

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of Banking and Insurance, )  
State of New Jersey, to impose an administrative sanction ) CONSENT  
on The Prudential Insurance Company of America ) ORDER  
[NAIC Company Code 68241, Group Code 0304] )

TO: The Prudential Insurance Company of America  
751 Broad Street  
Newark, NJ 07102-3777

This matter having been opened to the Commissioner (“Commissioner”) of the Department of Banking and Insurance (“Department”) of the State of New Jersey, upon the filing of a Coordinated Market Conduct Examination Report, dated April 16, 2021 (“Examination Report”), relating to Guaranteed Group Annuity Contracts issued by The Prudential Insurance Company of America (“PICA”) and Prudential Retirement Insurance and Annuity Company (“PRIAC”) (collectively, the “Company”); and,

WHEREAS, PICA is a domestic insurer authorized to transact business in New Jersey pursuant to N.J.S.A. 17B:18-4 since October 13, 1875; and,

IT APPEARING that on April 16, 2021, the Department forwarded to the Company the Examination Report, which sets forth the findings of the examination by the Department; and,

IT FURTHER APPEARING that the Department’s examination was conducted to evaluate the Company’s compliance with various statutes and regulations, particularly relating to Guaranteed Group Annuity Contracts. The examination revealed certain instances in which the

Company's practices may not have accorded with the Company's processes and procedures and did not comply with provisions of applicable statutes. These instances, as set forth in the Examination Report, are incorporated herein by reference; and,

IT FURTHER APPEARING that PICA asserts that its business practices and its handling of unlocatable annuitants under GACs are in compliance with New Jersey statutes; and,

IT FURTHER APPEARING that, in part as a result of the Department's examination, the Company has taken or will take measures that address concerns raised by the Department; and,

IT FURTHER APPEARING that PICA, having waived its right to a hearing, and having consented to an administrative fine of one million and two hundred thousand dollars (\$1,200,000) in order to fully and completely resolve all issues arising from the examination; and,

IT FURTHER APPEARING that this matter may be resolved upon the consent of the parties to these proceedings without resort to a formal hearing; and,

NOW, THEREFORE, IT IS on this 27 day of April 2021,

ORDERED AND AGREED that upon execution of this Consent Order, PICA shall present to the Department payment in the amount of one million and two hundred thousand dollars (\$1,200,000) by company check, certified check, cashier's check, wire transfer, or money order, payable to the State of New Jersey, General Treasury; and,

IT IS FURTHER ORDERED AND AGREED that PICA shall continue to institute measures and monitor operations in order to identify and remedy practices which may result in the instances addressed in the Consent Order; and,

IT IS FURTHER ORDERED AND AGREED that the Commissioner has the right to re-examine the Company and to sanction the Company for any reoccurrence of issues arising from the examination; and,


IT IS FURTHER ORDERED AND AGREED that the attached Examination Report will be adopted and filed as an official record of the Department.

  
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Marlene Caride, Commissioner

Consented to as to Form and Content:

The Prudential Insurance Company of America

By: Eric Schwimmer  
VP, Corporate Counsel  
Name and Title

DocuSigned by:  
  
Signature

April 26, 2021  
Date