

the practice of pricing life insurance policies at rates that were based on a different premium rate attributable to race. In some cases non-whites received a reduced death benefit compared to white policyholders paying the same premium, and in other cases non-white policyholders were charged a higher premium for the same death benefit as a white policyholder.

4. The Examination, the details of which are provided in Examination Report #789-00 (the "Report"), concluded that the activities described in paragraph numbered three above constitute unfair discrimination between individuals of the same class and hazard.

5. MLIC is licensed to transact insurance in this state. As affecting this state, the director has jurisdiction over the subject matter of this proceeding and MLIC.

6. A proposed settlement has been presented to the director, the terms of which are set forth in the Consent Order MIA-2003-06-001 dated June 12, 2003, (the "Regulatory Settlement Agreement"), which has been executed by MLIC and Maryland, in its capacity as primary negotiator, a copy of which is attached hereto as Exhibit A.

7. Upon review of the Regulatory Settlement Agreement, it is found that it is a fair and proper disposition of the matters addressed therein.

Action

The Regulatory Settlement Agreement is hereby approved, adopted fully, and incorporated herein by reference.

MLIC shall immediately initiate compliance with all terms and conditions of the Regulatory Settlement Agreement as incorporated herein.

Dated September 4, 2003

/s/ Henry G. Hagan
[Signature of Representative]

Henry G. Hagan
[Printed Name of Representative]

President and CEO
[Printed Title of Representative]

Monumental Life Insurance Company

FINAL ORDER

The director adopts, and incorporates herein by this reference, the above Stipulation as the director's final decision in this proceeding.

The above Stipulation and this Final Order together shall constitute the State Amendment page referred to in the Regulatory Settlement Agreement.

Dated August 11, 2003

/s/ Cory Streisinger
Cory Streisinger
Director
Department of Consumer and Business Services

//
//
//