

## **COMPLIANCE OVERSIGHT TEAM (COT)**

The purpose of the Compliance Oversight Team (COT) is to:

- Establish, communicate, update, monitor company compliance and procedures
- Review complaints, replacement reports, compliance issues
- Determine requirements and execute procedures for compliance violations

The COT will review complaints, replacement reports, concerns of departments regarding compliance issues, and allegations of violations of company policies.

The COT recommends audit procedures or investigation of anything brought to its attention as it deems necessary.

The members of the Compliance Oversight Team include:

- Vice President, Legal Compliance
- Vice President, Sales
- Vice President, Underwriting
- Vice President, New Business
- Vice President, Chief Actuary
- Assistant Vice President, Human Resources
- Manager, Agent Licensing
- Manager, Marketing Services

The Vice President, Legal Compliance will chair the Team.

The COT ultimately reports to the President, and no less than annually, the Team will prepare a report on its activities to the President for presentation to the Board of Directors.

The COT will meet at least quarterly, and more often as required by circumstances.

Attachment A is a form which may be used to submit concerns to the Compliance Oversight Team.

**COMPLIANCE OVERSIGHT TEAM  
CONCERN FOR REVIEW/DISCUSSION/INVESTIGATION**

Date \_\_\_\_\_ Name \_\_\_\_\_

This form may be used to report any area of concern with regard to a compliance issue.  
Sample areas include:

- **PHI** - a PHI was attempted but not completed as the applicant doesn't know USFL or the agent and has no memory of signing an application
- **Labs** – The paramed went to visit the applicant to draw blood and the applicant doesn't know anything about USFL and has no memory of signing an application
- **Signatures** don't match between the application, lab slip, and/or delivery requirements
- **Licensing** - an agent with whom we do not want to do business
- **Agent of record changes** -
- **Cash surrenders** – a relatively new policy has been surrendered or there appears to be a pattern of cash surrenders from policies issued by one broker.
- **Advertising** - if they submit materials for approval and do not comply with our changes
- **Employees** - relationships with the field (New Business and Underwriting), or other unethical behavior
- **Underwriting audit** - conducted during the week of \_\_\_\_\_ reveals a concern \_\_\_\_\_

Please provide a brief overview of the specific area of concern: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Department \_\_\_\_\_

COT ACTION:	DATE _____
RECOMMENDED INVESTIGATION _____	
INVESTIGATOR _____	DUE DATE _____
FINAL ACTION TAKEN _____	
	DATE _____