NC DEPARTMENT of INSURANCE
MIKE CAUSEY, COMMISSIONER

North Carolina Insurance Commissioner Mike Causey receives court approval to modify moratorium on Greg Lindberg's financially impaired Colorado Bankers and Bankers Life Insurance Companies

Order allows annuity contract owners to withdraw limited funds to help during the pandemic

RALEIGH

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North Carolina Insurance Commissioner Mike Causey announced Friday that the Wake County Superior Court has granted him flexibility so he can help people holding annuity contracts with two insurance companies, Colorado Bankers Life Insurance Co. and Bankers Life Insurance Co., now in rehabilitation under the Department's oversight.

The order will allow the annuity contract owners with these two companies to have a one-time option for a limited partial withdrawal of funds.

The companies were placed in rehabilitation last year under a consent order with their principal owner, Durham businessman Greg Lindberg now in federal prison serving a seven-year sentence for trying to bribe Commissioner Causey.

The moratorium on withdrawing funds is common when insurance companies are placed in rehabilitation to help improve their financial stability.

While a previous order from the court allowed for limited hardship exemptions from a moratorium on payouts from the insurance companies, the new order helps ease the financial distress for beneficiaries and annuity contract owners caused by the COVID-19 pandemic.

Commissioner Causey serves as the companies' rehabilitator by overseeing their financial recovery.

"I requested this action so that the innocent policyholders in these companies could obtain some financial relief during the COVID-19 pandemic that has economically crippled so many families and businesses," said Commissioner Causey.

The limited moratorium modification will work as follows:

- Annuity contract owners with a current account value of less than $1,000 will receive the entire account value unless the contract owner opts out and elects to retain their annuity with the company.
- Annuity contract owners with a current account value of $1,000 or greater have the option to withdraw 10% of the account value, up to a total maximum of $15,000 per contract owner.

The withdrawals must not involve the transfer or exchange of funds to another carrier. It also does not include certain minimal face value annuities, or the cash value of any life policy, as any life policy will continue to remain in force. The total distributable value to annuity contract owners is approximately $208 million.

This order does not mean the moratorium has been lifted or that rehabilitation is over.

In the coming weeks, annuity contract owners will receive a letter explaining they are eligible for a one-time option for a limited partial withdrawal of funds. The insurance companies have partnered with Kurtzman Carson Consultants LLC (KCC) as the administrator for this process.

Each letter will provide instructions on how annuity contract owners should submit their request through KCC.

For additional information, contact KCC at 1-844-926-1524.

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