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Attorney General

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**FILED**  
**SEP 20 2016**   
Department of Insurance  
State of Idaho

*Attorneys for the Department of Insurance*

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

IDAHO DEPARTMENT OF INSURANCE,

Complainant,

vs.

JOSEBA EGANA, Resident Producer  
License No. 87194,

Respondent.

Docket No. 18-3148-16

**ORDER OF DEFAULT**

The Director of the Idaho Department of Insurance ("Director") having reviewed the record herein; and JOSEBA EGANA ("RESPONDENT"), who currently holds Resident Producer License No. 87194, having been lawfully served the Verified Complaint and Notice of Right to Hearing, a copy of which is attached hereto as Exhibit A and incorporated herein, and, as evident from the Affidavit of Judy L. Geier, having failed to file an answer thereto and having failed to request a hearing regarding said Verified Complaint; and the Director having found as a result

thereof that RESPONDENT has waived his rights regarding the opportunity for hearing; and in consideration of the above;

IT IS HEREBY ORDERED that Resident Producer License No. 87194 issued to RESPONDENT is REVOKED effective immediately and that, pursuant to Idaho Code § 41-1026(3), RESPONDENT shall not be issued any license under title 41, Idaho Code, for a period of five (5) years, after which time RESPONDENT must petition and show good cause why this revocation should not be deemed a bar to the issuance of a new license.

IT IS HEREBY FURTHER ORDERED that an administrative penalty in the amount of Nineteen Thousand Dollars (\$19,000) is imposed against RESPONDENT with said penalty to be paid prior to submission by RESPONDENT of any new application or any application for reinstatement of any license under title 41, Idaho Code.

IT IS FURTHER ORDERED, pursuant to Idaho Code § 41-1027(1), that RESPONDENT shall immediately return Resident Producer License No. 87194 to the Idaho Department of Insurance, P.O. Box 83720, Boise, Idaho 83720-0043.

IT IS SO ORDERED.

DATED this 20<sup>th</sup> day of September, 2016.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE



DEAN L. CAMERON  
Director

### **NOTIFICATION REGARDING REPORTABLE PROCEEDINGS**

This is considered a reportable administrative proceeding. As such, it is a public record and is public information that may be disclosed to other states and reported to companies of which you are actively appointed. This information will be reported to the National Association of Insurance Commissioners (NAIC) and will appear in the Idaho Department of Insurance's online searchable database. Be aware that you may be required to disclose this proceeding on any license application, and you may be required to report this action to any and all states in which you hold an insurance license.

### **NOTIFICATION OF RIGHTS**

This constitutes a final order of the agency. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. *See* Idaho Code § 67-5246(4).

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order may appeal it by filing a petition for judicial review in the district court of the county in which: (1) the hearing was held; or (2) the final agency action was taken; or (3) the aggrieved party resides or operates its principal place of business in Idaho; or (4) the real property or personal property that was the subject of the agency decision is located. An appeal must be filed within twenty-eight (28) days of: (a) the service date of this final order, or (b) an order denying a petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See* Idaho Code § 67-5273. The filing of a petition for judicial review to the district court does not itself stay the effectiveness or enforcement of the order under appeal.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have, on this 20 day of September, 2016, caused a true and correct copy of the foregoing ORDER OF DEFAULT to be served upon the following by the designated means:

Joseba Egana  
7930 W. Crestwood Drive  
Boise, ID 83704

☒ first class mail  
☐ certified mail  
☐ hand delivery

Joseba Egana  
587 W. Bosanka Drive  
Eagle, ID 83616-4956

☒ first class mail  
☐ certified mail  
☐ hand delivery

Judy L. Geier  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

☐ first class mail  
☐ certified mail  
☒ hand delivery

  
\_\_\_\_\_  
Kelly Grady

LAWRENCE G. WASDEN  
Attorney General

JUDY L. GEIER, ISB No. 6559  
Deputy Attorney General  
State of Idaho  
Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, Idaho 83720-0043  
Telephone: (208) 334-4204  
Facsimile: (208) 334-4298  
judy.geier@doi.idaho.gov

FILED

AUG 25 2016 <sup>69</sup>

Department of Insurance  
State of Idaho

*Attorneys for the Department of Insurance*

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

IDAHO DEPARTMENT OF INSURANCE,

Complainant,

vs.

JOSEBA EGANA, Resident Producer  
License No. 87194,

Respondent.

Docket No. 18-3148-16

**VERIFIED COMPLAINT AND  
NOTICE OF RIGHT TO HEARING**

The Idaho Department of Insurance (“**Department**”), by and through its counsel of record,  
Judy L. Geier, Deputy Attorney General, hereby complains and alleges as follows:

**JURISDICTION**

1. Jurisdiction is founded in the Idaho Insurance Code, Idaho Code §§ 41-101 *et seq.*, including Idaho Code § 41-210, which authorizes the Department’s Director (“**Director**”) to enforce the provisions of title 41, Idaho Code, including those that relate to Respondent’s activities as a resident producer.

EXHIBIT

A

2. Jurisdiction is further founded in Idaho Code § 41-213, which authorizes the Department to institute such proceedings as deemed necessary for the enforcement of any provision of the Idaho Insurance Code, including but not limited to suspension or revocation of insurance licenses and the imposition of administrative penalties.

3. Jurisdiction is further founded in Idaho Code § 41-1016(5), which authorizes the Department to retain authority to enforce the Idaho Insurance Code against a person who is under investigation or charged with a violation even if the person's license has been surrendered, has lapsed or if the person was never licensed.

4. All acts as alleged herein were committed within the state of Idaho.

#### **RESPONDENT**

5. Joseba Egana ("**Respondent**") was issued a Resident Producer License No. 87194 on September 13, 2001, which license expired on March 31, 2016. To date, Respondent has not attempted to renew Resident Producer License No. 87194.

#### **FACTUAL ALLEGATIONS**

6. Beginning in January of 2008, Respondent sold annuity policies for Bankers Life and Casualty Company ("**Bankers Life**").

7. Early in 2008, Lenny P. Buss and Marggie M. Buss, the Respondent's in-laws, began planning for their future retirement. At the time, Mr. Buss was 59 years old and Mrs. Buss was 48 years old. The Busses removed excess capital from their plumbing and HVAC business, Buss Mechanical, to fund their retirement.

8. The Busses sought assistance from Respondent regarding whether annuities could be a reasonable means of ensuring they would have a steady income stream to last through their retirement. The Busses stated that they did not need access to the money for the immediate five years, but wanted assurance of access by 2013.

9. Between April 28, 2008, and July 13, 2011, Respondent sold the Busses twelve (12) individual single premium annuity policies totaling over \$1.8 million, plus additional life insurance policies with death benefits totaling \$600,000; all issued through his appointed insurer, Bankers Life.

10. Contrary to the Busses' express wishes, each policy had a ten (10) year surrender date whereby significant penalties would be incurred if funds were removed in excess of ten percent (10%) in any given year. The fixed annuities were guaranteed a minimum interest rate of between 2.5% and 3.0% for the first ten years. The indexed annuities accumulated value based on an average change in the S&P 100.

11. The following are six of the initial twelve (12) policies that the Respondent sold to the Busses and that are also at issue in this matter :

**BANKERS LIFE ANNUITY POLICIES ISSUED TO LENNY P. BUSS**

<b>POLICY NUMBER</b>	<b>ISSUE DATE</b>	<b>AMOUNT</b>	<b>TYPE OF POLICY</b>
██████████	06/04/2008	██████████	██████████ IRA
██████████	02/18/2010	██████████	██████████ Annuity
██████████	07/13/2011	██████████	██████████ Annuity

**BANKERS LIFE ANNUITY POLICIES ISSUED TO MARGGIE M. BUSS**

<b>POLICY NUMBER</b>	<b>ISSUE DATE</b>	<b>AMOUNT</b>	<b>TYPE OF POLICY</b>
██████████	05/15/2008	██████████	Roth IRA
██████████	06/04/2008	██████████	██████████ IRA
██████████	06/19/2008	██████████	██████████ Annuity

12. On or about June/July 2011, Respondent left Bankers Life. Shortly, thereafter he began persuading the Busses to transfer their annuities.

13. On December 29, 2012, Respondent began working for a company called "Futurity First." Respondent convinced the Busses to surrender the six Bankers Life annuities in question, among others, in favor of purchasing various annuities from American Equity Investment Life Insurance Company ("**American Equity**"), Allianz Life Insurance Company of North America ("**Allianz**"), Fidelity & Guaranty Life Insurance Company ("**Fidelity & Guaranty**"), and Forethought Life Insurance Company ("**Forethought**"), all companies for which he had been newly appointed to sell annuity products.

14. The Busses contend that Respondent misrepresented the performance of the six Bankers Life annuities, alleging that they were not performing well and that the annuities that he was currently selling from a number of companies were performing much better. In fact, the Busses' aforementioned six Bankers Life annuities had collectively gained approximately \$55,500.82 in value since the date of purchase and were performing in accordance with the terms stated in the annuity contracts.

15. On March 28, 2013, and again on May 13, 2013, the Busses, in reliance on Respondent's misrepresentations, transferred the six Bankers Life annuities in question, incurring approximately \$64,164.57 in surrender fees and extending the surrender dates on each of the policies another ten years.

16. Additionally, Respondent misled the annuity insurers by making misrepresentations in the suitability forms, such as: a) falsely stating that the Busses' income was not anticipated to change during the ten (10) year surrender period; b) falsely inflating the amount of the Busses' liquid assets; c) falsely stating there would be no need for distributions during the ten (10) year surrender period; and d) falsely overstating the Busses' investment experience. In

some instances Respondent failed to complete a suitability analysis at all.

17. All of the new annuities were replacement policies. Respondent failed to include notices of replacement policies in four of the six new annuity purchases. For the remaining two policies, Respondent included the notice of replacement but falsely identified on the form that the new annuity was not a replacement policy.

18. The Busses contend that Respondent instructed them to cash out the six Bankers Life policies and to purchase the new policies via a personal check written directly to the new insurer. These instructions allowed the Respondent to withhold or conceal from the new insurers that the transaction was a replacement purchase.

19. The six Bankers Life annuities were replaced with new annuities as follows:

- Bankers Policy No. [REDACTED] purchased by Marggie Buss on June 3, 2008, was surrendered on May 13, 2013, and Allianz Contract No. [REDACTED] was purchased by personal check June 27, 2013;
- Bankers Policy No. [REDACTED] purchased by Marggie Buss on June 28, 2011, was surrendered on May 13, 2013, and Fidelity & Guaranty Contract No. [REDACTED] was purchased by personal check on June 24, 2013;
- Bankers Policy No. [REDACTED] purchased by Marggie Buss on June 3, 2008, was surrendered on May 13, 2013, and American Equity Contract No. [REDACTED] was purchased by personal check on July 25, 2013;
- Bankers Policy No. [REDACTED] purchased by Lenny Buss on February 18, 2010, was surrendered on March 28, 2013, and Allianz Contract No. [REDACTED] was purchased by personal check on April 9, 2013;
- Bankers Policy No. [REDACTED] purchased by Lenny Buss on July 13, 2011, was surrendered on May 13, 2013, and Fidelity & Guaranty Contract No. [REDACTED]

was purchased by personal check on June 24, 2013; and

- Bankers Policy No. [REDACTED] purchased by Lenny Buss on June 4, 2008, was surrendered on May 13, 2013, and Forethought Contract No. [REDACTED] was purchased by personal check on June 3, 2013.

20. By failing to designate the newly purchased annuities as replacement policies, Respondent avoided conducting a comparison of the Bankers Life policy and the new policy as required by Idaho law. Thereby, he avoided giving notice to the new insurer that the purchase was a replacement purchase, and avoided giving notice to the Busses of the consequences of early surrender of their existing annuities as well as the advantages or disadvantages of purchasing the new policy.

21. Respondent earned approximately \$91,292.72 in commissions from the Busses' original purchases of the six Bankers Life annuities. Thereafter, Respondent earned approximately \$61,520.39 in commissions from convincing the Busses to turn over the six Bankers Life annuities in favor of purchasing annuities from Allianz, American Equity, Fidelity & Guaranty, and Forethought. In some cases, the turnover purchase occurred within eighteen (18) months of the original Bankers Life purchase.

22. On February 9, 2016, the Department received a Consumer Complaint from the Busses regarding the transactions discussed herein.

23. Between February 11, 2016, and March 14, 2016, the Department left multiple telephone messages with Respondent and sent two letters pursuant to Idaho Code § 41-247 to the last known address as provided to the Department by the Respondent. All written communications were returned. Despite the voicemail recording announcing Respondent's name and message box, none of the telephone messages evoked a response.

**COUNT ONE**

**INDUCEMENT OF BUSES THROUGH MISREPRESENTATION  
AND/OR OMISSION OF MATERIAL TERMS  
IN VIOLATION OF IDAHO CODE §§ 41-1016(1)(b) & (e) and 41-1305**

24. Paragraphs 1 through 23 are incorporated herein as if set forth in full.
25. Idaho Code § 41-1016(1) provides in part that:

The director may impose an administrative penalty not to exceed one thousand dollars (\$1,000), for deposit in the general fund of the state of Idaho, and may suspend for not more than twelve (12) months or may revoke or refuse to issue or continue any license issued under [chapter 10], ...title 41, Idaho Code ..., if the director finds that as to the licensee or applicant any one (1) or more of the following causes or violations exist: . .

\*\*\*

(b) Violating any provision of title 41, Idaho Code, department rule, subpoena or order of the director...

\*\*\*

(e) Misrepresenting the terms of an actual or proposed insurance contract or application for insurance or misrepresenting any fact material to any insurance transaction or proposed transaction...

\*\*\*

26. Idaho Code § 41-1305 prohibits a person from:

... misrepresenting or making incomplete comparisons as to the terms, conditions, or benefits contained in any policy for the purpose of inducing or attempting or tending to induce the policyholder to lapse, forfeit, surrender, lease, retain, exchange, or convert, or otherwise use or dispose of any insurance policy, or any right or option thereunder, or in connection with any such statement and for like purpose fail to disclose all reasonably material facts, or a material fact necessary to make the statements made, in the light of the circumstances under which they are made, not misleading.

27. Pursuant to Idaho Code § 41-1026(3), the Director shall not issue a license under title 41, Idaho Code, to any person whose license has been revoked until after the expiration of not less than one (1) year to a maximum of five (5) years and, upon a former licensee's application for re-licensure, the Director may require "the applicant to show good cause why the prior revocation...shall not be deemed a bar to the issuance of a new license."

28. Respondent made certain misrepresentations and/or omissions and incomplete comparisons to the Busses regarding the performance and/or lack thereof of their Bankers Life annuities. Said misrepresentations, omissions and/or incomplete comparisons were made to induce the Busses into surrendering their existing annuities in favor of purchasing replacement annuities and to generate commissions.

29. Respondent used misrepresentations and omissions to induce the Busses into prematurely surrendering and obtaining cash from their existing Bankers Life annuities to pay for the new annuities.

30. Respondent made certain misrepresentations and/or omissions and/or failed to provide complete information to the Busses regarding the suggested replacement annuities purchased from Allianz, American Equity, Fidelity & Guaranty Life, and Forethought. Said misrepresentations and/or omissions were made to induce the Busses into surrendering their existing annuities in favor of purchasing the replacement annuities and to generate commissions.

31. Pursuant to Idaho Code §§ 41-1016(1)(b) & (e), 41-1305, and 41-1026(3), the Department seeks an order revoking Respondent's Idaho Resident Producer License No. 87194 and providing that Respondent shall not be issued a new license for a period of five (5) years, after which Respondent must show good cause why the prior revocation should not act as a bar to the issuance of a new license, and the imposition of an administrative penalty in an amount not to exceed One Thousand Dollars (\$1,000) per violation for a cumulative amount of not less than Six Thousand Dollars (\$6,000).

### **COUNT TWO**

#### **INDUCEMENT OF INSURERS THROUGH MISREPRESENTATION, OMISSION AND FAILURE TO PREPARE NOTICE OF REPLACEMENT IN VIOLATION OF IDAHO CODE §§ 41-1016(1)(b) & (h) and IDAPA 18.01.41**

32. Paragraphs 1 through 31 are incorporated herein as if set forth in full.

33. Idaho Code § 41-1016(1) provides in part:

The director may impose an administrative penalty not to exceed one thousand dollars (\$1,000), for deposit in the general fund of the state of Idaho, and may suspend for not more than twelve (12) months or may revoke or refuse to issue or continue any license issued under [chapter 10], ...title 41, Idaho Code ..., if the director finds that as to the licensee or applicant any one (1) or more of the following causes or violations exist: . .

\*\*\*

(b) Violating any provision of title 41, Idaho Code, department rule, subpoena or order of the director...

\*\*\*

(h) Using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility, or being a source of injury and loss to the public or others, in the conduct of business in this state or elsewhere.

34. IDAPA 18.01.41, Replacement of Life Insurance and Annuities, requires agents and brokers to present with the application a "Notice Regarding Replacement" as well as to obtain a list of all existing annuities to be replaced, detailing the name of the insurer, the insured and the contract number.

35. Pursuant to Idaho Code § 41-1026(3), the Director shall not issue a license under title 41, Idaho Code, to any person whose license has been revoked until after the expiration of not less than one (1) year to a maximum of five (5) years and, upon a former licensee's application for re-licensure, the Director may require "the applicant to show good cause why the prior revocation...shall not be deemed a bar to the issuance of a new license."

36. Respondent made misrepresentations to insurers on the Busses' annuity applications by: a) falsely stating that the Busses' income was not anticipated to change during the ten (10) year surrender period; b) falsely inflating the amount of the Busses' liquid assets; c) falsely stating there would be no need for distributions during the ten (10) year surrender period; d) falsely overstating the Busses' investment experience; and/or e) falsely stating the newly purchased annuities or life insurance policies were not replacement policies.

37. On four of the six applications for annuity contracts submitted on the Busses behalf, Respondent withheld or omitted material facts and terms from insurers by failing to complete and submit with the applications the required Notices Regarding Replacement. Respondent convinced the Busses to pay for the new annuities with personal checks so that the missing, but required Notices Regarding Replacement would not be detected.

38. Only two of the six applications for annuities that Respondent submitted on behalf of the Busses were accompanied with Notices Regarding Replacements. Respondent falsely stated or caused the Busses to falsely state on the Notices Regarding Replacements that the new annuities were not replacement policies when in actuality the new policies were replacements.

39. Respondent's acts of misrepresentation and omission were fraudulent, coercive or dishonest or demonstrated his incompetence, untrustworthiness or financial irresponsibility, or were a source of injury and loss to the public or others in violation of Idaho Code § 41-1016(1)(h).

40. Pursuant to Idaho Code §§ 41-1016(1)(b) & (h) and 41-1026(3) and IDAPA 18.01.41, the Department seeks an order revoking Respondent's Idaho Resident Producer License No. 87194 and providing that Respondent shall not be issued a new license for a period of five (5) years, after which Respondent must show good cause why the prior revocation should not act as a bar to the issuance of a new license, and the imposition of an administrative penalty in an amount not to exceed One Thousand Dollars (\$1,000) per violation for a cumulative amount not less than Six Thousand Dollars (\$6,000).

**COUNT THREE**  
**FAILURE TO CONDUCT SUITABILITY ANALYSIS**  
**IN VIOLATION OF IDAHO CODE §§ 41-1016(1)(b) and 41-1940**  
**and IDAPA 18.01.09.015**

41. Paragraphs 1 through 40 are re-alleged as if set forth in full.

42. Idaho Code § 41-1940 states in part:

41-1940. SUITABILITY OF ANNUITY SALES TO CONSUMERS.

- (1) In recommending to a consumer the purchase of an annuity or the exchange of an annuity that results in an insurance transaction or a series of insurance transactions, the insurance producer...shall have reasonable grounds for believing that the recommendation is suitable for the consumer on the basis of the facts disclosed by the consumer as to the consumer's investments and other insurance products and as to the consumer's age, financial situation and needs.
- (2) Prior to the execution of a purchase or exchange of an annuity resulting from a recommendation, an insurance producer,...shall make reasonable efforts to obtain information concerning:
  - (a) The consumer's financial status;
  - (b) The consumer's tax status;
  - (c) The consumer's investment objectives; and
  - (d) Such other information used or considered to be reasonable by the insurance producer...in making recommendations to the senior consumer.

\*\*\*

43. Idaho Code § 41-1016(1)(b) provides for sanctions against a licensed producer who "violat[es] any provision of title 41, Idaho Code." Idaho Code § 41-1026(3) provides that the Director shall not issue a license under title 41, Idaho Code, to any person whose license has been revoked until after the expiration of not less than one (1) year to a maximum of five (5) years and, upon a former licensee's application for re-licensure, the Director may require "the applicant to show good cause why the prior revocation...shall not be deemed a bar to the issuance of a new license."

44. Respondent did not have reasonable grounds for believing that the existing six annuities that had accumulated approximately \$54,500.81 in value and were performing in accordance with the terms of their contracts *should* be replaced by subsequent annuities that had similar terms but would cause the Busses to incur approximately \$69,816.41 in surrender fees to purchase.

45. Respondent failed to obtain, consider, and give weight to information regarding the Busses' financial status, tax status, and investment objectives prior to recommending the

replacement transactions, establishing that Respondent did not have reasonable grounds for making the recommendations.

46. For those transactions that Respondent did conduct a suitability analysis, Respondent provided false information with regard to the source of the funds for the purchase and whether the new policy was a replacement policy.

47. Respondent's efforts to disguise the replacement transactions to avoid conducting a suitability analysis and/or to avoid giving notice to the insurer that the transaction was a replacement purchase establish that Respondent did not have reasonable grounds for making the recommendations.

48. Pursuant to Idaho Code §§ 41-1016(1)(b) and 41-1940 and IDAPA 18.01.09.015, each of Respondent's misrepresentations and failures to conduct a suitability analysis constitutes a separate violation.

49. Pursuant to Idaho Code §§ 41-1016(1)(b), 41-1026(3), and 41-1940 and IDAPA 18.01.09.015, the Department seeks an administrative order revoking Respondent's Idaho Resident Producer License No. 87194 and providing that Respondent shall not be issued a new license for a period of five (5) years, after which Respondent must show good cause why the prior revocation should not act as a bar to the issuance of a new license, and the imposition of an administrative penalty in an amount not to exceed One Thousand Dollars (\$1,000) per violation for a cumulative amount of not less than Six Thousand Dollars (\$6,000).

#### **COUNT FOUR**

##### **FAILURE TO UPDATE CONTACT INFORMATION IN VIOLATION OF IDAHO CODE §§ 41-1008(6) and 41-1016(1)(b)**

50. Paragraphs 1 through 49 are incorporated herein as if set forth in full.

51. Idaho Code § 41-1008(6) imposes an obligation on every licensee to update the Department with a change of address within no later than thirty (30) days of the date of the change.

Idaho Code § 41-1016(1)(b) provides for sanctions against a licensed producer who “violat[es] any provision of title 41, Idaho Code.”

52. Respondent violated Idaho Code § 41-1008(6) by failing to update his contact information with the Department.

53. Pursuant to Idaho Code § 41-1016(1)(b), the Department seeks an order imposing an administrative penalty in the amount of One Thousand Dollars (\$1,000).

#### **REQUEST FOR RELIEF**

54. Based on the foregoing, the Department seeks an order revoking Idaho Resident Producer License No. 87194 and providing that Respondent shall not be issued a new license for a period of five (5) years after which time Respondent must petition and show good cause why the prior revocation should not be deemed a bar to the issuance of a new license.

55. The Department also seeks an order imposing an administrative penalty against Respondent in an amount to be proven at hearing, but in the event of default an amount not less than Nineteen Thousand Dollars (\$19,000) against Respondent, with said penalty to be paid prior to submission by Respondent of any new application or any application for reinstatement of any license under title 41, Idaho Code.

#### **NOTICE OF RIGHT TO A HEARING**

Pursuant to Idaho Code § 41-232A, Respondent has the right to a hearing on this matter. In order to exercise this right, a written request for a hearing must be filed and served upon the Department within twenty-one (21) days after service of this Complaint. Failure to file and serve a written request for a hearing upon the Department within the 21-day time period shall be deemed a waiver of the opportunity for a hearing and to contest the allegations in the Complaint, pursuant to Idaho Code § 41-232A(2).

Any written request for a hearing shall be served on the Director of the Idaho Department

of Insurance, addressed as follows:

Dean L. Cameron, Director  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, ID 83720-0043

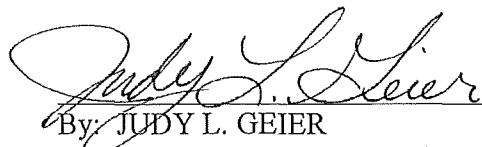
A copy shall also be provided to the Department's counsel in this matter, Judy L. Geier, Deputy Attorney General, at the following address:

Judy L. Geier  
Deputy Attorney General  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, ID 83720-0043

In lieu of a hearing, this matter may be resolved by negotiation, stipulation, agreed settlement, or consent order, pursuant to Idaho Code § 67-5241. Should you wish to discuss these options, please contact the undersigned deputy attorney general. If you fail to submit a timely written response to the allegations within 21 days of the service of this Complaint, a final order will be entered imposing the relief described above.

DATED this 25<sup>th</sup> day of August, 2016.

STATE OF IDAHO  
OFFICE OF THE ATTORNEY GENERAL

  
By: JUDY L. GEIER  
Deputy Attorney General  
Attorney for the Department of Insurance

**VERIFICATION**

STATE OF IDAHO    )  
                              : ss.  
County of Ada        )

Elaine Mellon, Consumer Services Bureau Chief for the Idaho Department of Insurance,  
being first duly sworn, deposes and says:

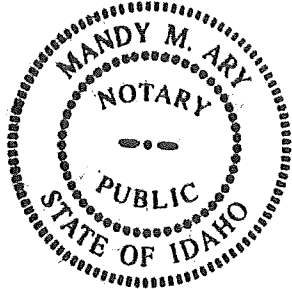
I have read the foregoing Verified Complaint and Notice of Right to Hearing and know  
the contents thereof, and the same are true to the best of my knowledge and belief and based on  
the records of the Department.

DATED this 24 day of August, 2016.

Elaine Mellon  
ELAINE MELLON

SUBSCRIBED AND SWORN to before me this 24<sup>th</sup> day of August, 2016.

Mandy M. Ary  
Notary Public for Idaho  
My commission expires on 7/24/2018



**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 25<sup>th</sup> day of August, 2016, and in compliance with Idaho Code § 41-232A, I caused a true and correct copy of the foregoing VERIFIED COMPLAINT AND NOTICE OF RIGHT TO HEARING to be served upon the following by the designated means:

Joseba Egana  
7930 W. Crestwood Drive  
Boise, ID 83704

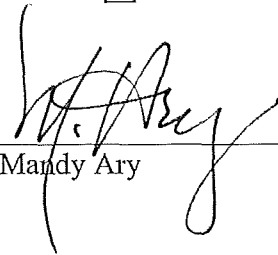
☒ first class mail  
☒ certified mail  
☐ hand delivery

Joseba Egana  
Futurity First  
6223 N. Discovery Way, Suite 200  
Boise, ID 83713-1559

☒ first class mail  
☐ certified mail  
☐ hand delivery

Joseba Egana  
8672 W. Banjo Drive  
Boise, ID 83709

☒ first class mail  
☐ certified mail  
☐ hand delivery

  
\_\_\_\_\_  
Mandy Ary