



BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF)	Division Case No. 86403
)	
CORY J. BORCHERDING,)	ORDER AND CONSENT TO ORDER
NPN 13310659,)	
)	
Respondent)	

COMES NOW the Iowa Insurance Division (“Division”) pursuant to the provisions of the Iowa Insurance Trade Practices Act—Iowa Code Chapter 507B and the Iowa Licensing of Insurance Producers Act—Iowa Code Chapter 522B, seeks the entry of the Order:

I. PARTIES AND JURISDICTION

1. The Commissioner of Insurance, Nick Gerhart, administers the Iowa Insurance Trade Practices Act—Iowa Code Chapter 507B and the Iowa Licensing of Insurance Producers Act—Chapter 522B pursuant to Iowa Code § 505.8. Commissioner Gerhart has designated the Division to seek enforcement of these provisions.
2. Cory J. Borcharding, (“Borcharding”), is an individual with a last-known residence address of 2 Hillcrest St., Ventura, IA 50482.
3. Borcharding is and has been licensed in the state of Iowa as a resident insurance producer from March 9, 2009 to August 31, 2015 when his license expired. Iowa Code § 522B.11(5) allows the Commissioner to enforce the provisions of 507B and 522B and impose any penalty even if a person’s license has lapsed by operation of law. He was licensed under National Producer Number 13310659.
4. From August 6, 2012 to December 15, 2014, Borcharding has engaged in acts and practices within the state of Iowa constituting cause for suspension or revocation of his insurance

producer license, cease and desist orders, and civil penalties or other relief under Iowa Code §§ 507B, 522B, and rules adopted pursuant to Iowa Code Chapters 507B and 522B.

5. Borcherding voluntarily consents to the entry of the Order and admits that the Commissioner has personal jurisdiction over Borcherding and has subject matter jurisdiction over this matter.

II. FINDINGS OF FACT

6. Borcherding applied for a resident insurance producer license with the Division by submitting through the National Insurance Producer Registry a Uniform Application for Individual Insurance Producer on March 9, 2009. In submitting the Uniform Application, Borcherding designated the Commissioner as an agent for service of process.

7. The Division issued Borcherding a license as an insurance producer on March 9, 2009 and assigned to him National Producer License number 13310659.

8. The Division was sent a letter from Washington National Insurance Company ("hereinafter Washington") requesting that Borcherding's appointment with them be cancelled for cause. Washington's letter included attachments explaining the reasons for their action.

9. Washington's attachments show that on August 6, 2012, Borcherding submitted one application and on June 18, 2014, Borcherding submitted two applications to them for family coverage that were written indicating Borcherding as the insured and listing Stephanie J. Borcherding as his spouse.

10. Washington received five applications from Borcherding dated November 11, 2014 listing Stephanie J. Borcherding as the insured and Borcherding as her spouse. The applications also state that Stephanie J. Borcherding's date of birth is April 29, 1958 and list a social security number for her.

11. Borcharding is not married and Stephanie J. Borcharding is his sister. Stephanie J. Borcharding's date of birth is not April 20, 1958 and the social security number listed for her belongs to a person in Bloomsburg, Pennsylvania.

12. Borcharding sent a letter to the Division admitting that he had made the above mentioned misstatements on the applications.

13. Washington indicates that Borcharding was falsifying these applications in order to receive advance commissions.

III. CONCLUSIONS OF LAW

COUNT I **MISREPRESENTATION IN INSURANCE APPLICATIONS**

14. The Division incorporates by reference paragraphs 1-13 above as though fully set forth herein.

15. Borcharding made false or fraudulent statements on applications for insurance policies for the purpose of obtaining a commission.

16. Borcharding's acts and practices have been in violation of Iowa Code § 507B.4(3)(n), subjecting Borcharding to revocation or suspension of Borcharding's insurance producer license, the imposition of a civil penalty, and an order requiring Borcharding to cease and desist from engaging or participating in the business of insurance pursuant to Iowa Code §§ 507B.4 and 507B.7.

COUNT II **FORGING NAMES ON APPLICATIONS**

17. The Division incorporates by reference paragraphs 1-16 above as though fully set forth herein.

18. Borcherding forged another's name to applications for insurance.
19. Borcherding's acts and practices have been in violation of Iowa Code § 522B.11(1)(j), subjecting Borcherding to probation, revocation, or suspension of Borcherding's insurance producer license, the imposition of a civil penalty, and an order requiring Borcherding to cease and desist from engaging or participating in the business of insurance pursuant to Iowa Code §§ 522B.11 and 522B.17.

COUNT III
FRAUDULENT OR DISHONEST PRACTICES AND DEMONSTRATING
UNTRUSTWORTHINESS

20. The Division incorporates by reference paragraphs 1-19 above as though fully set forth herein.
21. Borcherding's actions regarding the misstatements on the applications involve using fraudulent or dishonest practices and demonstrating untrustworthiness in the conduct of insurance business.
22. Borcherding's acts and practices have been in violation of Iowa Code § 522B.11(1)(h) subject Borcherding to probation, revocation, or suspension of Borcherding's insurance producer license, the imposition of a civil penalty, and order requiring Borcherding to cease and desist from engaging or participating in the business of insurance pursuant to Iowa Code §§ 522B.11 and 522B.17.

V. ORDER

WHEREFORE, IT IS ORDERED pursuant to the powers granted the Commissioner of Insurance by Iowa Code Chapters 507B and 522B:

- A. Borcherding's insurance producer's license is revoked.
- B. Borcherding is barred from applying for an insurance producer license for a period of two (2) years from the date of this order.

C. Prior to application for re- licensure, Borcharding shall apply for, take and pass the written examination required for licensure.

D. Nothing contained in this Order shall in any way limit the Division from instituting administrative or legal action against Borcharding for any past conduct or future activity in violation of Iowa laws and regulations.

SO ORDERED on this 25th day of March, 2016.



NICK GERHART
Iowa Insurance Commissioner

Respectfully submitted,



JOHN LEONHART
Compliance Attorney

CONSENT TO ORDER AND AGREEMENT

I, Cory J. Borcharding, Respondent in this matter, have read, understood, and do knowingly consent to this Order in its entirety. By executing this consent, I understand that I am waiving my rights to a hearing, to confront and cross-examine witnesses, to produce evidence, and to judicial review.

I further understand that this Order is considered final administrative action that may be reported by the Division to the National Association of Insurance Commissioners and to other regulatory agencies. I also understand that this Order is a public record under Iowa Code Chapter 22, that will be disclosed to other state regulatory authorities, upon request, pursuant to Iowa Code section 505.8(8)(d). I also understand that the information contained in the Order will be posted to the Division's web site and a notation will be made to the publicly available web site record that administrative action has been taken against me.

Dated this 22 day of March, 2016.



CORY J. BORCHARDING

Address of Signatory

Subscribed and sworn before me by Cory J. Borcharding on this 22nd day of March, 2016.





Notary Public for the State of Iowa