

FEB 11 2011

DEPT OF INSURANCE
BY 

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:

SONG, CHIWON,
(Arizona License Number 907000)
(National Producer Number 9919549)

Respondent.

No. 11A- 025 - INS

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received evidence that **Chiwon Song ("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 as an Arizona resident accident/health, life and variable annuities insurance producer, Arizona license number 907000, which expires May 31, 2011.

2. On or about May 11, 2009, Respondent sold to Young En Yoon ("Yoon") a Destination Income 15 Indexed Annuity through Forethought Life Insurance Company ("Forethought"). At the direction of Mrs. Yoon, Respondent wrote in his business address in the space provided for Yoon's mailing address. Respondent failed to deliver the policy to Yoon upon issuance.

1 3. On or about December 17, 2009, Respondent sold to Yoon a Value Lock Equity-
2 Indexed Deferred Annuity through American National Insurance Company ("ANICO") to
3 replace the Forethought annuity to the detriment of Yoon. On the ANICO application,
4 Respondent asserted that the "Specific Reason for Replacing Existing Policy With New
5 Proposed Policy" is "To have better interest rate: To have better strategy: and, To have lower
6 surrender value and long term investment". The replacement of the Forethought policy with
7 the ANICO policy would not have accomplished any of the reasons Respondent stated on the
8 ANICO application. The replacement of the Forethought policy with the ANICO policy would
9 have cost Yoon \$5,400.00 in surrender charges with no other benefits over the Forethought
10 annuity. Respondent expected to earn \$5,400.00 in commission.

11 4. On February 8 and February 10, 2010, on the instruction of Respondent,
12 Respondent's assistant Janet Kim posed as Yoon and called Forethought and requested
13 cancellation of the annuity without Yoon's knowledge or consent.

14
15 **CONCLUSIONS OF LAW**

16 1. The Director has jurisdiction over this matter.

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

21 3. Respondent's conduct, as described above, constitutes making any
22 misrepresentation to any policyholder for the purpose of inducing or tending to induce the
23

1 policyholder to lapse, forfeit, surrender, retain or convert any insurance policy, within the
2 meaning of A.R.S. § 20-443(A)(5).

3 4. Respondent's conduct, as described above, constitutes knowingly presenting or
4 causing to be presented or preparing with the knowledge or belief that it will be presented an
5 oral or written statement to an insurer or purported insurer that contains untrue statements of
6 material fact with respect to an application for the issuance of an insurance policy, within the
7 meaning of A.R.S. § 20-463(A)(1)(a).


8 5. Grounds exist for the Director to suspend, revoke, or refuse to renew
9 Respondent's insurance license, impose a civil penalty and/or order restitution pursuant to
10 A.R.S. §§20-295(A) and (F).

11
12 **ORDER**

13 IT IS HEREBY ORDERED THAT:

14 Respondent's license is revoked effective immediately upon entry of this Order.

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16 DATED AND EFFECTIVE this 10th day of February, 2011.

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18 

19 CHRISTINA URIAS
Director of Insurance

20
21 **CONSENT TO ORDER**

22 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law
23 and Order.

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

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

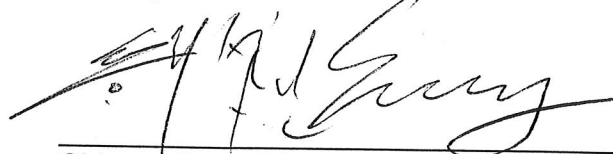
8 4. Respondent states that no promise of any kind or nature whatsoever, except as
9 expressly contained in this Consent Order, was made to him to induce him to enter into this
10 Consent Order and that he has entered into this Consent Order voluntarily.

11 5. Respondent acknowledges that the acceptance of this Consent Order by the
12 Director is solely to settle this matter against him and does not preclude any other agency,
13 officer, or subdivision of this state including the Department from instituting civil or criminal
14 proceedings as may be appropriate now or in the future.

15 6. Respondent acknowledges that this Consent Order is an administrative action
16 that the Department will report to the National Association of Insurance Commissioners (NAIC)
17 and that he may have to report this administrative action on any future licensing applications
18 either to the Department or other states' Departments of Insurance.

19 02.03.2011

20 Date

21 

22 _____
23 Chiwon Song, License No. 907000

1 COPIES of the foregoing mailed/delivered
2 this 11th day of February, 2011, to:

3 Chiwon Song
4 815 N. 52nd St.
5 Phoenix, AZ 85008
6 (*Respondent*)

7 Nicholas Alcock
8 2 N. Central Ave., 26th Floor
9 Phoenix, AZ 85004
10 (*Attorney for Respondent*)

11 Mary Kosinski, Executive Assistant for Regulatory Affairs
12 Catherine M. O'Neil, Consumer Legal Affairs Officer
13 Steve Fromholtz, Licensing Supervisor
14 Arnold Sniegowski, Investigator
15 Department of Insurance
16 2910 North 44th Street, Suite 210
17 Phoenix, Arizona 85018

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19 Curvey Walters Burton
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