

BrokerCheck Report

USALLIANZ SECURITIES, INC.

CRD# 40875

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When communicating online or investing with any professional, make sure you know who you're dealing with. [Imposters](#) might link to sites like BrokerCheck from [phishing](#) or similar scam websites, or through [social media](#), trying to steal your personal information or your money.

Please contact FINRA with any concerns.

About BrokerCheck®



BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:
 - information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
 - information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.

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Thank you for using FINRA BrokerCheck.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at brokercheck.finra.org



For additional information about the contents of this report, please refer to the User Guidance or www.finra.org/brokercheck. It provides a glossary of terms and a list of frequently asked questions, as well as additional resources. [For more information about FINRA, visit www.finra.org.](http://www.finra.org)



USALLIANZ SECURITIES, INC.

CRD# 40875

SEC# 8-49216

Main Office Location

5701 GOLDEN HILLS DRIVE
MINNEAPOLIS, MN 55416

Mailing Address

P.O. BOX 59177
MINNEAPOLIS, MN 55459-0177

Business Telephone Number

888-446-5872

Report Summary for this Firm

This report summary provides an overview of the brokerage firm. Additional information for this firm can be found in the detailed report.

Firm Profile

This firm is classified as a corporation.
This firm was formed in Minnesota on 02/15/1996.
Its fiscal year ends in December.

Firm History

Information relating to the brokerage firm's history such as other business names and successions (e.g., mergers, acquisitions) can be found in the detailed report.

Firm Operations

This brokerage firm is no longer registered with FINRA or a national securities exchange.

Disclosure Events

Brokerage firms are required to disclose certain criminal matters, regulatory actions, civil judicial proceedings and financial matters in which the firm or one of its control affiliates has been involved.

Are there events disclosed about this firm? **Yes**

The following types of disclosures have been reported:

Type	Count
Regulatory Event	3

The number of disclosures from non-registered control affiliates is 36

Registration Withdrawal Information

This section provides information relating to the date the brokerage firm ceased doing business and the firm's financial obligations to customers or other brokerage firms.



Date firm ceased business: 12/31/2006

Does this brokerage firm owe any money or securities to any customer or brokerage firm? No



Firm Profile

This firm is classified as a corporation.

This firm was formed in Minnesota on 02/15/1996.

Its fiscal year ends in December.

Firm Names and Locations

This section provides the brokerage firm's full legal name, "Doing Business As" name, business and mailing addresses, telephone number, and any alternate name by which the firm conducts business and where such name is used.

USALLIANZ SECURITIES, INC.

Doing business as USALLIANZ SECURITIES, INC.

CRD# 40875

SEC# 8-49216

Main Office Location

5701 GOLDEN HILLS DRIVE
MINNEAPOLIS, MN 55416

Mailing Address

P.O. BOX 59177
MINNEAPOLIS, MN 55459-0177

Business Telephone Number

888-446-5872



Firm Profile

This section provides information relating to all direct owners and executive officers of the brokerage firm.

Direct Owners and Executive Officers

Legal Name & CRD# (if any): ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Is this a domestic or foreign entity or an individual? Domestic Entity

Position SHAREHOLDER

Position Start Date 02/1996

Percentage of Ownership 75% or more

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): HOWELL, RUTH ANNETTE

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF COMPLIANCE OFFICER, COMPLIANCE REGISTERED OPTIONS PRINCIPAL

Position Start Date 02/2005

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): INGERSOLL, THADDEUS WINTHROP III

2616975

Is this a domestic or foreign entity or an individual? Individual

Position COMPLIANCE MANAGER, SENIOR REGISTERED OPTIONS PRINCIPAL

Position Start Date 12/2005

Percentage of Ownership Less than 5%

Firm Profile



Direct Owners and Executive Officers (continued)

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): JORGENSEN, MICHAEL JAMES
2676329

Is this a domestic or foreign entity or an individual? Individual

Position PRESIDENT

Position Start Date 03/2006

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): REITAN, EMILY SUZANNE
5209812

Is this a domestic or foreign entity or an individual? Individual

Position CHIEF FINANCIAL OFFICER & TREASURER

Position Start Date 09/2006

Percentage of Ownership Less than 5%

Does this owner direct the management or policies of the firm? Yes

Is this a public reporting company? No

Legal Name & CRD# (if any): VITIELLO, VINCENT GERARD
1059845

Firm Profile



Direct Owners and Executive Officers (continued)

Is this a domestic or foreign entity or an individual?	Individual
Position	CHAIRMAN OF THE BOARD
Position Start Date	09/2005
Percentage of Ownership	Less than 5%
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No



Firm Profile

This section provides information relating to any indirect owners of the brokerage firm.

Indirect Owners

Legal Name & CRD# (if any):	ALLIANZ OF AMERICA, INC.
Is this a domestic or foreign entity or an individual?	Domestic Entity
Company through which indirect ownership is established	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Relationship to Direct Owner	SHAREHOLDER
Relationship Established	08/1999
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	No

Legal Name & CRD# (if any):	ALLIANZ SOCIETAS EUROPAEA
Is this a domestic or foreign entity or an individual?	Foreign Entity
Company through which indirect ownership is established	ALLIANZ OF AMERICA INC.
Relationship to Direct Owner	SHAREHOLDER
Relationship Established	06/1976
Percentage of Ownership	75% or more
Does this owner direct the management or policies of the firm?	Yes
Is this a public reporting company?	Yes

Firm History

This section provides information relating to any successions (e.g., mergers, acquisitions) involving the firm.

No information reported.



Firm Operations

Registrations

This section provides information about the regulators (Securities and Exchange Commission (SEC), self-regulatory organizations (SROs), and U.S. states and territories) with which the brokerage firm is currently registered and licensed, the date the license became effective, and certain information about the firm's SEC registration.

This firm is no longer registered.

The firm's registration was from 10/04/1996 to 02/27/2007.





Firm Operations

Types of Business

This section provides the types of business, including non-securities business, the brokerage firm is engaged in or expects to be engaged in.

This firm currently conducts 13 types of businesses.

Types of Business

Broker or dealer retailing corporate equity securities over-the-counter
Broker or dealer selling corporate debt securities
Mutual fund retailer
U S. government securities broker
Municipal securities broker
Broker or dealer selling variable life insurance or annuities
Solicitor of time deposits in a financial institution
Put and call broker or dealer or option writer
Investment advisory services
Broker or dealer selling tax shelters or limited partnerships in primary distributions
Broker or dealer selling tax shelters or limited partnerships in the secondary market
Private placements of securities
Broker or dealer involved in a networking, kiosk or similar arrangement with a: bank, savings bank or association, or credit union

Firm Operations



Clearing Arrangements

This firm does not hold or maintain funds or securities or provide clearing services for other broker-dealer(s).

Introducing Arrangements

This firm does refer or introduce customers to other brokers and dealers.

Name:	DONALDSON, LUFKIN & JENRETTE SECURITIES CORPORATION
CRD #:	7560
Business Address:	ONE PERSHING PLAZA JERSEY CITY, NJ 07399
Effective Date:	10/02/2002
Description:	FULLY DISCLOSED CLEARING ARRANGEMENT

Firm Operations

Industry Arrangements



This firm does have books or records maintained by a third party.

Name: DONALDSON, LUFKIN & JENRETTE SECURITIES CORPORATION
CRD #: 7560
Business Address: ONE PERSHING PLAZA
JERSEY CITY, NJ 07399
Effective Date: 10/02/2002
Description: FULLY DISCLOSED CLEARING ARRANGEMENT

This firm does have accounts, funds, or securities maintained by a third party.

Name: DONALDSON, LUFKIN & JENRETTE SECURITIES CORPORATION
CRD #: 7560
Business Address: ONE PERSHING PLAZA
JERSEY CITY, NJ 07399
Effective Date: 10/02/2002
Description: FULLY DISCLOSED CLEARING ARRANGEMENT

This firm does have customer accounts, funds, or securities maintained by a third party.

Name: DONALDSON, LUFKIN & JENRETTE SECURITIES CORPORATION
CRD #: 7560
Business Address: ONE PERSHING PLAZA
JERSEY CITY, NJ 07399
Effective Date: 10/02/2002
Description: FULLY DISCLOSED CLEARING ARRANGEMENT

Control Persons/Financing

This firm does not have individuals who control its management or policies through agreement.

This firm does not have individuals who wholly or partly finance the firm's business.



Firm Operations

Organization Affiliates

This section provides information on control relationships the firm has with other firms in the securities, investment advisory, or banking business.

This firm is, directly or indirectly:

- in control of
 - controlled by
 - or under common control with
- the following partnerships, corporations, or other organizations engaged in the securities or investment advisory business.**

QUESTAR ASSET MANAGEMENT, INC. is under common control with the firm.

CRD #:	133358
Business Address:	655 FAIRFIELD COURT SUITE 200 ANN ARBOR, MI 48108
Effective Date:	11/01/2005
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

QUESTAR CAPITAL CORPORATION is under common control with the firm.

CRD #:	43100
Business Address:	655 FAIRFIELD COURT SUITE 200 ANN ARBOR, MI 48108
Effective Date:	11/01/2005
Foreign Entity:	No
Country:	
Securities Activities:	Yes
Investment Advisory Activities:	Yes
Description:	THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

Firm Operations



Organization Affiliates (continued)

DRESDNER ADVISORS LLC is under common control with the firm.

CRD #: 129623

Business Address: 1301 AVENUE OF THE AMERICAS
36TH FLOOR
NEW YORK, NY 10019

Effective Date: 01/01/2005

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THIS ENTITY IS UNDER COMMON CONTROL WITH APPLICANT

RCM DISTRIBUTORS LLC is under common control with the firm.

CRD #: 120500

Business Address: FOUR EMBARCADERO CENTER
SAN FRANCISCO, CA 94111

Effective Date: 05/01/2002

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE COMPANY IS IN COMMON CONTROL WITH APPLICANT.

ALLIANZ HEDGE FUND PARTNERS L.P. is under common control with the firm.

CRD #: 116884

Business Address: FOUR EMBARCADERO CENTER
SAN FRANCISCO, CA 94111

Effective Date: 09/01/2001

Foreign Entity: No

Country:

Firm Operations



Organization Affiliates (continued)

Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

DRESDNER LATEINAMERIKA FINANCIAL ADVISORS LLC is under common control with the firm.

CRD #:	28349
Business Address:	801 BRICKELL AVENUE 7TH FLOOR MIAMI, FL 33131
Effective Date:	03/21/2002
Foreign Entity:	No

Country:

Securities Activities:	Yes
Investment Advisory Activities:	Yes

Description:	THIS COMPANY IS UNDER COMMON CONTROL WITH APPLICANT
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ALLIANZ GROUP, FOREIGN SECURITIES INDUSTRY ENTITIES is under common control with the firm.

Business Address:	KONIGINSTRASSE 28 MUNICH, GERMANY
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Effective Date:	06/01/1976
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Foreign Entity:	Yes
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Country:	VARIOUS
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Securities Activities:	Yes
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Investment Advisory Activities:	Yes
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Description:	APPLICANT IS PART OF A LARGE HOLDING COMPANY AND IS AFFILIATED WITH FOREIGN ENTITIES ENGAGED IN THE SECURITIES BUSINESS. THEY ENGAGE IN BUSINESSES THAT IN THE U.S. WOULD BE CALLED BROKER DEALER, INVESTMENT ADVISER, OR BANK BUSINESSES. APPLICANT DOES NOT
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Firm Operations



Organization Affiliates (continued)

HAVE ANY
SIGNIFICANT BUSINESS DEALINGS OR CONDUCT JOINT OPERATIONS
WITH, OR PROVIDE
SERVICES OF THESE ENTITIES. PER SEC GUIDANCE, APPLICANT
MAINTAINS A LIST OF
THESE ENTITIES.

ALLIANZ LIFE ADVISERS, LLC is under common control with the firm.

CRD #: 111925

Business Address: 5701 GOLDEN HILLS DRIVE
MINNEAPOLIS, MN 55416

Effective Date: 03/01/2001

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

ALLIANZ GLOBAL INVESTORS MANAGED ACCOUNTS LLC is under common control with the firm.

CRD #: 108057

Business Address: 1345 AVENUE OF THE AMERICAS
NEW YORK, NY 10105

Effective Date: 05/05/2000

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

ALLIANZ GLOBAL INVESTORS DISTRIBUTORS LLC is under common control with the firm.

CRD #: 25567

Business Address: 2187 ATLANTIC STREET

Firm Operations



Organization Affiliates (continued)

7TH FLOOR
STAMFORD, CT 06902

Effective Date: 05/05/2000

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

ALLIANZ GLOBAL INVESTORS OF AMERICA L.P. is under common control with the firm.

CRD #: 105400

Business Address: 888 NEWPORT CENTER DRIVE
SUITE 100
NEWPORT BEACH, CA 92660

Effective Date: 05/05/2000

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

ALLIANZ GLOBAL INVESTORS FUND MANAGEMENT LLC is under common control with the firm.

CRD #: 108049

Business Address: 1345 AVENUE OF THE AMERICAS
NEW YORK, NY 10105

Effective Date: 05/05/2004

Foreign Entity: No

Country:

Securities Activities: No

Firm Operations



Organization Affiliates (continued)

Investment Advisory Activities: Yes

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

PACIFIC INVESTMENT MANAGEMENT CO LLC is under common control with the firm.

CRD #: 104559

Business Address: 840 NEWPORT CENTER DRIVE
SUITE 300
NEWPORT BEACH, CA 92660

Effective Date: 05/05/2000

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

OPCAP ADVISORS LLC is under common control with the firm.

CRD #: 107637

Business Address: 1345 AVENUE OF THE AMERICAS
NEW YORK, NY 10105

Effective Date: 05/05/2000

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

OPPENHEIMER CAPITAL LLC is under common control with the firm.

CRD #: 105251

Business Address: 1345 AVENUE OF THE AMERICAS
NEW YORK, NY 10105

Firm Operations



Organization Affiliates (continued)

Effective Date: 05/05/2000

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

OCC DISTRIBUTORS is under common control with the firm.

CRD #: 18541

Business Address: 1345 AVENUE OF THE AMERICAS
NEW YORK, NY 10105

Effective Date: 05/05/2000

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

NICHOLAS-APPLEGATE SECURITIES LLC is under common control with the firm.

CRD #: 31205

Business Address: 600 WEST BROADWAY
SUITE 2900
SAN DIEGO, CA 92101

Effective Date: 10/01/2001

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

Firm Operations



Organization Affiliates (continued)

NICHOLAS-APPLEGATE CAPITAL MANAGEMENT LLC is under common control with the firm.

CRD #:	104606
Business Address:	600 WEST BROADWAY SUITE 2900 SAN DIEGO, CA 92101
Effective Date:	10/01/2001
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

NFJ INVESTMENT GROUP L.P. is under common control with the firm.

CRD #:	106281
Business Address:	2121 SAN JACINTO SUITE 1440 DALLAS, TX 75201
Effective Date:	05/05/2000
Foreign Entity:	No
Country:	
Securities Activities:	No
Investment Advisory Activities:	Yes
Description:	THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

DRESDNER KLEINWORT WASSERSTEIN SECURITIES LLC is under common control with the firm.

CRD #:	41957
Business Address:	75 WALL STREET NEW YORK, NY 10005
Effective Date:	07/23/2001
Foreign Entity:	No

Firm Operations



Organization Affiliates (continued)

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

DRESDNER KLEINWORT WASSERSTEIN, LLC is under common control with the firm.

CRD #: 22068

Business Address: 1301 AVENUE OF THE AMERICAS
NEW YORK, NY 10019

Effective Date: 07/23/2001

Foreign Entity: No

Country:

Securities Activities: Yes

Investment Advisory Activities: No

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

RCM CAPITAL MANAGEMENT LLC is under common control with the firm.

CRD #: 109640

Business Address: 4 EMBARCADERO CENTER
SAN FRANCISCO, CA 94111

Effective Date: 07/23/2001

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

CAYWOOD-SCHOLL CAPITAL MANAGEMENT LLC is under common control with the firm.

CRD #: 109627

Firm Operations



Organization Affiliates (continued)

Business Address: 4350 EXECUTIVE DRIVE
SUITE 125
SAN DIEGO, CA 92121

Effective Date: 07/23/2001

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

ALLIANZ INVESTMENT COMPANY LLC is under common control with the firm.

CRD #: 127242

Business Address: 55 GREENS FARM ROAD
WESTPORT, CT 06881

Effective Date: 08/21/2003

Foreign Entity: No

Country:

Securities Activities: No

Investment Advisory Activities: Yes

Description: THIS COMPANY IS UNDER COMMON CONTROL WITH APPLICANT.

ALLIANZ LIFE FINANCIAL SERVICES, LLC is under common control with the firm.

CRD #: 612

Business Address: 5701 GOLDEN HILLS DRIVE
MINNEAPOLIS, MN 55416

Effective Date: 10/01/1999

Foreign Entity: No

Country:

Securities Activities: Yes

Firm Operations



Organization Affiliates (continued)

Investment Advisory Activities:	No
Description:	THE APPLICANT AND ITS AFFILIATE ARE UNDER COMMON CONTROL.

This firm is not directly or indirectly, controlled by the following:

- bank holding company
- national bank
- state member bank of the Federal Reserve System
- state non-member bank
- savings bank or association
- credit union
- or foreign bank



Disclosure Events

All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	3	0



Disclosure Event Details

What you should know about reported disclosure events:

1. **BrokerCheck provides details for any disclosure event that was reported in CRD. It also includes summary information regarding FINRA arbitration awards in cases where the brokerage firm was named as a respondent.**
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
 - A law enforcement agency must file formal charges before a brokerage firm is required to disclose a particular criminal event.
3. **Disclosure events in BrokerCheck reports come from different sources:**
 - Disclosure events for this brokerage firm were reported by the firm and/or regulators. When the firm and a regulator report information for the same event, both versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
4. **There are different statuses and dispositions for disclosure events:**
 - A disclosure event may have a status of *pending*, *on appeal*, or *final*.
 - A "pending" event involves allegations that have not been proven or formally adjudicated.
 - An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
 - A "final" event has been concluded and its resolution is not subject to change.
 - A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
 - An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
 - A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that firms may choose to settle customer disputes or regulatory matters for business or other reasons.
 - A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.
5. **You may wish to contact the brokerage firm to obtain further information regarding any of the disclosure events contained in this BrokerCheck report.**

Regulatory - Final

This type of disclosure event involves (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulator such as the U.S. Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of the authority of a brokerage firm or its control affiliate to act as an attorney, accountant or federal contractor.

Disclosure 1 of 3

Reporting Source: Regulator

Current Status: Final



Allegations:	ON JULY 23, 2007, THE BANKING COMMISSIONER ENTERED A CONSENT ORDER (NO. CO-07-7159-S) WITH RESPECT TO TOWER SQUARE SECURITIES, INC. ("TSSI"), USALLIANZ SECURITIES, INC. ("USAS"); AND ADVANTAGE CAPITAL CORPORATION ("ACC"). IN DECEMBER, 2006, USAS MERGED WITH AND ASSUMED THE NAME OF QUESTAR CAPITAL CORPORATION, A CONNECTICUT-REGISTERED BROKER-DEALER AND AFFILIATE OF USAS. THE CONSENT ORDER ALLEGED THAT, AT VARIOUS TIMES FROM 1994 THROUGH 2005, THE FIRMS ENGAGED DAVID M. FAUBERT (CRD NUMBER 2150188) ("FAUBERT") AS A BROKER-DEALER AGENT; THAT THE FIRMS FAILED TO DISCOVER THAT FAUBERT HAD BEEN PREPARING FRAUDULENT MONTHLY STATEMENTS THAT IMPROPERLY INFLATED THE VALUE OF CLIENT HOLDINGS AND HAD BEEN FORWARDING THOSE STATEMENTS TO CLIENTS; THAT FAUBERT WAS DEPOSITING CLIENT FUNDS INTO THE ACCOUNT OF FAUBERT FINANCIAL GROUP, INC. AND MISAPPROPRIATING THOSE FUNDS FOR HIS PERSONAL USE; AND THAT THE FIRMS, AS A RESULT, HAD FAILED TO ESTABLISH, ENFORCE AND MAINTAIN AN ADEQUATE SUPERVISORY SYSTEM. ON MAY 3, 2007, FAUBERT HAD BEEN SENTENCED IN NEW HAVEN FEDERAL COURT TO 7 YEARS IN PRISON FOR STEALING CLIENT FUNDS. FAUBERT'S BROKER-DEALER AGENT REGISTRATION HAD BEEN REVOKED BY THE COMMISSIONER ON MAY 19, 2005 (DOCKET NO. SS-2005-7159-S).
Initiated By:	CONNECTICUT
Date Initiated:	07/23/2007
Docket/Case Number:	CO-07-7159-S
URL for Regulatory Action:	
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Consent
Resolution Date:	07/23/2007
Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?	No



Sanctions Ordered:	Monetary/Fine \$75,000.00
Other Sanctions Ordered:	THE CONSENT ORDER IMPOSED FINES OF \$300,000 AGAINST TSSI, \$75,000 AGAINST USAS AND \$25,000 AGAINST ACC. THE CONSENT ORDER ALSO DIRECTED THE FIRMS TO CONDUCT BRANCH OFFICE AUDITS WITHIN 24 MONTHS FOLLOWING THE ENTRY OF THE CONSENT ORDER AND REPORT THEIR FINDINGS TO THE AGENCY.
Sanction Details:	SEE RESPONSE TO ITEM 13.B.
Regulator Statement	IN FURTHERANCE OF THEIR DESIRE TO RESOLVE THE MATTER INFORMALLY WITH THE DEPARTMENT, THE FIRMS REPRESENTED TO THE COMMISSIONER THAT THEY HAD EITHER MONETARILY SETTLED THE CLAIMS OF AFFECTED INVESTORS OR OFFERED RESTITUTION OF THE NET LOSSES ALLEGEDLY INCURRED. INVESTOR LOSSES IN THE MATTER WERE ESTIMATED TO EXCEED \$5 MILLION.

Disclosure 2 of 3

Reporting Source:	Firm
Current Status:	Final
Allegations:	USALLIANZ INSURANCE AGENCY, INC. COMMITTED 284 VIOLATIONS OF MASSACHUSETTS GENERAL LAWS ("M.G.L.") CHAPTER 175 , SECTION 175. THE FIRM ALSO VIOLATED M.G.L. CHAPTER 175, SECTION 162R(A)(1).
Initiated By:	COMMONWEALTH OF MASSACHUSETTS, DIVISION OF INSURANCE
Date Initiated:	07/27/2006
Docket/Case Number:	SIU INVESTIGATION NO. 5569
Principal Product Type:	No Product
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	CIVIL PENALTY
Resolution:	Settled
Resolution Date:	09/14/2006
Sanctions Ordered:	Monetary/Fine \$8,000.00 Cease and Desist/Injunction
Other Sanctions Ordered:	



Sanction Details:	CIVIL PENALTY OF \$8,000.00. PAID 08/04/2006.
Firm Statement	<p>APPLICANT AGREED TO CEASE AND DESIST AND PAID CIVIL PENALTY OF \$8,000.00.</p> <p>USALLIANZ INSURANCE AGENCY INC IS A WHOLLY OWNED SUBSIDIARY OF THE APPLICANT.</p>

Disclosure 3 of 3

Reporting Source:	Regulator
Current Status:	Final
Allegations:	<p>SECTION 17(A) OF THE SEC EXCHANGE ACT, SEC RULE 17A-4, NASD RULES 1031, 2110, 3010, 3110 - USALLIANZ SECURITIES, INC. FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM AND WRITTEN SUPERVISORY PROCEDURES THAT PROVIDE FOR ADEQUATE SUPERVISION OF THE FIRM'S REGISTERED REPRESENTATIVES AND THE ACTIVITIES THEY WERE CONDUCTING. THE FIRM DID NOT HAVE AN ADEQUATE SYSTEM IN PLACE FOR IDENTIFYING SUPERVISING PRINCIPALS FOR EACH REPRESENTATIVE AND THEN COMMUNICATING THE SUPERVISORY ASSIGNMENTS; SOME SUPERVISORY PRINCIPALS WERE NOT QUALIFIED DUE TO LACK OF EXPERIENCE, EDUCATION AND TRAINING AND THE FIRM FAILED TO DETERMINE IF INDIVIDUALS WERE QUALIFIED OR COMPETENT. THE FIRM FAILED TO CONDUCT AN INTERNAL INSPECTION PROGRAM TO DETECT AND PREVENT VIOLATIONS; FAILED TO COMPLETE INSPECTIONS IN A TIMELY MANNER AND FAILED TO PROVIDE FORMAL TRAINING TO PRINCIPALS CONDUCTING INSPECTIONS. THE FIRM FAILED TO PRESERVE AND MAINTAIN ALL E-MAIL COMMUNICATIONS SENT TO OR SENT BY REGISTERED REPS AND HOME-OFFICE EMPLOYEES AND FAILED TO ESTABLISH, MAINTAIN AND ENFORCE A SUPERVISORY SYSTEM AND PROCEDURES TO PRESERVE AND MAINTAIN ORIGINALS OF E-MAILS FOR AT LEAST THREE YEARS. THE FIRM FAILED TO COLLECT, REVIEW, APPROVE AND MAINTAIN ALL CORRESPONDENCE RELATING TO ITS BUSINESS AS A BROKER- DEALER; CORRESPONDENCE LOGS WERE NOT REVIEWED BY PRINCIPALS AND WERE NOT TRAINED TO IDENTIFY PROBLEMS. THE FIRM MAINTAINED REGISTERED REP REGISTRATIONS FOR INDIVIDUALS NOT ENGAGED IN THE FIRM'S SECURITIES BUSINESS. THE FIRM FAILED TO ESTABLISH, MAINTAIN AND ENFORCE A SUPERVISORY SYSTEM AND PROCEDURES REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH APPLICABLE FEDERAL SECURITIES LAWS AND NASD RULES AND FAILED TO DEVOTE ADEQUATE RESOURCES TO ITS COMPLIANCE DEPARTMENT.</p>
Initiated By:	NASD
Date Initiated:	12/18/2006



Docket/Case Number: [E042004036901](#)

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought:

Other Sanction(s)/Relief Sought:

Resolution: Acceptance, Waiver & Consent(AWC)

Resolution Date: 12/18/2006

Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct? No

Sanctions Ordered: Censure
Monetary/Fine \$5,000,000.00

Other Sanctions Ordered: UNDERTAKINGS; PROHIBITIONS

Sanction Details: WITHOUT ADMITTING OR DENYING THE FINDINGS, THE FIRM CONSENTED TO THE DESCRIBED SANCTIONS AND TO THE ENTRY OF FINDINGS; THEREFORE, THE FIRM IS CENSURED AND FINED \$5,000,000. THE FIRM MAY NOT HIRE ANY NEW REGISTERED REPS INCLUDING GENERAL SECURITIES REPS(SERIES 7) AND INVESTMENT COMPANY/VARIABLE CONTRACTS REPS (SERIES 6) FOR 7 DAYS FROM THE DATE OF THE AWC WHICH SHALL BE FROM DECEMBER 18, 2006 THROUGH DECEMBER 24, 2006. THE FOREGOING EXCLUDES REPS HIRED FOR PERFORMING SUPERVISORY FUNCTIONS. FOR 30 DAYS FROM THE AWC, THE FIRM MAY NOT OPEN ANY NEW OFFICE OF SUPERVISORY JURISDICTION, BRANCH OFFICE OR NON-BRANCH OFFICE. THE FIRM IS REQUIRED WITHIN 365 DAYS FROM THE DATE OF AN INDEPENDENT CONSULTANT'S REPORT (BUT NO LATER THAN 3/30/07), THE FIRM SHALL RETAIN AN UNRELATED, INDEPENDENT CONSULTANT TO VERIFY THAT THE FIRM HAS FULLY IMPLEMENTED THE RECOMMENDATIONS OF THE FIRST CONSULTANT RELATING TO HIS/HER RECOMMENDATIONS. THE 2ND INDEPENDENT CONSULTANT SHALL PREPARE AND SUBMIT TO NASD AND THE FIRM A WRITTEN REPORT ADDRESSING THE FIRM'S IMPLEMENTATION OF THE RECOMMENDATIONS. ANY UNIMPLEMENTED RECOMMENDATIONS WILL BE IMPLEMENTED BY THE FIRM WITHIN 30 DAYS AFTER DELIVERY OF THE 2ND CONSULTANT'S REPORT. FOR ANY RECOMMENDATION FOUND TO BE BURDENSOME BY THE FIRM, THE FIRM MAY PROPOSE AN ALTERNATIVE



PROCEDURE. WITHIN 30 DAYS AFTER ISSUANCE OF THE 2ND INDEPENDENT CONSULTANT'S INITIAL WRITTEN REPORT OR WRITTEN DETERMINATION REGARDING ALTERNATIVE PROCEDURES, THE FIRM SHALL PROVIDE NASD WITH A WRITTEN REPORT ATTESTING TO DETAILS OF THE 2ND CONSULTANT'S FINDINGS AND IMPLEMENTATIONS OF PROCEDURES CONSISTENT WITH THE FINDINGS.

Reporting Source:	Firm
Current Status:	Final
Allegations:	DURING THE STATED TIME PERIOD, THE FIRM WAS ALLEGED TO LACK ADEQUATE: SUPERVISORY SYSTEMS AND PROCEDURES FOR SUPERVISION OF REGISTERED REPRESENTATIVES; INTERNAL INSPECTION PROGRAM TO DETECT AND PREVENT VIOLATIONS OF SECURITIES RULES AND REGULATIONS; RETENTION AND SUPERVISORY REVIEW OF APPLICABLE ASSOCIATES' ELECTRONIC COMMUNICATIONS; EXECUTION OF FIRM'S SUPERVISORY PROCEDURES RELATED TO REVIEW OF WRITTEN CORRESPONDENCE AND SALES LITERATURE; PROCEDURES TO MAINTAIN REGISTRATIONS FOR ONLY THOSE INDIVIDUALS WHO WERE FUNCTIONING IN A CAPACITY REQUIRING REGISTRATION.
Initiated By:	NATIONAL ASSOCIATION OF SECURITIES DEALERS
Date Initiated:	08/08/2006
Docket/Case Number:	E0420040369-01
Principal Product Type:	Other
Other Product Type(s):	NOT PRODUCT RELATED
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	A CENSURE, SUSPENSION, INDEPENDENT CONSULTANT
Resolution:	Acceptance, Waiver & Consent(AWC)
Resolution Date:	12/18/2006
Sanctions Ordered:	Censure Monetary/Fine \$5,000,000.00
Other Sanctions Ordered:	RETAIN INDEPENDENT CONSULTANT; RESTRICTED FROM HIRING SERIES 6 AND SERIES 7 FOR 7 CALENDAR DAYS; RESTRICTED FROM OPENING BRANCH OR NON BRANCH OFFICES FOR 30 CALENDAR DAYS.
Sanction Details:	APPLICANT RESPONSIBLE FOR TOTAL AMOUNT OF \$5,000,000.00 FINE.

**Firm Statement**

FOR 7 CALENDAR DAYS FROM ACCEPTANCE OF THE AWC, FIRM MAY NOT HIRE ANY NEW SERIES 6 OR SERIES 7 REGISTERED REPRESENTATIVES. EXCLUDED ARE ANY REGISTERED REPRESENTATIVES WHO POSSESSES A SUPERVISORY LICENSE (SERIES 24 OR SERIES 26) AND WHO ARE HIRED FOR THE PURPOSE OF PERFORMING SUPERVISORY FUNCTIONS; FOR 30 CALENDAR DAYS FROM THE ACCEPTANCE OF THE AWC, FIRM MAY NOT OPEN ANY NEW OFFICE OF SUPERVISORY JURISDICTION, BRANCH OFFICE OR NON-BRANCH OFFICE. RETAIN A SECOND INDEPENDENT CONSULTANT TO VERIFY THAT FIRM FULLY IMPLEMENTED EACH OF THE RECOMMENDATIONS OF THE FIRM'S PRIOR INDEPENDENT CONSULTANT, RELATING TO THE AWC ALLEGED VIOLATIONS. AT THE CONCLUSION OF THE SECOND CONSULTANT'S REVIEW, THE CONSULTANT MUST ISSUE A REPORT OF ANY DISCREPANCIES, TO WHICH THE FIRM MUST SUBMIT AN EXPLANATORY RESPONSE WITHIN 30 DAYS. THE FIRM MUST IMPLEMENT ANY ALTERNATIVE RECOMMENDATIONS POSED BY THE SECOND CONSULTANT.

Disclosure Events for Non-Registered Control Affiliates



All firms registered to sell securities or provide investment advice are required to disclose regulatory actions, criminal or civil judicial proceedings, and certain financial matters in which the firm or one of its control affiliates has been involved. For your convenience, below is a matrix of the number and status of disclosure events involving this brokerage firm or one of its control affiliates. Further information regarding these events can be found in the subsequent pages of this report.

	Pending	Final	On Appeal
Regulatory Event	0	36	0



Disclosure Event Details

Regulatory - Final

Disclosure 1 of 36

Reporting Source:	Firm
Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO REGISTRANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPARTMENT TO AN INSURANCE COMPANY AFFILIATE OF REGISTRANT. REGISTRANT IS PART OF A LARGE HOLDING COMPANY AFFILIATE WITH SEVERAL AFFILIATES IN THE INSURANCE AND SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS AN IA OR BD. THIS ORDER PERTAINED TO A STATE INQUIRY THAT RESULTED IN ALLEGATIONS THAT CERTAIN LONG-TERM CARE POLICY FORMS WERE NOT IN COMPLIANCE WITH STATE REQUIREMENTS.
Initiated By:	CALIFORNIA DEPARTMENT OF INSURANCE
Date Initiated:	04/01/2003
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Stipulation and Consent
Resolution Date:	01/27/2005
Sanctions Ordered:	Monetary/Fine \$425,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON JANUARY 27, 2005, AGREED TO A STIPULATION AND CONSENT ORDER WITH THE CALIFORNIA DEPARTMENT OF INSURANCE AND PAID A FINE OF \$425,000.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE

**Disclosure 2 of 36**

Reporting Source:	Firm
Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO REGISTRANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPARTMENT TO AN INSURANCE COMPANY AFFILIATE OR REGISTRANT. REGISTRANT IS PART OF A LARGE HOLDING COMPANY WITH SEVERAL AFFILATES IN THE INSURANCE AND SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS AN IA OR BD. THIS ORDER PERTAINED TO A MARKET CONDUCT EXAMINATION THAT RESULTED IN ALLEGATIONS THAT ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA WAS NOT IN COMPLIANCE WITH THE ILLINOIS CODE IN THE FOLLOWING AREAS: CLAIM UNDERPAYMENTS, HOW CLAIMS WERE PAID AND/OR DENIED, PAYMENT OF COMMISSIONS TO UNLICENSED PERSONS/ENTITIES, ADVISING INSURED OF AVAILABLE NON-FORFEITURE OPTIONS, RECONSTRUCTION OF CLAIM FILES, INFORMING INSURED OF THE NOTICE OF AVAILABILITY OF THE DEPARTMENT OF INSURANCE, DELAY LETTERS, COMPLAINT RESPONSE TIME, COMPLAINT LOGS, AND ADVERTISING.
Initiated By:	ILLINOIS DEPARTMENT OF INSURANCE
Date Initiated:	10/14/1999
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	05/28/2003
Sanctions Ordered:	Monetary/Fine \$50,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON MAY 28, 2003, PAID AN ADMINISTRATIVE PENALTY OF \$50,000.



Disclosure 3 of 36

Reporting Source:	Firm
Affiliate:	PIMCO ADVISORS, L.P.
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO THE APPLICANT'S ACTIVITIES, BUT RATHER TO THE AFFILAITE'S ACTIVITIES. APPLICANT IS PART OF A LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN THE INSURANCE OR SECURITIES BUSINESS. IT IS ALLEGED THAT ADVSISER INASDEQUATELY DISCLSOED THAT A CASG PORTION OF SOME ADVISORY ACCTS WAS INVESTED IN A FEE-GENERATING MONEY MARKET ACCT; THAT AFFILIATE BROKER RECEIVED FLOAT BENEFITS ON IMVESTMENT OF CLIENT'S FUNDS AND ADVISER FAILED TO MAKE ANNUAL OFFER OF FIRM ADV TO SOME CLIENTS
Initiated By:	SECURITIES EXCHANGE COMMISSION
Date Initiated:	07/26/1990
Docket/Case Number:	3-7364
Principal Product Type:	Other
Other Product Type(s):	INVESTMENT ADVISER
Principal Sanction(s)/Relief Sought:	Censure
Other Sanction(s)/Relief Sought:	CONTROL AFFILIATE REQUIRED TO MAINTAIN INTERNAL CONTROLS, PROCEDURES AND RECORDS, AND CONDUCT ONE REVIEW THEREOF
Resolution:	Decision & Order of Offer of Settlement
Resolution Date:	07/26/1990
Sanctions Ordered:	Censure
Other Sanctions Ordered:	SEE ITEM 2 EXPLANATION ABOVE
Sanction Details:	N/A
Firm Statement	REQUIRED REPORT HAS BEEN PREPARED AND FILED PREVIOUSLY

Disclosure 4 of 36

Reporting Source: Firm



Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGED THAT ALLIANZ VIOLATED STATE LAW IN THE SALES OF UNIVERSAL LIFE INSURANCE POLICIES SOLD THROUGH AN EMPLOYER PAYROLL DEDUCTION PROGRAM.
Initiated By:	INSURANCE DEPARTMENT OF THE STATE OF CALIFORNIA
Date Initiated:	05/20/1996
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Civil and Administrative Penalt(ies) /Fine(s)
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	05/20/1996
Sanctions Ordered:	Monetary/Fine \$1,000,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON MAY 20, 1996 AFFILIATE AGREED TO A STIPULATION ORDER WITH THE CA INSURANCE DEPT AND PAID \$750,000 IN PENALTIES & \$250,000 IN EXPENSES. ALLIANZ LIFE ALSO AGREED TO MAKE CERTAIN ECONOMIC DEVELOPMENT INVESTMENTS IN THE STATE.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 5 of 36

Reporting Source:	Firm
Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final



Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT ALLIANZ LIFE IMPROPERLY PAID GROUP LIFE CLAIMS WITHOUT INTEREST
Initiated By:	NEVADA DEPARTMENT OF INSURANCE
Date Initiated:	03/28/1996
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	03/28/1996
Sanctions Ordered:	Monetary/Fine \$10,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON MARCH 28, 1996 AFFILIATE AGREED TO A CONSENT AGREEMENT WITH THE NEVADA DEPARTMENT OF INSURANCE AND PAID A FINE OF \$10,000.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 6 of 36

Reporting Source:	Firm
Affiliate:	LIFEUSA INSURANCE COMPANY
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA.



LIFEUSA WAS ACQUIRED BY ALLIANZ GROUP IN 1999. ALLEGATIONS THAT LIFEUSA ADVERTISED ITS REINSURERS' RATINGS AS IF IT CONFERRED SOME BENEFIT UPON LIFEUSA INSUREDS WITHOUT DISCLOSING THE FACT THAT FOR A NUMBER OF YEARS LIFEUSA HAD NO RATING AT ALL AND INAPPROPRIATELY USED A MARKETING

Initiated By: TEXAS DEPARTMENT OF INSURANCE

Date Initiated: 01/08/1996

Docket/Case Number:

Principal Product Type: No Product

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: CONSENT ORDER

Resolution: Order

Resolution Date: 01/08/1996

Sanctions Ordered: Monetary/Fine \$15,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON JANUARY 8, 1996 AFFILIATE AGREED TO A CONSENT ORDER WITH THE TEXAS DEPARTMENT OF INSURANCE AND PAID A PENALTY OF \$15,000.

Firm Statement SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 7 of 36

Reporting Source: Firm

Affiliate: ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Current Status: Final

Allegations: THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. SEE ITEM 13 FOR DETAILS OF ALLEGATIONS.

Initiated By: NEW JERSEY DEPARTMENT OF INSURANCE



Date Initiated:	01/02/1996
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	
Resolution:	Order
Resolution Date:	01/02/1996
Sanctions Ordered:	Monetary/Fine \$60,000.00
Other Sanctions Ordered:	
Sanction Details:	ON JANUARY 2, 1996, AFFILIATE AGREED TO THE ENTRY OF A CONSENT ORDER BY THE NJ DEPT OF INSURANCE, AND PAID ADMINISTRATIVE FINE OF \$60,000. ALLIANZ LIFE ASSERTED THAT CERTAIN MATTERS SET OUT IN THE ORDER DID NOT CONSTITUTE LEGAL INFRACTIONS, BUT CONSENTED TO THE ORDER AND AGREED TO WAIVE ITS RIGHTS TO A FORMAL HEARING IN ORDER TO RESOLVE THE MATTER AMICABLY.
Firm Statement	IT WAS ALLEGED THAT ALLIANZ LIFE PAID A BONUS RATE ON A PRODUCT OFFERED BY IT IN EXCESS OF THE RATE FILED WITH THE STATE; THAT IT PERMITTED AN AFFILIATE TO ACT AS A MANAGING GENERAL AGENT FOR THE COMPANY WITHOUT THE AFFILIATE OBTAINING AN MGA LICENSE; THAT AN ADVERTISEMENT WAS USED TO MARKET THE COMPANY'S PRODUCTS THAT HAD NOT BEEN APPROVED BY THE CO.; AND THAT A RATE INCREASE WAS IMPLEMENTED BY THE COMPANY ON MEDICARE SUPPLEMENT POLICIES WHEN THE RATE HAD BEEN DISAPPROVED BY THE DEPARTMENT.

Disclosure 8 of 36

Reporting Source:	Firm
Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE



AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA.
ALLEGATIONS THAT ALLIANZ VIOLATED NDCC 26.1-26-04 BY SELLING
VARIABLE PRODUCTS THROUGH AN UNLICENSED, UNAPPOINTED AGENT.

Initiated By: NORTH DAKOTA DEPARTMENT OF INSURANCE

Date Initiated: 12/12/1995

Docket/Case Number:

Principal Product Type: Annuity(ies) - Variable

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: CONSENT ORDER

Resolution: Order

Resolution Date: 12/12/1995

Sanctions Ordered: Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON
DECEMBER 12, 1995 AFFILIATE AGREED TO A CONSENT ORDER WITH THE
NORTH DAKOTA DEPARTMENT OF INSURANCE AND PAID AN
ADMINISTRATIVE PENALTY OF \$1,000.

Firm Statement SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 9 of 36

Reporting Source: Firm

Affiliate: NICHOLAS APPEGATE CAPITAL MANAGEMENT A CA LP

Current Status: Final

Allegations: REGISTRANT IS PART OF A LARGE HOLDING COMPANY WITH SEVERAL
AFFILIATES. THIS DRP DOES NOT PERTAIN TO REGISTRANT BUT RELATES
TO ONE OF THE AFFILIATES. NICHOLAS-APPEGATE ALLEGEDLY
COMMITTED VIOLATIONS OF THE BOOKS AND RECORDS PROVISIONS OF
THE INVESTMENT ADVISERS ACT OF 1940 AND FAILED TO SUPERVISE THE
PERSONAL TRADING OF A FORMER EMPLOYEE.

Initiated By: SECURITIES AND EXCHANGE COMMISSION



Date Initiated:	08/12/1998
Docket/Case Number:	98-CV-1471
Principal Product Type:	Equity Listed (Common & Preferred Stock)
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Injunction
Other Sanction(s)/Relief Sought:	IN AN ADMINISTRATIVE PROCEEDING, WITHOUT ADMITTING OR DENYING ANY ALLEGATIONS, NICHOLAS-APPLEGATE AGREED TO PAY \$250,000 CIVIL PENALTY, CEASE AND DESIST FROM COMMITTING VIOLATIONS OF THE BOOKS AND RECORDS PROVISIONS OF THE INVESTMENT ADVISERS ACT OF 1940, AND IMPLEMENT NEW SUPERVISORY PROCEDURES.
Resolution:	Order
Resolution Date:	06/20/2000
Sanctions Ordered:	Monetary/Fine \$250,000.00 Cease and Desist/Injunction
Other Sanctions Ordered:	SEE SANCTION DETAIL
Sanction Details:	START DATE 08/12/1998. ADMINISTRATIVE HEARING. WITHOUT ADMITTING OR DENYING ANY FINDINGS, NICHOLAS-APPLEGATE AGREED TO PAY A CIVIL PENALTY OF \$250,000 AND TO CEASE AND DESIST FROM COMMITTING VIOLATIONS OF THE BOOKS AND RECORDS PROVISIONS OF FEDERAL SECURITIES LAWS.
Firm Statement	IN AUGUST 1998, SEC INITIATED A CEASE AND DESIST ADMINISTRATIVE HEARING WHEREBY NICHOLAS-APPLEGATE CONSENTED TO AN ENTRY OF AN ORDER, WITHOUT ADMITTING OR DENYING THE SEC'S FINDINGS, TO CEASE AND DESIST FROM COMMITTING OR CAUSING ANY FUTURE VIOLATIONS OF CERTAIN PROVISIONS OF THE INVESTMENT ADVISERS ACT OF 1940 AND RELATED SEC RULES WITH RESPECT TO RECORDS OF PERSONAL TRADES BY ITS EMPLOYEES, TO PAY A CIVIL PENALTY OF \$250,000 AND TO MAINTAIN AND IMPLEMENT PROCEDURES REASONABLY DESIGNED TO SUPERVISE ITS EMPLOYEES WITH A VIEW TOWARD PREVENTING AND DETECTING SUCH FUTURE VIOLATIONS.

Disclosure 10 of 36

Reporting Source:	Firm
Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final



Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT ALLIANZ LIFE WAS NOT IN COMPLIANCE WITH THE STATE'S INSURANCE CODE REGARDING PROPER PAYMENT OF CLAIMS.
Initiated By:	CALIFORNIA DEPARTMENT OF INSURANCE
Date Initiated:	09/11/1995
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	STIPULATION AND WAIVER
Resolution:	Stipulation and Consent
Resolution Date:	09/11/1995
Sanctions Ordered:	Monetary/Fine \$5,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON SEPTEMBER 11, 1995 AFFILIATE AGREED TO A STIPULATION AND WAIVER WITH THE CALIFORNIA DEPT OF INSURANCE AND PAID AN ADMINISTRATIVE PENALTY OF \$5,000.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 11 of 36

Reporting Source:	Firm
Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILATES IN INSURANCE & SECURITIES BUSINESS.



AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS FROM ROUTINE MARKET CONDUCT EXAM THAT ALLIANZ LIFE WAS NOT IN COMPLIANCE WITH MO INS. LAWS REGARDING AGENT APPOINTMENTS, ADVERTISING, CLAIMS HANDLING AND COMPLAINT HANDLING.

Initiated By: MISSOURI DEPARTMENT OF INSURANCE

Date Initiated: 09/09/2001

Docket/Case Number:

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Civil and Administrative Penalt(ies) /Fine(s)

Other Sanction(s)/Relief Sought:

Resolution: Order

Resolution Date: 09/09/2001

Sanctions Ordered: Monetary/Fine \$156,534.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON SEPTEMBER 9, 2001, AFFILIATE AGREED TO A STIPULATION OF SETTLEMENT, VOLUNTARY FORFEITURE AND ORDER WITH THE MISSOURI DEPT OF INSURANCE.

Firm Statement SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 12 of 36

Reporting Source: Firm

Affiliate: LIFEUSA INSURANCE COMPANY

Current Status: Final

Allegations: THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. LIFEUSA WAS ACQUIRED BY ALLIANZ GROUP IN 1999. ALLEGATIONS



RESULTING FROM ROUTINE MARKET CONDUCT EXAM THAT LIFEUSA FAILED TO COMPLY WITH STATE LAWS REGARDING ADVERTISING, UNDERWRITING, REPLACEMENTS AND CLAIMS.

Initiated By: ARIZONA DEPARTMENT OF INSURANCE

Date Initiated: 08/15/1995

Docket/Case Number:

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: CONSENT ORDER

Resolution: Order

Resolution Date: 08/15/1995

Sanctions Ordered: Monetary/Fine \$8,500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON AUGUST 15, 1995 AFFILIATE AGREED TO A CONSENT ORDER WITH THE ARIZONA DEPARTMENT OF INSURANCE AND PAID A PENALTY OF \$8,500.

Firm Statement SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 13 of 36

Reporting Source: Firm

Affiliate: LIFEUSA INSURANCE COMPANY

Current Status: Final

Allegations: THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. LIFEUSA WAS ACQUIRED BY ALLIANZ GROUP IN 1999. ALLEGATIONS THAT LIFEUSA USED THREE KNOWN ADVERTISEMENTS WHICH WERE NOT IN COMPLIANCE WITH THE WISCONSIN INSURANCE REGULATIONS.

Initiated By: WISCONSIN DEPARTMENT OF INSURANCE



Date Initiated: 07/01/1995

Docket/Case Number:

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: STIPULATION AND FINAL ORDER

Resolution: Order

Resolution Date: 07/01/1995

Sanctions Ordered: Monetary/Fine \$500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON JULY 1, 1995 AFFILIATE AGREED TO A STIPULATION AND FINAL ORDER WITH THE WISCONSIN DEPARTMENT OF INSURANCE AND PAID A PENALTY OF \$500.

Firm Statement SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 14 of 36

Reporting Source: Firm

Affiliate: ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Current Status: Final

Allegations: THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT ALLIANZ LIFE IMPROPERLY PAID COMMISSIONS TO UNLICENSED AGENTS AND WAS NOT IN COMPLIANCE WITH STATE LICENSING REQUIREMENTS IN DOING BUSINESS WITH AGENCIES NOT LICENSED IN THE STATE.

Initiated By: NEVADA INSURANCE DEPARTMENT

Date Initiated: 05/11/1995

Docket/Case Number:



Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CONSENT ORDER
Resolution:	Order
Resolution Date:	05/11/1995
Sanctions Ordered:	Monetary/Fine \$70,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON MAY 11, 1995 AFFILIATE AGREED TO A CONSENT ORDER WITH THE NEVADA INSURANCE DEPARTMENT AND PAID AN ADMINISTRATIVE FINE OF \$70,000.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 15 of 36

Reporting Source:	Firm
Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT ALLIANZ LIFE FAILED TO FILE RATES AND RATING PLANS ON GROUP HEALTH POLICIES.
Initiated By:	FLORDIA DEPARTMENT OF INSURANCE
Date Initiated:	03/15/2001
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other



Other Sanction(s)/Relief Sought:	CONSENT ORDER
Resolution:	Order
Resolution Date:	03/15/2001
Sanctions Ordered:	Monetary/Fine \$22,000.00
Other Sanctions Ordered:	
Sanction Details:	WITH OUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON MARCH 15, 2001 AFFILIATE AGREED TO A CONSENT ORDER WITH THE FLORIDA DEPT. OF INSURANCE AND PAID AN ADMINISTRATIVE PENALTY OF \$20,000, PLUS \$2,000 IN INVESTIGATIVE COSTS.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 16 of 36

Reporting Source:	Firm
Affiliate:	LIFEUSA INSURANCE COMPANY
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. LIFEUSA WAS ACQUIRED BY ALLIANZ GROUP IN 1999. ALLEGATIONS THAT LIFEUSA ISSUED POLICYHOLDER NOTICES THAT WERE NOT APPROVED BY THE DEPARTMENT.
Initiated By:	PENNSYLVANIA DEPARTMENT OF INSURANCE
Date Initiated:	12/27/2000
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CONSENT ORDER
Resolution:	Order



Resolution Date:	12/27/2000
Sanctions Ordered:	Monetary/Fine \$120,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON DECEMBER 27, 2000 AFFILATE AGREED TO A CONSENT ORDER WITH THE PENNSYLVANIA DEPARTMENT OF INSURANCE AND PAID A PENALTY OF \$120,000.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 17 of 36

Reporting Source:	Firm
Affiliate:	LIFEUSA INSURANCE COMPANY
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. LIFEUSA WAS ACQUIRED BY ALLIANZ GROUP IN 1999. ALLEGATIONS THAT LIFEUSA SOLICITED TWO OREGON RESIDENTS TO PURCHASE A PRODUCT THAT WAS NOT APPROVED BY THE DEPARTMENT.
Initiated By:	OREGON DEPT OF CONSUMER AND BUSINESS SERVICES-INSURANCE DEPT
Date Initiated:	07/24/1994
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	NOT SPECIFIED
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	STIPULATION AND FINAL ORDER
Resolution:	Order
Resolution Date:	07/24/1994



Sanctions Ordered:	Monetary/Fine \$2,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON JULY 24, 1994 AFFILIATE AGREED TO A STIPULATION AND FINAL ORDER WITH THE OREGON DEPARTMENT OF CONSUMER AND BUSINESS SERVICES-INSURANCE DIVISION AND PAID A CIVIL PENALTY OF \$2,000.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 18 of 36

Reporting Source:	Firm
Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT ALLIANZ WAS NOT IN COMPLIANCE WITH CERTAIN PROVISIONS OF THE AZ CODE WITH REGARD TO THE VARIABLE LIFE AND VARIABLE ANNUITY PRODUCTS FILED ON OCTOBER 17, 1999.
Initiated By:	ARIZONA DEPARTMENT OF INSURANCE
Date Initiated:	10/26/2000
Docket/Case Number:	
Principal Product Type:	Annuity(ies) - Variable
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CONSENT ORDER
Resolution:	Order
Resolution Date:	10/26/2000
Sanctions Ordered:	Monetary/Fine \$10,000.00
Other Sanctions Ordered:	



Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON OCTOBER 26, 2000 AFFILIATE AGREED TO A CONSENT ORDER WITH THE ARIZONA DEPT OF INSURANCE AND PAID A CIVIL PENALTY OF \$10,000.

Firm Statement SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 19 of 36

Reporting Source: Firm

Affiliate: ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Current Status: Final

Allegations: THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA ALLEGATIONS THAT ALLIANZ LIFE SOLD LIFE INS. POLICIES BY OFFERING A CREDIT CARD AND SECURING THAT CREDIT CARD WITH THE INS. POLICY AND THAT ALLIANZ LIFE SOLD POLICIES THROUGH UNLICENSED AGENTS. ALLIANZ LIFE AGREED TO CEASE OFFERING THE PRODUCT.

Initiated By: NEW JERSEY DEPARTMENT OF INSURANCE

Date Initiated: 05/25/1994

Docket/Case Number:

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: CONSENT ORDER

Resolution: Order

Resolution Date: 05/24/1994

Sanctions Ordered: Monetary/Fine \$50,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON MAY 25, 1994 AFFILIATE AGREED TO A CONSENT ORDER WITH THE NEW JERSEY DEPARTMENT OF INSURANCE AND PAID AN ADMINISTRATIVE FINE



OF \$50,000.

Firm Statement

SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 20 of 36**Reporting Source:**

Firm

Affiliate:

ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Current Status:

Final

Allegations:

THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS FROM ROUTINE MARKET CONDUCT EXAM RELATING TO COMPLAINT HANDLING, PROCESSING OF REPLACEMENTS, CLAIM HANDLING, ADVERTISING, TPA AGREEMENTS, AND UNDERWRITING PRACTICES.

Initiated By:

ARIZONA DEPARTMENT OF INSURANCE

Date Initiated:

10/16/2000

Docket/Case Number:**Principal Product Type:**

Insurance

Other Product Type(s):**Principal Sanction(s)/Relief Sought:**

Other

Other Sanction(s)/Relief Sought:

CONSENT ORDER

Resolution:

Order

Resolution Date:

10/16/2000

Sanctions Ordered:

Monetary/Fine \$75,000.00

Other Sanctions Ordered:**Sanction Details:**

WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON OCTOBER 16, 2000 AFFILIATE AGREED TO A CONSENT ORDER WITH THE ARIZONA DEPARTMENT OF INSURANCE AND APID A CIVIL PENALTY OF \$75,000.

Firm Statement

SEE RESPONSE TO ITEM 12C ABOVE.



Disclosure 21 of 36

Reporting Source:	Firm
Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATGE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDINGT CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT ALLIANZ LIFE SOLD INS. POLICIES THAT WERE UNAPPROVED AND THAT DID NOT COMPLY WITH INS. LAWS, AND WERE MARKETING BY UNLISTED, AND IN SOME CASES, UNLICENSED INSURANCE AGENTS WHO MADE MISREPRESENTATIONS IN THE SOLICITATIONS.
Initiated By:	WISCONSIN DEPARTMENT OF INSURANCE
Date Initiated:	03/11/1994
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	STIPULATION AND SETTLEMENT
Resolution:	Order
Resolution Date:	03/11/1994
Sanctions Ordered:	Monetary/Fine \$20,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON MARCH 11, 1994 AFFILIATE AGREED TO A STIPULATION AND SETTLEMENT ORDER WITH THE WISCONSIN DEPARTMENT OF INSURANCE AND PAID A PENALTY OF \$20,000.
Firm Statement	SEE ITEM 12 ABOVE

Disclosure 22 of 36



Reporting Source:	Firm
Affiliate:	PREFERRED LIFE INSURANCE COMPANY OF NEW YORK
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT PREFERRED LIFE VIOLATED NY LAW BY NOT FILING CERTIFICATES OF APPOINTMENT FOR INSURANCE AGENTS, PAYING COMMISSIONS TO UNAPPOINTED AGENTS AND PAYING COMMISSIONS TO THIRD PARTY ADMINISTRATORS WHO ARE NOT LICENSED AS INDEPENDENT ADJUSTERS.
Initiated By:	NEW YORK DEPARTMENT OF INSURANCE
Date Initiated:	06/19/2000
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	STIPULATION
Resolution:	Order
Resolution Date:	06/19/2000
Sanctions Ordered:	Monetary/Fine \$20,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON JUNE 19, 2000 AFFILIATE AGREED TO A STIPULATION WITH NEW YORK DEPARTMENT OF INSURANCE AND PAID A CIVIL PENALTY OF \$20,000.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 23 of 36

Reporting Source: Firm



Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT ALLIANZ LIFE, STILL VIOLATED THE SAME AREAS WITH REGARD TO THE MARKET CONDUCT EXAMINATION THAT TOOK PLACE IN 1997.
Initiated By:	ILLINOIS DEPARTMENT OF INSURANCE
Date Initiated:	10/14/1999
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	STIPULATION AND CONSENT ORDER
Resolution:	Order
Resolution Date:	10/14/1999
Sanctions Ordered:	Monetary/Fine \$100,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON OCTOBER 14, 1999 AFFILIATE AGREED TO A STIPULATION AND CONSENT ORDER WITH THE ILLINOIS DEPARTMENT OF INSURANCE AND PAID A CIVIL PENALTY OF \$100,000.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 24 of 36

Reporting Source:	Firm
Affiliate:	PREFERRED LIFE INSURANCE COMPANY OF NEW YORK
Current Status:	Final



Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT PREFERRED LIFE VIOLATED NY INSURANCE LAW BY ISSUING ANNUITY CONTRACTS PROVIDING FOR CASH SURRENDER VALUES OR OTHER OPTIONAL CASH WITHDRAWAL VALUES ON WHICH THE AGGREGATE ANNUALIZED CONSIDERATIONS EXCEEDED THE STATUTORY LIMITS.
Initiated By:	NEW YORK DEPARTMENT OF INSURANCE
Date Initiated:	02/23/1994
Docket/Case Number:	
Principal Product Type:	Annuity(ies) - Variable
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	STIPULATION
Resolution:	Order
Resolution Date:	02/23/1994
Sanctions Ordered:	Monetary/Fine \$10,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON FEBRUARY 23, 1994 AFFILIATE AGREED TO A STIPULATION ORDER WITH THE NEW YORK DEPARTMENT OF INSURANCE AND PAID A PENALTY OF \$10,000.
Firm Statement	SEE ITEM 12

Disclosure 25 of 36

Reporting Source:	Firm
Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER



ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS RESULTING FROM ROUTINE MARKET CONDUCT EXAM REGARDING AGENT LICENSING, INS. APPLICATION FORMS, CLAIMS HANDLING AND REPLACEMENTS.

Initiated By: MARYLAND INSURANCE ADMINISTRATION

Date Initiated: 12/08/1998

Docket/Case Number:

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: ORDER - CONSENT AGREEMENT

Resolution: Order

Resolution Date: 12/08/1998

Sanctions Ordered: Monetary/Fine \$7,500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON DECEMBER 8, 1998 AFFILIATE AGREED TO AN ORDER-CONSENT AGREEMENT WITH THE MARYLAND INSURANCE ADMIN. AND PAID AN ADMINISTRATIVE PENALTY OF \$7,5000.

Firm Statement SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 26 of 36

Reporting Source: Firm

Affiliate: ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Current Status: Final

Allegations: THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE



AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA.
SEE ITEM 13 FOR DETAILS OF ALLEGATIONS.

Initiated By: MAINE BUREAU OF INSURANCE

Date Initiated: 02/15/1994

Docket/Case Number:

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: CONSENT ORDER

Resolution: Order

Resolution Date: 02/15/1994

Sanctions Ordered: Monetary/Fine \$7,500.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON FEBRUARY 15, 1994 AFFILIATE AGREED TO A CONSENT ORDER WITH THE MAINE BUREAU OF INS. AND PAID A PENALTY OF \$7,500.

Firm Statement SEE ITEM 12 ABOVE

Disclosure 27 of 36

Reporting Source: Firm

Affiliate: ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Current Status: Final

Allegations: THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS RESULTING FROM A ROUTINE MARKET CONDUCT EXAM THAT ALLIANZ LIFE WAS NOT IN COMPLIANCE WITH CT LAW IN THE FOLLOWING AREAS: PRODUCER LICENSING AND APPOINTMENT REQUIREMENTS PAYMENT OF COMMISSIONS TO UNAPPOINTED AGENTS AND ADVERTISEMENTS.



Initiated By: CONNECTICUT DEPARTMENT OF INSURANCE

Date Initiated: 11/19/1998

Docket/Case Number:

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: COMPLAINT, STIPULATION AND FINAL ORDER

Resolution: Order

Resolution Date: 11/19/1998

Sanctions Ordered: Monetary/Fine \$46,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON NOVEMBER 19, 1998 AFFILIATE AGREED TO A COMPLAINT, STIPULATION AND FINAL ORDER WITH THE CONNECTICUT DEPARTMENT OF INSURANCE AND PAID A FINE OF \$46,000.

Firm Statement SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 28 of 36

Reporting Source: Firm

Affiliate: LIFEUSA INSURANCE COMPANY

Current Status: Final

Allegations: THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. LIFEUSA WAS ACQUIRED BY ALLIANZ GROUP IN 1999. ALLEGATIONS THAT LIFEUSA ALLOWED AGENT TO SOLICIT AND SUBMIT BUSINESS BEFORE HIS APPOINTMENT.

Initiated By: WISCONSIN DEPARTMENT OF INSURANCE

Date Initiated: 06/01/1998

**Docket/Case Number:****Principal Product Type:** Insurance**Other Product Type(s):****Principal Sanction(s)/Relief Sought:** Other**Other Sanction(s)/Relief Sought:** ORDER OF FORFEITURE**Resolution:** Order**Resolution Date:** 06/01/1998**Sanctions Ordered:** Monetary/Fine \$500.00**Other Sanctions Ordered:****Sanction Details:** WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON JUNE 1, 1998 AFFILIATE AGREED TO AN ORDER OF FORFEITURE WITH THE WISCONSIN DEPARTMENT OF INSURANCE AND PAID A PENALTY OF \$500.**Firm Statement** SEE RESPONSE TO ITEM 12C ABOVE.**Disclosure 29 of 36****Reporting Source:** Firm**Affiliate:** ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA**Current Status:** Final**Allegations:** THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS THE AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT ALLIANZ LIFE ACCEPTED APPLICATIONS AND ISSUED CERTIFICATES TO OR RESIDENTS UNDER AN ASSOCIATION MASTER POLICY WHICH WAS NOT REGISTERED IN OREGON.**Initiated By:** OREGON DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**Date Initiated:** 11/23/1993**Docket/Case Number:****Principal Product Type:** Insurance**Other Product Type(s):**



Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	STIPULATION AND FINAL ORDER
Resolution:	Order
Resolution Date:	11/23/1993
Sanctions Ordered:	Monetary/Fine \$20,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON NOVEMBER 23, 1993, AFFILIATE AGREED TO A STIPULATION AND FINAL ORDER WITH THE OREGON DEPARTMENT OF CONSUMER AND BUSINESS SERVICES AND PAID A CIVIL PENALTY OF \$20,000.
Firm Statement	SEE ITEM 12 ABOVE

Disclosure 30 of 36

Reporting Source:	Firm
Affiliate:	LIFEUSA INSURANCE COMPANY
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. LIFEUSA WAS ACQUIRED BY ALLIANZ GROUP IN 1999. ALLEGATIONS THAT LIFEUSA ACCEPTED APPLICATIONS FROM UNAPPOINTED/UNLICENSED INDIVIDUALS.
Initiated By:	SOUTH DAKOTA DEPARTMENT OF INSURANCE
Date Initiated:	09/25/1997
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other



Other Sanction(s)/Relief Sought:	CONSENT ORDER
Resolution:	Order
Resolution Date:	09/25/1997
Sanctions Ordered:	Monetary/Fine \$7,500.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON SEPTEMBER 25, 1997, AFFILIATE AGREED TO A CONSENT ORDER WITH THE SOUTH DAKOTA DEPARTMENT OF INSURANCE AND PAID A PENALTY OF \$7,500.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 31 of 36

Reporting Source:	Firm
Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT ALLIANZ LIFE HIRED AN OUTSIDE VENDOR TO DO TELEPHONE SOLICITATION WITHOUT THE VENDOR HAVING THE APPROPRIATE AGENCY LICENSE IN MINNESOTA.
Initiated By:	COMMERCE COMMISSIONER OF THE STATE OF MINNESOTA
Date Initiated:	09/28/1993
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Cease and Desist
Other Sanction(s)/Relief Sought:	
Resolution:	Order



Resolution Date: 09/28/1993

Sanctions Ordered: Monetary/Fine \$1,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON SEPTEMBER 28, 1993 AFFILIATE AGREED TO A CEASE AND DESIST ORDER WITH THE COMMERCE COMMISSIONER OF THE STATE OF MINNESOTA AND PAID A PENALTY OF \$1,000.

Firm Statement SEE ITEM 12 ABOVE

Disclosure 32 of 36

Reporting Source: Firm

Affiliate: ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Current Status: Final

Allegations: THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT ALLIANZ LIFE WAS NOT IN COMPLIANCE WITH ILLINOIS LAW IN THE FOLLOWING AREAS: CLAIM PROCESSING, PAYEMENT OF COMMISSIONS TO UNLICENSED PERSONS/ENTITIES, ADVISING INSUREDS OF AVAILABLE NON-FORFEITURE OPTIONS, COMPLAINT HANDLING AND ADVERTISING.

Initiated By: ILLINOIS DEPARTMENT OF INSURANCE

Date Initiated: 06/05/1997

Docket/Case Number:

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: STIPULATION AND CONSENT ORDER

Resolution: Order

Resolution Date: 06/05/1997



Sanctions Ordered:	Monetary/Fine \$70,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON JUNE 5, 1997 AFFILIATE AGREED TO A STIPULATION AND CONSENT ORDER WITH THE ILLINOIS DEPARTMENT OF INSURANCE AND PAID A FINE OF \$70,000.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.

Disclosure 33 of 36

Reporting Source:	Firm
Affiliate:	LIFEUSA INSURANCE COMPANY
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. THE AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. LIFEUSA WAS ACQUIRED BY ALLIANZ GROUP 10/01/1999 ALLEGATIONS THAT LIFEUSA VIOLATED KS INSURANCE LAWS IN REGARD TO ADVERTISING.
Initiated By:	KANSAS DEPARTMENT OF INSURANCE
Date Initiated:	09/03/1993
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CONSENT ORDER
Resolution:	Order
Resolution Date:	09/03/1993
Sanctions Ordered:	Monetary/Fine \$20,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING ALLEGATIONS THEREIN, ON



SEPTEMBER 3, 1993, AFFILIATE AGREED TO A CONSENT ORDER WITH THE KANSAS DEPARTMENT OF INSURANCE AND PAID A PENALTY OF \$20,000.

Firm Statement SEE ITEM 12 ABOVE

Disclosure 34 of 36

Reporting Source: Firm

Affiliate: ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

Current Status: Final

Allegations: THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF A LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. SEE ITEM 13 FOR DETAILS OF ALLEGATIONS.

Initiated By: PENNSYLVANIA DEPARTMENT OF INSURANCE

Date Initiated: 02/28/1997

Docket/Case Number:

Principal Product Type: Insurance

Other Product Type(s):

Principal Sanction(s)/Relief Sought: Other

Other Sanction(s)/Relief Sought: CONSENT ORDER

Resolution: Order

Resolution Date: 02/28/1997

Sanctions Ordered: Monetary/Fine \$72,000.00

Other Sanctions Ordered:

Sanction Details: WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON FEBRUARY 28, 1997 AFFILIATE AGREED TO A CONSENT ORDER WITH THE PENNSYLVANIA DEPARTMENT OF INSURANCE AND PAID A FINE OF \$72,000.

Firm Statement ALLEGATIONS THAT ALLIANZ LIFE WAS NOT IN COMPLIANCE WITH PA INSURANCE LAW IN THE FOLLOWING AREAS: USE OF UNAPPROVED POLICY FORMS, TRANSACTION OF BUSINESS BY AGENTS BEFORE THEY WERE APPOINTED BY ALLIANZ LIFE, FAILURE TO OBTAIN REQUIRED



SIGNATURES ON POLICY REPLACEMENTS, FAILURE TO MAINTAIN REQUIRED RECORDS, FAILURE TO ACKNOWLEDGE CLAIMS WITHIN SPECIFIED TIME FRAMES AND FAILURE TO NOTIFY CLAIMANTS OF ANY DELAY IN INVESTIGATING CLAIMS.

Disclosure 35 of 36

Reporting Source:	Firm
Affiliate:	ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. ALLEGATIONS THAT ALLIANZ LIFE AUTHORIZED THE SALE OF VARIABLE ANNUITIES THROUGH AN UNLICENSED INDIVIDUAL, THEREBY VIOLATING ORS 744.054.
Initiated By:	OREGON DEPARTMENT OF INSURANCE
Date Initiated:	11/07/1996
Docket/Case Number:	
Principal Product Type:	Annuity(ies) - Variable
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	STIPULATION AND ORDER
Resolution:	Order
Resolution Date:	11/07/1996
Sanctions Ordered:	Monetary/Fine \$2,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING THE ALLEGATIONS THEREIN, ON NOVEMBER 7, 1996 AFFILIATE AGREED TO STIPULATION AND ORDER WITH THE OREGON DEPARTMENT OF INSURANCE AND PAID AN ADMINISTRATIVE PENALTY OF \$2,000.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.



Disclosure 36 of 36

Reporting Source:	Firm
Affiliate:	LIFEUSA INSURANCE COMPANY
Current Status:	Final
Allegations:	THIS DRP DOES NOT PERTAIN TO APPLICANT BUT RELATES TO AN ORDER ISSUED BY A STATE INSURANCE DEPT TO AN INSURANCE COMPANY AFFILIATE OF APPLICANT. APPLICANT IS PART OF LARGE HOLDING CO. WITH SEVERAL AFFILIATES IN INSURANCE & SECURITIES BUSINESS. AFFILIATE IS NOT REGISTERED WITH ANY JURISDICTION AS A BD OR IA. LIFEUSA WAS ACQUIRED BY ALLIANZ GROUP IN 1999. ALLEGATIONS THAT LIFEUSA USED MATERIALS THAT CONTAINED INAPPROPRIATE LANGUAGE IN ITS ADVERTISING MATERIALS REGARDING COINSURANCE AND REINSURANCE RELATIONSHIPS
Initiated By:	COLORADO DEPARTMENT OF INSURANCE
Date Initiated:	10/06/1996
Docket/Case Number:	
Principal Product Type:	Insurance
Other Product Type(s):	
Principal Sanction(s)/Relief Sought:	Other
Other Sanction(s)/Relief Sought:	CONSENT AGREEMENT
Resolution:	Order
Resolution Date:	10/06/1996
Sanctions Ordered:	Monetary/Fine \$6,000.00
Other Sanctions Ordered:	
Sanction Details:	WITHOUT ADMITTING OR DENYING ALLEGATIONS THEREIN, ON OCTOBER 6, 1996 AFFILIATE AGREED TO A CONSENT AGREEMENT WITH THE COLORADO DEPARTMENT OF INSURANCE AND PAID A FINE OF \$6,000.
Firm Statement	SEE RESPONSE TO ITEM 12C ABOVE.

End of Report



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