STATE OF ARIZONA FILED

SEP 7 2012

STATE OF ARIZONA

DEPT OF YNJERRANCE

DEPARTMENT OF INSURANCE

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In the Matter of:

OF NORTH AMERICA

CONDUCT REVIEW (NAIC #906011)

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No. 12A-118-INS

ORDER AND ADOPTION OF REGULATORY SETTLEMENT **AGREEMENT**

Respondent.

ALLIANZ LIFE INSURANCE COMPANY

MULTISTATE MARKET CONDUCT

The State of Arizona Department of Insurance ("Department") is a Participating State, as defined in the Regulatory Settlement Agreement (the "Agreement"), in the Multistate Market Conduct Review ("Review") of Respondent Allianz Life Insurance Company of North America ("Allianz"). The purpose of this Order is to adopt the provisions of the Agreement resolving the Examination. The Arizona Director of Insurance ("Director") has jurisdiction over this matter and issues this Order pursuant to A.R.S. §20-151.

The Review focused on Allianz's practices with respect to its fixed annuity products for the time period of January 1, 2001 through December 31, 2008. The lead states on the Review were Iowa, Florida, Minnesota and Missouri ("Lead States"). The parties wish to enter the Agreement to resolve questions and issues which arose during the Review and to provide certain remedial actions with respect to Allianz's annuity sales during the review period.

The Director adopts and agrees to the provisions of the Agreement attached as Exhibit 1 hereto and incorporated by this reference in its entirety. Allianz agreed to pay a total monetary penalty in the amount of \$10 million. The portion of the monetary penalty

due to Arizona is \$317,509.82, calculated as set forth in the Agreement. On or about 1 September 5, 2012, the Department received the penalty payment from Allianz. 2 3 IT IS HEREBY ORDERED THAT: 4 Allianz shall comply with all terms of the Regulatory Settlement Agreement and, 5 consistent with the terms of the Agreement. The Arizona Department of Insurance will 6 deposit in the State's General Fund the penalty in the amount of \$317,509.82. 7 DATED this 7th day of September, 2012. 8 9 10 11 **Acting Director** Participating Regulator 12 Arizona Department of Insurance 13 COPY of the foregoing mailed this day of September, 2012 to: 14 15 Rosanne Mead Iowa Insurance Division 16 330 Maple Street Des Moines, IA 50319 17 Walter R. White 18 President and Chief Executive Officer Gretchen Cepek 19 Senior Vice President and General Counsel Allianz Life Insurance Co. of North America 20 57001 Golden Hills Drive 21 Minneapolis, Minnesota 55416 22 23 24 25

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