

**BEFORE THE COMMISSIONER OF INSURANCE
OF THE STATE OF KANSAS**

In the Matter of UNITED BENEFIT)
LIFE INSURANCE COMPANY) Docket No. 3057-CO

CONSENT ORDER

Pursuant to the authority granted the Commissioner of Insurance by Kansas Statutes Annotated (K.S.A.) 40-222, K.S.A. 40-222b, K.S.A. 40-222d and in accordance with the Kansas Administrative Procedures Act, K.S.A. 77-501, et seq., as amended,

I, Kathleen Sebelius, the duly elected, qualified, and acting Commissioner of Insurance of the State of Kansas, hereby make the following findings of fact, conclusion of law, and order, to wit:

Findings of Fact

1. United Benefit Life Insurance Company (United Benefit Life) is an insurance company incorporated under the laws of the State of Ohio with its registered corporate office being located at 17800 Royalton Road, Strongsville, Ohio, 44136.

2. United Benefit Life was admitted to transact the business of insurance in the State of Kansas on September 20, 1968, pursuant to the authority of K.S.A. 40-402.

3. The Commissioner of Insurance of the State of Kansas has jurisdiction over the subject matter of this proceeding and over the operation of United Benefit Life in this State, and this proceeding is held in the public interest.

4. The annual financial statement of United Benefit Life for the year ending December 31, 2001 indicates United Benefit Life's pure surplus was \$504,078, which was \$95,922 below the minimum surplus requirement of \$600,000 as required by K.S.A. 40-402.

Conclusion of Law

5. Based upon the information enumerated in paragraph # 4 above, United Benefit Life's affairs appear to be in an unsound condition so that the continued operation of United Benefit Life may be hazardous to the insuring public as contemplated by K.S.A. 40-222, 40-222b, and 40-222d.

6. United Benefit Life waives its right to a formal adjudicative proceeding in this matter and notice thereof; admits to the foregoing findings of fact and conclusions of law; and voluntarily consents to the following order of the Commissioner of Insurance.

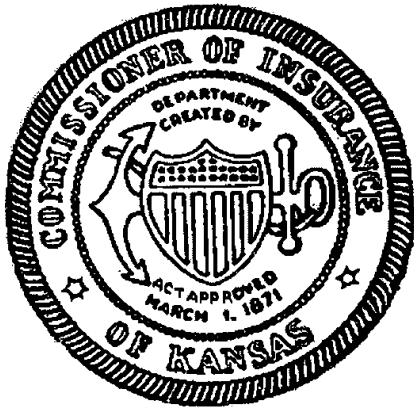
IT IS THEREFORE, BY THE COMMISSIONER OF INSURANCE, ORDERED THAT:

1. The Certificate of Authority of United Benefit Life is hereby suspended, effective the date of this Consent Order. United Benefit Life shall refrain from writing any new or renewal business in the State of Kansas until such time as United Benefit Life can demonstrate to the Commissioner of Insurance that it is no longer in an unsound condition as to endanger policyholders, and the continued operation of United Benefit Life is no longer potentially hazardous to the Kansas insuring public.

2. United Benefit Life shall take appropriate action to increase its capital and surplus to a level whereby the company's continued operation would no longer be in a hazardous financial condition and it is in compliance with the minimum surplus requirement as stated in K.S.A. 40-402.

3. The Commissioner of Insurance retains jurisdiction over this matter and over United Benefit Life for the purpose of entering any further order or orders as may be deemed proper and necessary.

IT IS SO ORDERED THIS 20th DAY OF MAY, 2002, IN THE CITY OF TOPEKA,
COUNTY OF SHAWNEE, STATE OF KANSAS.



/s/ Kathleen Sebelius
Kathleen Sebelius
Commissioner of Insurance
BY

/s/ Kathy Greenlee
Kathy Greenlee
General Counsel

/s/ Anthony J. Pino
For and on behalf of United Benefit Life
Insurance Company