

State of Idaho
DEPARTMENT OF INSURANCE

C.L. "BUTCH" OTTER
Governor

700 West State Street, 3rd Floor
P.O. Box 83720
Boise, Idaho 83720-0043
Phone (208)334-4250
Fax (208)334-4398
Website: <http://www.doi.idaho.gov>

DEAN L. CAMERON
Director

Idaho Department of Insurance News Release

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Contact: Tricia Carney 208-334-4312 or 208-850-2342

Tricia.carney@doi.idaho.gov

Insurance producer license revoked

BOISE ID – Effective September 20, 2016, the Idaho Department of Insurance issued an order revoking the insurance producer license of Boise resident Joseba Egana, for fraudulent, coercive and dishonest practices, and imposed an administrative penalty of \$19,000.

Egana sold annuity products to clients who were planning for their retirement. His clients specifically requested that they have access to the money at the end of five years. Contrary to their wishes, Egana sold policies with ten-year surrender dates and significant penalties for early withdrawal.

Three years into the term of the policies, Egana changed companies and persuaded his clients to transfer their annuities by leading them to believe the original policies were not performing well when, in fact, they were performing as promised. He received a substantial commission from the original sale of the policies and another large commission upon the sale of the new policies. His clients incurred a penalty greater than the amount of interest earned and the surrender dates of the policies were extended another ten years.

"Egana's conduct is reprehensible," says Department Director Dean Cameron. "Statutes are in place specifically to protect senior consumers and their retirement funds. By failing to conduct the required suitability analysis, Egana showed clear disregard for the welfare of his clients."

Department Rule, 18.01.41, *Replacement of Life Insurance and Annuities*, requires agents to notify companies when policies are being replaced. Egana failed to submit the required notice in nearly every case. He also misrepresented the applications for the new policies by providing false information about his clients including the amount of their liquid assets, their investment experience, and their need to access the invested funds during the policy period.

Egana will not be eligible to reapply for a new license for five years, after which time he must petition the Department and show good cause why this revocation should not affect his future trustworthiness as an agent.

This order can be read in its entirety on the Department [website](#).

For questions about this or other insurance-related topics, contact the Idaho Department of Insurance by visiting www.doi.idaho.gov or by calling 334-4250 in the Boise area or 800-721-3272 toll-free statewide.

About the Department of Insurance

The Idaho Department of Insurance has been regulating the business of insurance in Idaho since 1901. The mission of the Department is to equitably, effectively and efficiently administer the Idaho Insurance Code and the International Fire Code. For more information, visit www.doi.idaho.gov.

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