, and the First Name, Last Name, and Date of Birth match either exactly or in accordance with the Fuzzy Match Criteria listed below.

#### **Category 3: Non-SSN Match**

A Category 3 Match occurs in any of the following circumstances:

1. The Social Security Number contained in the data produced by Respondent matches in accordance with the Fuzzy Match Criteria listed below to the Social Security Number contained in the DMF, and the First and Last Names, and Date of Birth match either exactly or in accordance with the Fuzzy Match Criteria listed below.
2. The records produced by Respondent do not include a Social Security Number or where the Social Security Number is incomplete (less than 7 digits) or otherwise invalid (e.g., 000000000, 999999999, 000006789), and there is a First Name, Last Name, and Date of Birth combination in the data produced by Respondent that is

a match against the data contained in the DMF where the First and Last Names match either exactly or in accordance with the Fuzzy Match Criteria listed below and the Date of Birth matches exactly, subject to paragraph 3 immediately below.

3. If there is more than one potentially matched individual returned as a result of the process described in paragraph 2 above, then Auditor shall run the Social Security Numbers obtained from the DMF for the potential matched individuals against Accurant for Insurance or an equivalent database. If a search of those databases shows that the Social Security Number is listed at the address provided by Respondent for the insured, then a Category 3 Match will be considered to have been made.

**Category 4: Applicable Only if Company has Policies which are Missing Certain Data, as Described Below**

A Category 4 Match occurs in any of the following circumstances:

1. For all life insurance policies for which the Respondent provided neither a complete Social Security Number nor a complete, non-calculated Date of Birth:
  - a. If (i) the DMF First and Last Names match the Respondent supplied records either exactly or according to the Fuzzy Match Criteria listed below for at least one person, (ii) such person was born within the 2 year birth range (from 1 year before to 1 year after) for the insured as computed from the year of issue and age at issue data supplied by the Respondent, and (iii) such person is at least 60 years of age, the Respondent shall either accept the match as valid or supply Auditor with a complete Date of Birth and/or Social Security Number for the insured from the physical policy file. If the Respondent supplies Auditor with a complete Date of Birth and/or Social Security Number from the policy file, the standard match rules shall then be applied to the new identity information.
  - b. If the policy file contains neither a complete Date of Birth nor a Social Security Number for the insured, then a match will be considered made if: (i) there is one, and only one, person, listed in the DMF who was born within the 2 year birth range (from 1 year before to 1 year after) for the insured as computed from the year of issue and age at issue data supplied by the Respondent, or (ii) there are more than one such matched persons as described in clause (i) but only one such matched person lived in the same state (listed in the DMF) as the insured, which was recorded on the Respondent's administrative systems.

**Fuzzy Match Criteria:**

1. A "First Name" fuzzy match includes one or more of the following:
  - a. First Name nicknames: "JIM" and "JAMES." Auditor utilizes the pdNickname database from Peacock Data, Inc. as well as publicly available lists of names and nicknames to identify matching First Names where a nickname is used on one or both sides of the match.
  - b. Initial instead of full First Name: "J FOX" and "JAMES FOX."

- c. "Metaphone" (a recognized and accepted phonetic name matching algorithm created by Lawrence Philips and originally published in 1990): "BUDDY" and "BUDDIE."
  - d. Data entry mistakes with a maximum difference of one character for a First Name at least five characters in length: "HARRIETTA" and "HARRIETA."
  - e. First Name is provided together with Last Name in a "Full Name" format and First Name and Last Name cannot be reliably distinguished from one another: "ROBERT JOSEPH," both "JOSEPH ROBERT" and "ROBERT JOSEPH."
  - f. Use of interchanged First Name and "Middle Name": "ALBERT E GILBERT" and "EARL A GILBERT."
  - g. Compound First Name: "SARAH JANE" and "SARAH," or "MARY ANN" and "MARY."
  - h. Use of "MRS." + "HUSBAND'S First Name + Last Name:" "MRS DAVID KOOPER" and "BERTHA KOOPER" where the Date of Birth and Social Security Number match exactly and the Last Name matches exactly or in accordance with the Fuzzy Match Criteria listed herein.
2. A "Last Name" fuzzy match includes one or more of the following:
- a. "Anglicized" forms of last names: "MACDONALD" and "MCDONALD."
  - b. Compound last name: "SMITH" and "SMITH-JONES."
  - c. Blank spaces in last name: "VON HAUSEN" and "VONHAUSEN."
  - d. "Metaphone" (a recognized and accepted phonetic name matching algorithm created by Lawrence Philips and originally published in 1990): "GONZALEZ" and "GONZALES."
  - e. First Name is provided together with Last Name in a "Full Name" format and First Name and Last Name cannot be reliably distinguished from one another: "ROBERT JOSEPH," both "JOSEPH ROBERT" and "ROBERT JOSEPH."
  - f. Use of apostrophe or other punctuation characters in Last Name: "O'NEAL" and "ONEAL."
  - g. Data entry mistakes with a maximum difference of one character for Last Name: "MACHIARELLI" and "MACHIARELL."
  - h. Last Name Cut-off. A match will be considered to have been made where due to the length of the Last Name, some of the last letters were not saved in the database: "Brezzinnows" and "Brezzinnowski" and "Tohightower" and "Tohightowers."
  - i. Married Female Last Name Variations: A fuzzy Last Name match will be considered to have been made even though the data does not match on the Last Name of a female if the Date of Birth and Social Security Number match exactly and the First Name matches exactly or in accordance with the Fuzzy Match Criteria listed herein.
3. "Date Of Birth" fuzzy match includes one of the following:
- a. Two dates with a maximum of 1 digit in difference: "03/27/1945" and "03/27/1946."

- i. NOTE: "03/27/1949" and "03/27/1950" are not a match under Rule 3(a).
    - ii. Only 1 entry mistake per full date is allowable: "03/27/1945" and "03/28/1946" are not a match under Rule 3(a).
  - b. Transposition of month and day portion of the Date of Birth: "05/11/1935" and "11/05/1935."
  - c. If either Respondent's systems or the DMF does not contain a complete Date of Birth, then a Date of Birth exact match will be found to exist where the data that is available on Respondent's systems does not conflict with the data contained in the DMF. By way of example, if Respondent's systems only contain a month and year of birth, an exact Date of Birth match will exist if the DMF record contains the same month and year of birth.
  - d. If the Respondent provided First and Last Name match, either exactly or in accordance with the Fuzzy Match Criteria listed herein, and the Respondent provided Social Security Number matches exactly against the DMF, then the Date of Birth will be a fuzzy match if the Respondent provided Date of Birth is within 2 years either before or after the DMF listed Date of Birth.
  - e. If the Respondent provided First and Last Name match exactly and there is an inaccurate, missing or incomplete Social Security Number, a match will be considered made if:
    - i. The Respondent supplied Date of Birth is a default Date of Birth (e.g., 01/01/1915) and the DMF year of birth is either an exact match or the DMF Date of Birth is within 1 year either before or after the Respondent provided Date of Birth (e.g., 01/01/1915 & 02/25/1915 or 01/01/1915 & 02/25/1916);
    - ii. The Respondent supplied Date of Birth matches exactly with the DMF month and day of birth and the DMF year of birth is within 5 years either before or after the Respondent supplied Date of Birth (e.g., 02/25/1915 & 02/25/1913 or 02/25/1915 & 02/25/1916);
    - iii. The Respondent supplied Date of Birth matches exactly with the DMF month and year and the DMF day of birth is not a match (e.g., 02/25/1915 & 02/15/1915 or 02/25/1915 & 02/7/1915); or
    - iv. The DMF Date of Birth is within 5 years either before or after the Respondent supplied Date of Birth and a search of that individual's First and Last Name and Social Security Number (listed on the DMF) in Accurant for Insurance or an equivalent database results in an address matching an Respondent address for that policy, contract or account.
4. A "Social Security Number" fuzzy match includes one of the following:
- a. Two Social Security Numbers with a maximum of 2 digits in difference, any number position: "123456789" and "123466781."
  - b. Two consecutive numbers are transposed: "123456789" and "123457689."
  - c. If a Social Security Number is less than 9 digits in length (with a minimum of 7 digits) and is entirely embedded within the other Social Security Number: "1234567" and "0123456789."



## **Reports of Matches**

Auditor shall only include Category 1 Matches, Category 2 Matches, Category 3 Matches, and Category 4 Matches in a UPR upon verifying that it believes a benefit may be payable based upon the data that Auditor was provided.

## **Other Matches and Mismatches**

Notwithstanding the fact that a life insurance policy (including a group life insurance certificate issued thereunder), Annuity Contract, or retained asset account is listed as a match, the Parties agree that there will not be a reportable match if Respondent is able to produce evidence sufficient to establish that the unique biological individual identified on Respondent's data is not the same as a unique biological individual identified on the DMF or such individual is not dead. Additionally, notwithstanding the fact that a policy (including a group life insurance certificate issued thereunder), Annuity Contract, or retained asset account is not found to be a match in accordance with the foregoing rules, Auditor may submit, in a separate report to be provided concurrently with the provision of Auditor's next due UPR, evidence sufficient to establish that a unique biological individual identified on Respondent's data is the same as a unique biological individual identified on the DMF. Once a match is submitted by Auditor pursuant to the preceding sentence, no other such matches shall be submitted for the individual so identified. In the event that Respondent and Auditor are unable to resolve any disputes related to what constitutes a reportable match, such disputes shall be subject to the dispute resolution provisions of the Agreement set forth in Schedule D. Auditor and Respondent agree to meet in order to evaluate whether the matching process is producing satisfactory data. If the matching process is not producing satisfactory data (i.e., a large number of false positives are reported based on the current criteria), Auditor and Respondent agree to use best efforts to develop new criteria for Auditor's identification of matches.

## **SCHEDULE C**

### **UNCLAIMED PROPERTY REPORT INFORMATION AND FORMAT**

#### **Report Information:**

UPRs will only include property that Auditor believes to be payable in accordance with the terms of this Agreement.

#### **Report Formats:**

The following schedules set forth the specific data elements that shall be provided for each UPR submitted in accordance with the terms of this Agreement (with each data element representing a column heading on a report). Prior to the first submission of each of the below schedules, Respondent and Auditor will meet in order to make any changes to the column headings that are operationally necessary and mutually agreeable.

#### **Schedule C-1:     UPRs**

- a)     Life Insurance Report & Group Life Insurance Report
- b)     Annuity Report
- c)     Retained Asset Account Report

On each of the schedules set forth above, data elements that represent Respondent data are indicated with a "(C)," data elements that represent Auditor data are indicated with a "(A)," data elements that represent DMF data are indicated with a "(DMF)" and data elements that represent YES/NO are indicated with a "(Y/N)."

## SCHEDULE C-1

### UPRs

#### a) Life Insurance Report & Group Life Insurance Report

Respondent Code (C)
Admin System (C)
Product Line Code (C)
Policy Number (C)
Policy Issue Date (C)
Auditor Record Control ID (A)
Remittance Reason (A)
Overall Match Category Assignment (A)
Overall Perfect Matched Fields (A)
Insured Full Name (C)
DMF Full Name (DMF)
Insured First Name (C)
DMF First Name (DMF)
First Name Perfect Match (A)
Insured Last Name (C)
DMF Last Name (DMF)
Last Name Perfect Match (A)
Insured SSN (C)
DMF SSN (DMF)
SSN Perfect Match (A)
Insured Date of Birth (C)
DMF Date of Birth (DMF)
Date of Birth Perfect Match (A)
Insured Address (C)
Insured State (C)
Death or Maturity Date (A)
Dormancy Period Expiration Date (A)
State of Remittance (A)
Current Policy Status (C)
Current Policy Status Effective Date (C)
Indication of Co-insured (Y/N) (A)
Indication of Payment (Y/N) (A)
Property Type Code (A)
Original Face Amount (C)
Due Diligence Category (A)

## SCHEDULE C-1: UPRs

### b) Annuity Report

Respondent Code (C)
Admin System (C)
Product Line Code (C)
Contract Number (C)
Contract Issue Date (C)
Auditor Record Control ID (A)
Remittance Reason (A)
Death of Annuitant or Owner (A)
Overall Match Category Assignment (A)
Overall Perfect Matched Fields (A)
Annuitant/Owner Full Name (C)
DMF Full Name (DMF)
Annuitant/Owner First Name (C)
DMF First Name (DMF)
First Name Perfect Match (A)
Annuitant/Owner Last Name (C)
DMF Last Name (DMF)
Last Name Perfect Match (A)
Annuitant/Owner SSN (C)
DMF SSN (DMF)
SSN Perfect Match (A)
Annuitant/Owner Date of Birth (C)
DMF Date of Birth (DMF)
Date of Birth Perfect Match (A)
Annuitant/Owner Address (C)
Annuitant/Owner State (C)
Date of Death or Date of Maturity (A)
Dormancy Period Expiration Date (A)
State of Remittance (A)
Current Contract Status (C)
Current Contract Status Effective Date (C)
Indication of Co-annuitant (Y/N) (A)
Indication of Payment (Y/N) (A)
Property Type Code (A)
Current Contract Value (C)
Due Diligence Category (A)

## **SCHEDULE C-1: UPRs**

### **c) Retained Asset Account Report**

Account Number (C)
Account Open Date (C)
Auditor Record Control ID (A)
Remittance Reason (A)
Overall Match Category Assignment (A)
Overall Perfect Matched Fields (A)
Account Owner Full Name (C)
DMF Full Name (DMF)
Account Holder First Name (C)
DMF First Name (DMF)
First Name Perfect Match (A)
Account Holder Last Name (C)
DMF Last Name (DMF)
Last Name Perfect Match (A)
Account Holder SSN (C)
DMF SSN (DMF)
SSN Perfect Match (A)
Account Holder Date of Birth (C)
DMF Date of Birth (DMF)
Date of Birth Perfect Match (A)
Account Owner Address (C)
Account Owner State (C)
Date of Death or Date of Last Activity (A)
Dormancy Period Expiration Date (A)
State of Remittance (A)
Property Type Code (A)
Current Account Balance (C)
Due Diligence Category (A)

## **SCHEDULE D**

### **REPORTING AND REMITTANCE PROCEDURES**

All UPRs shall be subject to the following process for reviewing, resolving disputes, and reporting and remitting Proceeds due to DFS under the terms of the Agreement:

#### **I. ISSUANCE OF UNCLAIMED PROPERTY REPORTS**

Separate UPRs shall be issued for: (i) Proceeds payable under life insurance policies upon an event of death or upon reaching the policy Maturity Age (the "Life Insurance Reports"); (ii) Proceeds payable under group life certificates upon an event of death or upon reaching Maturity Age (the "Group Life Insurance Reports"); (iii) Proceeds payable under Annuity Contracts upon an event of death or upon reaching the Maturity Date (the "Annuity Reports"); and (iv) unclaimed Proceeds in dormant retained asset accounts or where the retained asset account owner is deceased (the "Retained Asset Account Reports").

The Respondent and Auditor shall meet in good faith to establish a timetable for the submission of UPRs, subject to the following understandings:

(i) The first set of UPRs shall be issued as soon as practicable after the Effective Date and shall identify Proceeds already in the Respondent's unclaimed property system for which Auditor has completed its review as of the time this first set of UPRs is issued.

(ii) Thereafter, on the first day of each calendar month, Auditor may submit a UPR identifying all life insurance policies, Annuity Contracts, or retained asset accounts identified on any list supplied to Auditor in accordance with **Section III.3** of the Agreement that Auditor has determined meet the conditions for remittance under the terms of the Agreement.

(iii) In addition to the foregoing, Auditor shall deliver a new Life Insurance Report, Group Life Insurance Report, Annuity Report, and Retained Asset Account Report on the first day of every calendar month beginning no later than ninety (90) days following the Effective Date of the Agreement or receipt of complete and functional data from the Respondent, whichever is later.<sup>1</sup>

(iv) It is contemplated that the Audit will be completed no later than 24 months from submission of the first set of UPRs, subject to data-related issues and/or receipt of necessary information from the Respondent.

The UPRs shall identify only one unique individual per certificate, contract, policy or account. In the event that the procedures set forth in **Schedule B** result in more than one individual being identified as a possible insured, annuitant, Annuity Contract owner, or retained asset account owner, the UPR shall identify only that unique biological individual identified using the data with the most exact matching criteria which is most likely to be the individual

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<sup>1</sup> All references in this **Schedule D** to the number of days by which an action is to take place are to be calculated in calendar days. If the last day on which an action is to take place is a Saturday, Sunday, or legal holiday, the period continues to run until the end of the next day that is not a Saturday, Sunday, or legal holiday.

identified on Respondent's data, as determined using the matching procedures of **Schedule B**. Once a match is submitted by Auditor, no other matches shall be submitted for that certificate, contract, policy or account unless it is based on additional information that is received from Respondent or information uncovered by Respondent as a result of Respondent's UPR review.

## **II. REVIEW AND RECONCILIATION OF UNCLAIMED PROPERTY REPORTS**

### **A. Review of Unclaimed Property Report**

Respondent shall have up to one calendar month to review each UPR in order to identify all Proceeds that it agrees are subject to reporting and remittance as well as any exceptions it may have to an UPR, provided, however, that Respondent shall have up to forty-five (45) days to review each Group Life Insurance Report. Once Respondent has completed its review of each UPR, within five (5) business days following the last day of that month, or within five (5) business days following the end of the review period for Group Life insurance reports, it shall provide Auditor with a list identifying: (i) all Proceeds that it agrees are subject to reporting and remittance in accordance with **Sections III and IV** below; and (ii) the exceptions for Proceeds that Respondent has determined do not meet the criteria for reporting and remittance, together with the specific reasons for its determinations. Where the grounds for the exceptions are based on documents or data that have not been previously provided to Auditor, Respondent shall, upon the request of the Auditor, provide such data or documentation within a reasonable time period following the Auditor's request, not to exceed ten (10) business days.

### **B. Review and Reconciliation of List of Exceptions**

Within twenty (20) days after Respondent has provided Auditor with its list of exceptions, Auditor shall determine whether it disputes any exception contained in Respondent's list of exceptions.

If Auditor disputes an exception to an UPR, then Auditor and Respondent shall meet in good faith to resolve the dispute within twenty (20) days after Auditor notifies Respondent of its intent to dispute any listed exceptions. All property that Respondent agrees is due to be reported and remitted following reconciliation shall then be subject to applicable post-reconciliation processes described in **Sections III and IV** below. All exceptions that remain unreconciled twenty (20) days after Respondent and Auditor first meet to discuss each UPR will be specifically identified by Auditor in its final audit report (the "**Final Audit Report**") to DFS. The Final Audit Report shall state Respondent's basis for objection for each disputed amount. Disputes shall be resolved in accordance with Florida law.

## **III. POST-RECONCILIATION PROCESSING FOR PROCEEDS IDENTIFIED ON UPRs TO DFS**

Respondent agrees that all Proceeds identified on a UPR that are due to be reported and remitted to DFS pursuant to **Section II** shall be subject to the following due diligence.

**A. Due Diligence**

- 1. Due Diligence for Property Due: (a) Upon An Event of Death Under Life Insurance Policies (including Group Life Insurance Certificates Issued Thereunder), Annuity Contracts, or Retained Asset Accounts; (b) Upon Life Insurance Policies Reaching Maturity Age; and (c) Under Retained Asset Accounts, but Excluding Property Due (i) Under Variable Life Insurance Policies (including group life insurance certificates issued thereunder) and Variable Annuity Contracts and (ii) Upon an Endowment Policy With a Maturity Age of 75 or Less Reaching Maturity Age**

*i. Proceeds due under life insurance policies (including group life insurance certificates issued thereunder), Annuity Contracts, or retained asset accounts where: (a) the Respondent has performed due diligence for no less than the amount of time set forth in Subsection (ii) below and the property is already in the Respondent's unclaimed property system; (b) the Respondent does not have a last known address for the Beneficiary; or (c) the Respondent has made efforts to locate the Beneficiary subsequent to the initiation of the Audit for no less than the amount of time set forth in Subsection (ii) below but has not been able to locate or pay the beneficiary.*

All Proceeds within this category where the property is already in the Respondent's unclaimed property system shall be immediately subject to reporting and remittance to DFS in accordance with **Sections III.B and IV** below.

All Proceeds within this category where the Respondent does not have a last known address for the Beneficiary immediately shall be subject to the procedures for reporting and remittance to DFS in accordance with **Sections III.B and IV** below after allowing ten (10) days for the Respondent to calculate the amounts due under each policy, contract or account. Respondent shall be deemed to have no last known address for a Beneficiary where, according to the Respondent's books and records: (a) there is no last known address for the Beneficiary, insured, owner and retained asset account owner; or (b) there is a bad address indicator on the policy, contract or account record for all last known addresses for all of the foregoing.

For Proceeds within this category where the Respondent made efforts to locate the Beneficiary subsequent to the initiation of the Audit but has not been able to locate or pay the Beneficiary, Respondent shall be deemed to have already conducted reasonable due diligence based on the previous searches it has conducted. For Proceeds within this category Respondent may elect to write at least one letter and send at least one email to the Beneficiary based on information contained in the Respondent's files for that life insurance policy, Annuity Contract or retained asset account, but all property within this category immediately upon execution of this Agreement shall be subject to the procedures for reporting and remittance to DFS in accordance with **Sections III.B and IV** below after allowing ten (10) days for the Respondent to calculate the amounts payable under each life insurance policy, Annuity Contract or retained asset account.



In no event may property under this subsection be excluded from reporting and remittance pursuant to **Sections III.B and IV** below unless Respondent has made confirmed contact with a Beneficiary, or the legal or properly designated representative of a Beneficiary prior to the termination of the reporting and remittance process after which no further changes will be made to the report. For the purposes of this subsection, "confirmed contact" means Respondent has made contact with a Beneficiary, or a Beneficiary's legal or properly designated representative, and has begun to collect the documentation and information necessary to process the claim. Thereafter, Respondent shall pay the Beneficiary within two (2) calendar months following the end of the calendar month during which Respondent makes contact with the Beneficiary or the Beneficiary's legal or properly designated representative. Respondent shall make payment of the claim per the terms of the applicable life insurance policy, Annuity Contract or retained asset account following contact with a Beneficiary, or the legal or properly designated representative of a Beneficiary. If at the end of this two (2) calendar month period Respondent has not paid the claim, the Proceeds shall be subject to reporting and remittance to DFS in accordance with **Sections III.B and IV** below.

If Respondent makes confirmed contact with the Beneficiary or the Beneficiary's legal or properly designated representative but is unable to pay the Proceeds within the two (2) calendar month period following confirmed contact, Proceeds shall be reported and remitted based on the last known address on Respondent's books and records, as of the time it receives the UPR, for the Beneficiary, or the last known address of the insured or annuitant if there is no last known address for the Beneficiary.

*ii. Proceeds due under life insurance policies (including group life insurance certificates issued thereunder), Annuity Contracts, or retained asset accounts that do not fall within Subsection (i) above.*

Except as set forth below, there is no limitation on the amount or means of outreach Respondent may conduct to contact the Beneficiary for Proceeds within this category. Respondent will have a two (2) calendar month due diligence period to make confirmed contact with a Beneficiary or confirmed contact with the legal or properly designated representative of a Beneficiary, commencing at the end of the calendar month during which Respondent has confirmed that the property is subject to reporting and remittance under **Section II.A**. For purposes of this subsection, "confirmed contact" means Respondent has made contact with a Beneficiary or a Beneficiary's legal or properly designated representative, and has begun to collect the documentation and information necessary to process the claim. If Respondent has not made confirmed contact by the end of the two (2) calendar month due diligence period, the Proceeds shall be subject to the procedures for reporting and remittance to DFS in accordance with **Sections III.B and IV** below. If Respondent has made confirmed contact within the two (2) calendar month due diligence period, Respondent shall pay the Beneficiary within two (2) calendar months from the expiration of the due diligence period. If at the end of this second two (2) calendar month period Respondent has not paid the claim, the Proceeds shall be subject to the procedures for reporting and remittance to DFS in accordance with **Sections III.B and IV** below. Respondent shall make payment of the claim per the terms of the applicable life insurance policy, Annuity Contract or retained asset account following contact with a Beneficiary, or the legal or properly designated representative of a Beneficiary.

If Respondent does not make confirmed contact with the Beneficiary or the Beneficiary's legal or properly designated representative by the end of the two (2) calendar month due diligence period, or pay the Proceeds within the two (2) calendar month period following confirmed contact, Proceeds shall be reported and remitted based on the last known address on Respondent's books and records, as of the time it receives the UPR, for the Beneficiary, or the last known address of the insured or annuitant or account holder if there is no last known address for the Beneficiary.

**2. Due Diligence for Property Due: (a) Upon Annuity Contracts Reaching the Maturity Date; and (b) Under Variable Life Insurance Policies (including Group Life Insurance Certificates Issued Thereunder) and Variable Annuity Contracts; and (c) Upon an Endowment Policy With a Maturity Age of 75 or Less Reaching Maturity Age**

Respondent shall send one or more notification letters to, and may otherwise attempt to notify, the Beneficiary. If there is no response to a notification letter within 180 days (six months) after the initial notification letter is sent and the property is not paid to the Beneficiary (or otherwise dealt with in accordance with direction from the Beneficiary) in accordance with the terms of the Agreement, the property shall be subject to the reporting and remittance process described in **Sections III.B and IV** below.

At least one letter shall be sent to the last known address on Respondent's books and records, as of the time it receives the UPR, for the Beneficiary. If at any time prior to the expiration of the 180 day period described above, Respondent determines that the Beneficiary cannot be located, the property shall be subject to the reporting and remittance process described in **Sections III.B and IV** below.

**B. Reporting of Results of Due Diligence for UPRs**

Within five (5) business days following the end of each calendar month, Respondent shall provide Auditor with a list of all property that it has paid out as a result of the due diligence process, all property for which confirmed contact with a Beneficiary or a Beneficiary's legal or properly designated representative has been made but the property remains to be paid out, and all property that is to be remitted to DFS. Auditor may perform appropriate audit techniques to confirm that Respondent fully paid the Proceeds to the Beneficiary following the due diligence process.

Respondent shall provide Auditor with the methodology used to calculate Proceeds due to be remitted, as well as access to the physical documentation (e.g., calculation worksheets) and/or digital files that are created or edited during the death benefit or maturity calculation for each reportable policy, contract, and account. Such documentation shall include access to all post date of death debit/charges or additions to the account, including but not limited to loans, premiums, service fees, interest, dividends, etc. Auditor may test a reasonable percentage of such Proceeds to ensure that the correct calculations have been made. Any disputes regarding the amount of benefits due shall be subject to the same reconciliation and resolution process described in **Section II** above.

#### **IV. REPORT AND DELIVERY PROTOCOL FOR PAYMENT OF PROCEEDS TO DFS**

Records of Property to be reported and remitted will be generated on the last day of the calendar month: (a) in which the one calendar month review period for property in the Respondent's unclaimed property system ends; (b) in which the due diligence period ends; or (c) in which the valuation period provided for in Section III.A.1(i) ends if it is determined that no due diligence is required with respect to the Proceeds. Payment of all Proceeds to be reported and remitted shall be delivered as of the 10th day of the following month.

The report must correctly identify the full name, taxpayer identification number or social security number, date of birth, and last known address of the person(s) who own the unclaimed property to the extent this information is available in the Respondent's electronic administrative systems. In addition, to the extent this information is available in the Respondent's electronic administrative systems, the report must correctly identify the full name, taxpayer identification number or social security number, date of birth, and last known address of the insured or annuitant and of the beneficiary. Corrections of any errors or omissions must be made to the report and delivered to the person making the request within fourteen (14) days of receipt of the request of the DFS or Auditor to correct the report.

**Company agrees that all Proceeds to be reported and remitted to DFS pursuant to this Agreement shall be reported by Company to DFS with a notation indicating that the report is made pursuant to the Audit, and shall be reported and remitted by Company to DFS through Verus.** However, Missing Data Life Policies reported and remitted after the end of the Audit, if any, shall be reported and remitted directly to DFS. Further, Respondent agrees that it shall provide to Auditor a copy of all such reports and remittances. Respondent further agrees that no Proceeds to be reported and remitted to DFS pursuant to this Agreement shall be included in any annual filings or any supplemental filings made by Respondent to DFS. Nothing in this Agreement, however, shall prohibit Respondent from identifying and remitting Proceeds to a Beneficiary if permitted or required by DFS's UP Laws. At such time as the Respondent provides notice of remittance to a Beneficiary under DFS's UP Laws, the Respondent shall provide a copy of the notice of remittance to Auditor. DFS and Auditor shall have access to all relevant records documenting the identification of the Beneficiary and the remittance of Proceeds pursuant to this Section.

Auditor and Respondent mutually agree to deliver all notices and reports required under the Agreement according to the following protocols.

Reports provided to Respondent shall be delivered in electronic, encrypted, password protected, unlocked (to permit sorting) Excel format (or such other format as Auditor and Respondent mutually agree in writing) to Mr. Paul Boucher, at [paul.boucher@axa.us.com](mailto:paul.boucher@axa.us.com). Respondent may designate in writing to Auditor one or more persons to receive such reports instead of Mr. Paul Boucher, at [paul.boucher@axa.us.com](mailto:paul.boucher@axa.us.com).

Reports provided to Auditor shall be delivered in electronic, encrypted, password protected, unlocked (to permit sorting) Excel format (or such other format as Auditor and Respondent mutually agree in writing) to Mr. Steven Haley, at [shaley@verusfinancial.com](mailto:shaley@verusfinancial.com).

Where Auditor is to provide notice to DFS under **Section II.5.** of the Agreement or this **Schedule D**, the date of notice is the date on which notice is sent by Auditor. Where DFS is to provide notice or a report to Respondent under **Section II.5.** of the Agreement or this **Schedule D**, the date of notice is the date on which notice is sent by DFS to **Respondent**.

Report delivery protocol questions, issues, concerns, or disputes shall, in the first instance, be addressed to Mr. Paul Boucher, at [paul.boucher@axa.us.com](mailto:paul.boucher@axa.us.com), of Respondent, or Mr. Haley, of Auditor, for resolution.