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STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:)
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DAVID RONALD KRIZMAN,)
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Respondent.

No. 04A-005-INS

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received evidence that David Ronald Krizman ("Respondent") violated provisions of Title 20, Arizona Revised Statutes. Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent is, and was at all material times, licensed to transact insurance as a resident life insurance producer, Arizona license number 567113, which license expires September 30, 2005.
2. On May 31, 2002, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing in Docket No. S-03486A-02-0000 against Respondent in which the Division alleged multiple violations of the Arizona Securities Act in connection with the offer and sale of securities in the form of viatical settlements and/or investment contracts.

1 3. On June 18, 2002, requested a hearing through Walter L. Baumgardner, a
2 Michigan attorney.

3 4. On December 11, 2002, a public hearing was commenced before a duly
4 authorized Administrative Law Judge of the Commission at its offices in Phoenix Arizona.
5 Neither Respondent nor Respondent's counsel appeared at the hearing.

6 5. On March 24, 2003, the Commission issued an Opinion and Order, Decision
7 No. 65772 concluding that Respondent offered and sold unregistered securities; violated the
8 fraud in the purchase or sale of securities provision of Title 44; and engaged in dishonest or
9 unethical practices in the securities industry. The Commission ordered the revocation of
10 Respondent's securities salesman's registration in addition to restitution in the amount of
11 \$439,715.62 and a civil penalty in the amount of \$66,000.00.

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CONCLUSIONS OF LAW

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14 1. The Director has jurisdiction over this matter.


15 2. Respondent's conduct as described above constitutes using fraudulent, coercive
16 or dishonest practices, or demonstrating incompetence, untrustworthiness or financial
17 irresponsibility in the conduct of business in this state or elsewhere within the meaning of
18 A.R.S. § 20 -295(A)(8).

19 3. Grounds exist for the Director to suspend, revoke, or refuse to renew
20 Respondents' insurance license, impose a civil penalty and/or order restitution pursuant to
21 A.R.S. §§20-295(A).

1 **ORDER**

2 IT IS HEREBY ORDERED THAT Respondent's license shall be revoked effectively
3 immediately upon entry of this Order.

4 DATED AND EFFECTIVE this 9th day of January, 2003⁴.

5 
6 CHRISTINA URIAS
7 Director of Insurance

8 **CONSENT TO ORDER**

9 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law
10 and Order.

11 2. Respondent admits the jurisdiction of the Director of Insurance, State of
12 Arizona, and admits the foregoing Findings of Fact and consents to the entry of the foregoing
13 Conclusions of Law and Order.

14 3. Respondents is aware of his right to notice and a hearing at which he may be
15 represented by counsel, present evidence and examine witnesses. Respondent irrevocably
16 waives his right to such notice and hearing and to any court appeals relating to this Consent
17 Order.

18 4. Respondent states that no promise of any kind or nature whatsoever, except as
19 expressly contained in this Consent Order, was made to him to induce him to enter into this
20 Consent Order and that he has entered into this Consent Order voluntarily.

21 5. Respondent acknowledges that the acceptance of this Consent Order by the
22 Director is solely to settle this matter against him and does not preclude any other agency,
23

1 officer, or subdivision of this state from instituting civil or criminal proceedings as may be
2 appropriate now or in the future.

3
4 12/22/03

5 Date

David Ronald Krizman

6 David Ronald Krizman

7 License Number 567113

8 COPIES of the foregoing mailed/delivered
9 this 13th day of January, 2004, to:

10 David Ronald Krizman

11 4221 E. GRANT RD

12 Tucson, AZ 85712

13 Gerrie L. Marks, Acting Deputy Director for Regulatory Affairs

14 Catherine M. O'Neil, Consumer Legal Affairs Officer

15 Arnold Sniegowski, Investigations Supervisor

16 Bob Hill, Investigator

17 Department of Insurance

18 2910 North 44th Street, Suite 210

19 Phoenix, Arizona 85018

20
21 Curvey Walters Burton

22 Curvey Walters Burton