

BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF	)	Division Case No. 97349
	)	
JOY HELDT,	)	<b>ORDER AND CONSENT</b>
NPN 0017684055,	)	<b>TO ORDER</b>
DOB 07/16/XXXX,	)	
Respondent	)	

**NOW THEREFORE**, upon motion of the Iowa Insurance Division (“Division”) and consent of Respondent Joy Heldt, and pursuant to the provisions of Iowa Code Chapter 507B—Insurance Trade Practices, Iowa Code Chapter 522B—Licensing of Insurance Producers, and Iowa Administrative Code Chapter 15—Unfair Trade Practices, the Commissioner enters the following Consent Order (“Order”):

**I. PARTIES AND JURISDICTION**

1. The Commissioner of Insurance, Doug Ommen, directly and through his designees, administers and enforces Iowa Code Chapter 507B—Insurance Trade Practices, Iowa Code Chapter 522B—Licensing of Insurance Producers, and Iowa Administrative Code Chapter 15—Unfair Trade Practices pursuant to Iowa Code § 505.8.
2. Joy Heldt (“Respondent”) is an individual with a last-known residence address of 615 West 2<sup>nd</sup> Street, Madrid, Iowa 50156.
3. Respondent is and has been licensed in the state of Iowa as a resident insurance producer since August 13, 2015. She is licensed under National Producer Number 0017684055.
4. Pursuant to Iowa Code § 505.28, Respondent consented to the jurisdiction of the Commissioner of Insurance by committing acts governed by chapters 507B and 522B.
5. From on or about September 2015 to January 2016, Respondent engaged in acts and practices within the state of Iowa constituting cause for probation, suspension, or revocation of

her insurance producer license; cease and desist orders; restitution; and civil penalties or other relief under Iowa Code §§ 505.8(10), 507B.3, 507B.6, 507B.7, 522B.6, 522B.11 and 522B.17, and rules adopted pursuant to these chapters.

6. Respondent knowingly and voluntarily enters into this Order. Respondent admits to all of the findings of facts and conclusions of law found herein except that Respondent denies she forged Consumer B's signature on a refund check as described in paragraphs 37, 52, and 63.

## **II. FINDINGS OF FACT**

7. Respondent applied for a resident insurance producer license with the Division by submitting through the National Insurance Producer Registry a Uniform Application for Individual Producer License ("Uniform Application"). In submitting the Uniform Application, Respondent designated the Commissioner as an agent for service of process.

8. The Division issued Respondent a license as an insurance producer on August 13, 2015 and assigned to her National Producer Number 0017684055.

9. Respondent was an appointed producer for Primerica Life Insurance Company ("Primerica") until her appointment was terminated on December 6, 2016.

### **Consumer A**

10. Respondent completed and submitted an application to Primerica for \$50,000.00 in term life insurance for her brother, Consumer A, on September 30, 2015.

11. The Social Security number listed on the application is not for Consumer A.

12. The application contains electronic signatures for Consumer A and Respondent.

13. When completing the application for Consumer A, Respondent affixed Consumer A's electronic signature to the application without indicating she was doing so as his agent.

14. Respondent listed herself as beneficiary and noted her relationship to Consumer A as “sister.”

15. Under “relationship to insured” Respondent listed herself as “domestic partner” of Consumer A on the payment election form submitted with the application.

16. Respondent is not, nor has she ever been, Consumer A’s domestic partner.

17. Premiums were initially paid, and continue to be paid, by a credit union bank account in Respondent’s name.

18. As a result of the application, policy number ending in 5917 was issued for Consumer A on October 25, 2015, and is still in force.

19. Respondent signed her name on the delivery receipt for the policy where it asked for the policyowner’s signature.

20. Respondent signed her name in the space on the policy illustration asking for the policyowner’s signature.

### **Consumer B**

21. Respondent contacted her other brother, Consumer B, several times in 2015 about purchasing an insurance policy. Consumer B always responded that he was not interested.

22. Respondent called Consumer B sometime in or around November 2015 asking him health related and personal information questions. Consumer B found this behavior odd and refused to answer Respondent’s questions.

23. Respondent submitted an application for Consumer B, dated November 28, 2015, to Primerica for \$150,000.00 in term life insurance coverage and \$16,000.00 in term life insurance coverage for each eligible child under a children’s term rider.

24. The application contained the following incorrect information regarding Consumer B:

- a. The home address of 615 West 2<sup>nd</sup> Street, Madrid, Iowa 50156;
- b. Date of birth;
- c. Social Security number;
- d. Daughter's date of birth;
- e. Phone number;
- f. Salary;
- g. Occupation;
- h. The number of years with employer of fifteen years;
- i. Height; and
- j. Weight.

25. The address and telephone number listed on the application were actually the

Respondent's home address and cell phone number.

26. Respondent listed herself as the beneficiary and noted her relationship to Consumer B as "sister."

27. Respondent's credit union bank account is listed in the premium payment section and under "relationship to insured" Respondent listed herself as Consumer B's "domestic partner" on the payment election form submitted with the application.

28. Respondent is not, nor has she ever been, Consumer B's domestic partner.

29. When completing the application for Consumer B, Respondent affixed Consumer B's electronic signature to the application without indicating that she was doing so as his agent or with his consent.

30. Consumer B did not sign the application, authorize Respondent to sign on his behalf, or even have knowledge that Respondent was submitting an application for term life insurance in his name.

31. As part of the application, Respondent was required to sign as agent, certifying that she personally saw the applicant and witnessed him signing the application, she asked the applicant the required application questions, and has explained coverage provisions.

32. The agent attestation section also contains a statement that the agent understands that they may be found guilty of insurance fraud if they provide false information in an application.

33. Policy number ending in 5600 for Consumer B was issued on December 6, 2015.

34. Consumer B asserts that he had no knowledge of the application until Respondent told him at a family event on December 13, 2015.

35. Consumer B called Primerica on December 16, 2015 to file a complaint, stating that Respondent submitted the application without his knowledge or consent. Consumer B requested immediate cancellation of the policy.

36. Primerica cancelled the policy and issued a refund check in the amount of premium paid. The check was made out to Consumer B and mailed to the address listed on the application, which was in fact, Respondent's address.

37. Respondent forged Consumer B's name on the back of the refund check and made it payable to herself.

38. In an interview with the Division's investigator on February 9, 2018, Respondent acknowledged that the applications for Consumers A and B contained false information.

39. Respondent also admitted during the interview with the Division’s investigator, that Consumer B did not ask her to submit an application for an insurance policy and that he did not provide the information that Respondent provided on the application.

### **III. CONCLUSIONS OF LAW**

#### **COUNT ONE**

##### **Improper Sales Tactics**

40. Under Iowa Administrative Code rule 15.8(2)(b), “A producer shall not: (1) Execute a transaction for an insurance customer without authorization by the customer to do so.”

41. Respondent submitted the application for Consumer B without his knowledge or consent.

42. Iowa Administrative Code Chapter 15—Unfair Trade Practices establishes certain minimum standards and guidelines of conduct by identifying unfair methods of competition and unfair or deceptive acts or practices in the business of insurance, as prohibited by Iowa Code chapter 507B.

43. Under Iowa Code § 507B.3, “a person shall not engage in this state in any trade practice which is defined in this chapter, or is determined pursuant to section 507B.6 to be, an unfair method of competition, or an unfair or deceptive act or practice in the business of insurance.”

44. Respondent’s acts and practices have been in violation of Iowa Code § 507B and Iowa Administrative Rule 191—15.8(2)(b) subjecting Respondent to suspension or revocation of Respondent’s insurance producer license, to the imposition of a civil penalty, an order requiring Respondent to cease and desist from engaging in such acts or practices, the imposition of costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 507B.7, 505.8 and Iowa Administrative Code rule 191—15.14.

**COUNT TWO**  
**Misrepresentation in Insurance Applications**

45. Under Iowa Code § 507B.4(3)(n) a person is prohibited from “[m]aking false or fraudulent statements or representations on or relative to an application for an insurance policy, for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, broker, or individual.”

46. Respondent misrepresented identifying information in the applications for Consumers A and B when she provided incorrect Social Security numbers.

47. Respondent provided multiple pieces of false information in the application for Consumer B. The false information provided in the application for Consumer B included incorrect home address, telephone number, Social Security number, dates of birth, work related information, and health information.

48. Respondent also misrepresented herself as a domestic partner on the electronic payment forms accompanying the applications for Consumers A and B.

49. Respondent’s acts and practices have been in violation of Iowa Code § 507B.3(n) subjecting Respondent to suspension or revocation of Respondent’s insurance producer license, to the imposition of a civil penalty, an order requiring Respondent to cease and desist from engaging in such acts or practices, the imposition of costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 507B.7 and 505.8.

**COUNT THREE**  
**Forging Another’s Name**

50. Under Iowa Code § 522B.11(1)(j), a license may be subject to probation, suspension, or revocation and civil penalties may be levied, as provided in Iowa Code § 522B.17, for forging

another's name to an application for insurance or to any document related to an insurance transaction.

51. Respondent affixed Consumer B's electronic signature on the Primerica application without his knowledge or consent.

52. Respondent forged Consumer B's signature to endorse the Primerica refund check issued upon the cancellation of the unwanted and unapproved policy.

53. Respondent's acts and practices have been in violation of Iowa Code § 522B.11(1)(j) subjecting Respondent to probation, suspension, or revocation of Respondent's insurance producer license, the imposition of a civil penalty, an order requiring Respondent to cease and desist from engaging in such acts or practices, the imposition of costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 522B.11, 522B.17, and 505.8.

#### **COUNT FOUR**

##### **Using Dishonest Practices and Demonstrating Untrustworthiness**

54. Under Iowa Code § 522B.11(1)(h), a license may be subject to probation, suspension, or revocation and civil penalties may be levied, as provided in Iowa Code § 522B.17, for using fraudulent, coercive, or dishonest practices or demonstrating incompetence or untrustworthiness.

55. Respondent attempted to gather personal identifying and health information from Consumer B without telling him the true purpose of her inquiries.

56. Respondent electronically signed the names of Consumers A and B on the applications without indicating she signed on their behalf.

57. Respondent knew that Consumer B was not interested in purchasing a life insurance policy, but still submitted an application, against his wishes and without his prior knowledge.



58. Respondent did not actually have consent to sign Consumer B's name on the application or to submit an application for insurance on his behalf.

59. Respondent attested in the agent certification section of Consumer B's application that she personally witnessed Consumer B sign the application, asked Consumer B the application questions, and explained the policy provisions despite Consumer B having no knowledge that an application was being submitted on his behalf at that time.

60. Respondent listed herself as beneficiary on the application for Consumer B without his knowledge or consent.

61. On the electronic payment forms submitted with the applications for Consumers A and B, Respondent listed herself as their domestic partner, but she is not and has never been a domestic partner of either Consumer A or Consumer B.

62. Respondent signed her name on the delivery and illustration documents related to Consumer A's policy where it asked for the policyowner's signature.

63. Respondent forged Consumer B's signature on the Primerica refund check and made it payable to herself.

64. Respondent's acts and practices have been in violation of Iowa Code § 522B.11(1)(h) subjecting Respondent to probation, suspension, or revocation of Respondent's insurance producer license, the imposition of a civil penalty, an order requiring Respondent to cease and desist from engaging in such acts or practices, the imposition of costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 522B.11, 522B.17, and 505.8.



**NOTICE OF PENALTIES FOR WILLFUL VIOLATION OF THIS ORDER**

**YOU ARE NOTIFIED** that acting as an insurance producer, as defined in Iowa Code Chapter 522B, in violation of this Order, is a felony under Iowa Code § 507A.10, subjecting you to punishment of imprisonment, jail, fines, or any combination of custody and fines.

**YOU ARE ALSO NOTIFIED** that any person who violates this order may be subject to administrative and civil penalties pursuant to Iowa Code § 522B.17(3). The commissioner may petition the district court to hold a hearing to enforce the order as certified by the commissioner. The district court may assess a civil penalty against the person in an amount not less than three thousand dollars but not greater than ten thousand dollars for each violation, and may issue further orders as it deems appropriate.

**NOTICE REGARDING IMPACT OF ORDER ON EXISTING LICENSES**

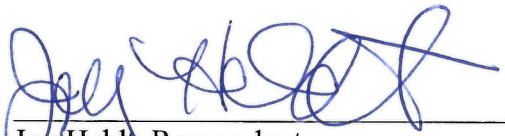
A final order of license revocation or a cease and desist order may adversely affect other existing business or professional licenses and result in license revocation or disciplinary action.

**CONSENT TO ORDER AND AGREEMENT**

I, Joy Heldt, 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 a 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, which will be disclosed to other state regulatory authorities, upon request, pursuant to Iowa Code section 505.8(8)(d). I also understand that this Order will be posted to the Division's publicly available web site and a notation will be made that administrative action has been taken against me.

Dated: 3-19-18

  
\_\_\_\_\_  
Joy Heldt, Respondent

615 West 2<sup>nd</sup> Street Madrid, IA 50156  
Address of Signatory

Subscribed and sworn before me by Joy Heldt on this 19<sup>th</sup> day of March, 2018.

  
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Notary Public for the State of Iowa

