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OCT 08 2019

COMMISSION OF INSURANCE
INSURANCE DIVISION OF IOWA

BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF

GARY D. MARCUM,
NPN 0000058157,
DOB 07/13/XXXX,
Respondent

)
) Division Case No. 100755
)
)

) **ORDER AND**
) **CONSENT TO ORDER**
)
)

COMES NOW the Iowa Insurance Division (“Division”) and by the consent of Respondent Gary D. Marcum, pursuant to the provisions of Iowa Code chapter 507B—Insurance Trade Practices, Iowa Code chapter 522B—Licensing of Insurance Producers, Iowa Administrative Code chapter 15—Unfair Trade Practices, and Iowa Administrative Code chapter 16—Replacement of Life Insurance and Annuities, the Commissioner enters following Order and Consent to Order (“Consent Order”):

I. PARTIES AND JURISDICTION

1. The Commissioner of Insurance, Douglas Ommen, directly and through his designees, administers and enforces Iowa Code Chapter 507B—Insurance Trade Practices, Iowa Code Chapter 522B—Licensing of Insurance Producers, Iowa Administrative Code Chapter 15—Unfair Trade Practices, and Iowa Administrative Code Chapter 16—Replacement of Life Insurance and Annuities pursuant to Iowa Code § 505.8.
2. Gary D. Marcum (“Marcum”) is an individual with a last-known residence address of 14935 Sheridan Circle, Clive, Iowa 50325.
3. Marcum is and has been licensed in the state of Iowa as a resident insurance producer since June 23, 2000. He is licensed under National Producer Number 0000058157.
4. Pursuant to Iowa Code § 505.28, Marcum has consented to the jurisdiction of the Commissioner of Insurance by committing acts governed by chapters 507B and 522B.

5. From on or about April 15, 2005 to October 4, 2018, Marcum engaged in acts and practices within the state of Iowa constituting cause for probation, suspension, or revocation of his 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.11 and 522B.17 and rules adopted pursuant to these chapters.

II. FINDINGS OF FACT

6. On November 22, 1982, Marcum entered into a Consent Order suspending his insurance producer license for one year and thereafter placing him on probation for two years due to Marcum converting policy premiums for his personal use.

7. On July 8, 1986, Marcum entered into a Consent Order in which he surrendered his insurance producer license for a two years. This action related to Marcum selling insurance during his period of suspension, Marcum or someone under his control forging the signature of another agent, and the use of misleading advertising.

8. On May 17, 2000, Marcum applied for a new insurance producer license and did not notify the Division of his prior regulatory actions. The Division noted this discrepancy and assessed a civil penalty of \$250 to Marcum. After payment for the civil penalty was received, the Division issued Marcum an insurance producer license on June 23, 2000 and assigned to him National Producer Number 0000058157.

9. Marcum most recently renewed his resident insurance producer license with the Division on July 30, 2018, by submitting an application for renewal through the National Insurance Producer Registry. In this renewal application, Marcum designated the Commissioner as an agent for service of process.

10. Retirement Solutions Group, Inc. (“Retirement Solutions”) is registered as an Iowa corporation and Marcum is listed as the registered agent.

11. Marcum presented lunch seminars in Iowa from 2013-present discussing the topics of fixed annuities, fixed index annuities, reducing taxes, life insurance updates, and long term care.

Consumer Ms. V

12. On September 13, 2013, Marcum met with Ms. V. Marcum recommended that Ms. V liquidate her current Aviva Life and Annuity (“Aviva”) annuity and replace it with PHL Variable Insurance Company (“Phoenix”) annuity.

13. On September 13, 2013, Ms. V signed a written request to surrender her Aviva policy. This request was sent to Aviva by Marcum’s Retirement Solutions facsimile on September 20, 2013.

14. On October 7, 2013, Aviva mailed a \$346,592.26 check to Ms. V.

15. Ms. V incurred a surrender fee of \$38,347.60 related to the liquidation of the Aviva annuity. After a positive market value adjustment of \$14,745.30, Ms. V incurred a surrender fee of \$23,602.30 to liquidate this annuity.

16. On December 20, 2013, Marcum provided the following answers on a Phoenix annuity application for Ms. V:

- a. The Phoenix annuity was a “new purchase”;
- b. “No” was marked in the answer to the question “Will this annuity replace any existing life insurance or annuity contract?”; and
- c. “No” was marked in the answer to the question “Will the proposed contract replace (in whole or in part) any existing life insurance or annuity contract in force?”

17. On December 20, 2013, Marcum provided the following answers on the Phoenix suitability questionnaire related to the annuity application for Ms. V:
- a. Only the “checking/savings account” box was marked in response to the question “What is the source of premium for this annuity? *Check all that apply:*”; and
 - b. The “Not Applicable” box was marked in response to the question “Are any losses incurred (i.e. surrender charges, settlement fees, bonus recapture charges, loss of annuitization value, loss of interest and/or index credits, etc.) or any other penalties associated with the source of premium checked above?”
18. The Phoenix annuity suitability questionnaire defines “Source of Premium” as where the funds purchasing the proposed annuity contract originate from.
19. On December 20, 2013, Marcum provided the following answers in the replacement notice:
- a. “NO” was marked in response to the question “Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract?”;
 - b. “NO” was marked in response to the question “Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract?”; and
 - c. “N/A” is written after the phrase “The existing policy or contract is being replaced because.”
20. Marcum is the agent of record and signed all of the Phoenix application paperwork.
21. Ms. V wrote a check dated December 9, 2013, made payable to Phoenix, in the amount of \$347,000.

22. The originating source of the funds was the surrender of Ms. V's Aviva annuity.
23. Respondent received a commission in the amount of \$14,747.50 for the sale of the Phoenix annuity to Ms. V.
24. On February 11, 2016, Ms. V filed a complaint with the Division regarding Marcum in relation to the Phoenix annuity sales transaction.
25. Ms. V's complaint resulted in Phoenix offering to rescind the annuity without assessing fees or surrender charges.

Consumer Ms. K

26. Ms. K attended a seminar held by Marcum.
27. On or about September 5, 2014, Marcum recommended that Ms. K purchase two Fidelity & Guarantee Life Insurance Company ("F&G") annuities and a National Western Insurance Company ("National Western") annuity.
28. The first recommended F&G annuity was for the amount of \$390,000.
29. The second recommended F&G annuity was for the amount of \$144,169.
30. The National Western recommended annuity was for the amount of \$159,000.
31. Between the three annuities, Marcum recommended that Ms. K invest approximately \$693,169.
32. On September 5, 2019, Marcum completed the F&G suitability acknowledgement forms for each of the annuity application that identified that prior to the purchase of the annuity, Ms. K had \$727,200 in total liquid assets.
33. On September 5, 2019, Marcum completed National Western annuity suitability questionnaire form that identified Ms. K's liquid net worth after the purchase of the \$159,000 annuity to be \$420,000. This amounts to \$579,000 in total liquid assets.

34. The proposed three annuity purchases together accounted for nearly all of Ms. K's total liquid assets.

35. The surrender charge period for the F&G annuities was 14 years. The surrender charge period for the National Western annuity was 13 years.

36. Marcum is the agent of record and signed all Ms. K's annuity application paperwork.

Consumer Ms. T

37. Ms. T attended a seminar held by Marcum.

38. On or about August 14, 2015, Marcum recommended that Ms. T liquidate her current AXA Equitable Life Insurance Company ("AXA") annuity to replace it with an F&G annuity.

39. Ms. T signed a written request to surrender her AXA annuity policy. This request was sent from Marcum's Retirement Solutions facsimile on August 17, 2015.

40. On August 17, 2015, AXA sent a check for \$80,848.41 to Ms. T.

41. Ms. T incurred a surrender penalty of \$7,200 due to the surrender of the AXA annuity.

42. On an unknown date, Ms. T was asked by Marcum to sign blank forms related to the purchase of an F&G annuity.

43. On August 14, 2015, Marcum provided the following answers on the F&G annuity application:

- a. "No" box was marked in response to the question "Will the annuity applied for replace or change an existing life insurance or annuity policy?"; and
- b. "No" box was marked in response to the question "To the best of your knowledge, does this application replace or change existing life insurance or annuities?"

44. On August 14, 2015, Marcum provided the following answers on the F&G suitability acknowledgement form:

- a. "Cash or CDs" box was marked under the "From Liquid Assets" column as the source of funds;
- b. "No" box was marked in response to "Is the Source of Funds a life insurance or annuity policy?";
- c. The listed amount of Ms. T's "Approximate Monthly Household Income" was double her actual monthly income;
- d. Incorrect liquid assets were listed, overvaluing Ms. T's actual liquid assets; and
- e. "Total Liabilities" were incorrectly listed as zero.

45. The annuity accounted for over half of Ms. T's liquid assets.

46. On August 14, 2015, Marcum provided the following answers in the F&G notice of replacement:

- a. "NO" was marked in response to "Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract?";
- b. "NO" was marked in response to "Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract?";
and
- c. "NO" was marked in response to "Is the existing policy or contract being replaced?"

47. Ms. T wrote a check dated August 25, 2015, made payable to F&G, in the amount of \$80,848.41 with "AXA" in the "For" line. The amount of this check is identical to the amount Ms. T received from her surrendered AXA annuity.

48. On August 14, 2015, Marcum recommended Ms. T purchase a second F&G annuity in the amount of \$40,138.14.

49. The two F&G annuities together composed almost all of Ms. T's liquid assets.

50. The surrender charge period for both of the F&G annuities was 14 years.

51. Marcum received a commission in the amount of \$7,680.60 for the sale of the first annuity and \$3,813.12 for the sale of the second annuity.

52. Marcum is the agent of record and signed all of the F&G application paperwork.

53. On December 8, 2017, Ms. T made a complaint to the Division and F&G regarding the sale of the two F&G annuities.

54. Ms. T's complaint resulted in the penalty free surrender of both of the F&G annuities minus her withdrawals.

Consumers Mr. and Mrs. B

55. Mr. and Mrs. B attended a seminar held by Marcum. Thereafter, Mr. and Mrs. B met with Marcum. Marcum recommended that Mr. and Mrs. B liquidate their stocks and IRAs to purchase three F&G annuities.

56. Mr. and Mrs. B signed blank or partially blank forms associated with purchasing three annuities.

57. On August 2, 2016, Marcum completed three F&G annuity applications and corresponding suitability acknowledgement forms for Mr. and Mrs. B. The suitability acknowledgement forms all had identical financial information for Mr. and Mrs. B. The suitability acknowledgement forms contained the following inflated values

- a. Total Liquid Assets \$1,653,327;
- b. Total Non-Liquid Assets \$1,800,000; and

c. Total Net Worth \$3,453,327.

58. Mr. and Mrs. B estimate that their total liquid assets at the time were \$909,049.56 and their actual non-liquid assets were only \$300,000 making their total net worth approximately \$1,209,049.56.

59. The three annuities applied for totaled \$704,500 which was nearly eighty percent of Mr. and Mrs. B's liquid assets. At the time of transfer, the retirement assets funding the three annuity sales it amounted to \$814,049.56, almost ninety percent of Mr. and Mrs. B's liquid assets.

60. Marcum is the agent of record and signed all of Mr. and Mrs. B's F&G application paperwork.

61. Marcum received a commission from F&G in the amount of \$77,334.71 related to the sale of the three annuities.

62. The surrender charge period for all three of the F&G annuities was 14 years.

63. On October 12, 2016, Mr. and Mrs. B filed a complaint with the Division and F&G.

64. Mr. and Mrs. B's complaints resulted in F&G refunding all three annuities.

Consumer Ms. W

65. Ms. W met with Marcum on September 8, 2016. Marcum recommended that Ms. W use \$10,600 from her Younkers 401k to purchase a National Western annuity.

66. On September 8, 2016, Marcum completed a National Western annuity suitability questionnaire that contained the following financial information:

- a. Annual Income \$36,400;
- b. Annual Expenses \$14,000;
- c. Sources of Income 80% Salary/Wages and 20% Investments;

- d. An approximate net worth of \$100,000-249,999 after subtracting the annuity purchase and any debts; and
- e. Liquid net worth of \$42,000 after the annuity purchase of this annuity.

67. Ms. W's actual annual income was \$25,000, her annual expenses were \$23,000, her source of income was 100% from salary/wages, her net worth after the purchase of the annuity was \$0-\$24,999, and her liquid net worth after the purchase of the annuity was \$1,000. This annuity accounted for almost all of her liquid net worth.

68. Marcum is the agent of record on the National Western application paperwork.

69. Marcum received a commission from National Western in the amount of \$1,351.17 related to the sale of this annuity.

70. The surrender charge period for Ms. W's National Western annuity was 13 years.

71. On October 18, 2016, Ms. W filed a complaint with the Division and National Western.

72. Ms. W's complaint resulted in National Western refunding the annuity.

F&G Termination for Cause

73. On January 11, 2018, F&G provided Marcum a notice of termination for cause due to failing to disclose that the premium used to fund an F&G contract had originated from the surrender of an existing annuity.

Insurance Appointment Applications

74. From on or about April 15, 2005 to October 4, 2018, Marcum submitted multiple insurance appointment applications to various insurance companies in which he did not accurately identify his prior administrative actions in which his license was suspended and surrendered.

75. On October 4, 2018, Marcum submitted an Independent Producer Contract Appointment Application and Agreement to Accordia Life and Annuity Company that also did not identify that he had previously had his Fidelity & Guaranty Life Insurance Company contract terminated for cause.

III. CONCLUSIONS OF LAW

COUNT I

Misrepresentation in Insurance Application

76. 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.”

Consumer Ms. V

77. Marcum misrepresented in both the Phoenix annuity application and related replacement notice form that a replacement was not occurring.

78. Marcum misrepresented in the Phoenix annuity application that the plan type was a “new purchase.”

79. Marcum made a misrepresentation by failing to ensure that the Aviva annuity surrender fees were disclosed to Phoenix on the annuity application and accompanying forms.

80. Marcum misrepresented in the Phoenix annuity suitability questionnaire that the source of funds was only a “checking/savings account.”

81. Marcum received a commission from Phoenix for the submission and issuance of this annuity.

Consumer Ms. T

82. Marcum misrepresented in the F&G annuity application and the related replacement notice form that a replacement was not occurring.
83. Marcum misrepresented in the F&G suitability acknowledgment form that the source of funds was "Cash or CDs."
84. Marcum misrepresented in the F&G suitability acknowledgement form that the source of funds was not from another annuity.
85. Marcum misrepresented Ms. T's monthly household income, liquid assets, and her total liabilities in the F&G suitability acknowledgement form.
86. Marcum made a misrepresentation by failing to ensure that the AXA surrender fees were disclosed to F&G on the application and accompanying forms.
87. Marcum received a commission from F&G for the submission and issuance of this annuity.

Consumer Mr. and Mrs. B

88. Marcum misrepresented Mr. and Mrs. B's total liquid assets, total non-liquid assets, and their net worth in the F&G suitability acknowledgement form.
89. Marcum received a commission from F&G for the submission and issuance of this annuity.

Consumer Ms. W

90. Marcum misrepresented in the National Western annuity suitability questionnaire Ms. W's annual income, annual expenses, sources of income, approximate net worth after the purchase of the annuity, and her total amount of assets after purchase of the annuity.
91. Marcum received a commission from F&G for the submission and issuance of this annuity.
92. Marcum's acts and practices have been in violation of Iowa Code § 507B.4(3)(n) subjecting Marcum to suspension or revocation of Marcum's insurance producer license, the

imposition of a civil penalty, an order requiring Marcum 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 II
Replacement of Life Insurance and Annuities

93. Iowa Administrative Code rule 191—16.22 defines “replacement” as

[A] transaction in which a new policy or contract is to be purchased, and it is known or should be known to the proposing producer, . . . , that by reason of the transaction, an existing policy or contract has been or is to be:

1. Lapsed, forfeited, surrendered, or partially surrendered, assigned to the replacing insurer or otherwise terminated. . . .”

94. Iowa Administrative Code rule 191—16.24(2) requires producers to present and read a notice regarding replacements to the applicant if the applicant has an existing policy. The notice must also list all insurance policies or annuities proposed to be replaced or whether a policy will be used as a source of financing for the new policy.

Consumer Ms. V

95. Marcum recommended and facilitated Ms. V’s surrender of her Aviva annuity to fund the Phoenix annuity.

96. Marcum did not disclose that a replacement was occurring despite recommending that Ms. V liquidate her Aviva annuity for the purpose of purchasing the Phoenix annuity.

97. Ms. V’s annuity application also indicated that the annuity would not replace any existing insurance or annuity contract.

98. The amount paid out from the surrender of the Aviva annuity, \$346,592.26, primarily funded the \$347,000 Phoenix annuity.

Ms. T

99. Marcum recommended and facilitated Ms. T's surrender of her AXA annuity to fund the F&G annuity.

100. The notice regarding replacements did not identify that the AXA policy was being replaced.

101. The F&G annuity application incorrectly identified that the annuity was not going to replace or change an existing life insurance or annuity policy.

102. The F&G suitability acknowledgement form incorrectly identified the source of funds to be "cash or CDs" in the amount of \$84,000 and stated that the source of funds was not a life insurance or annuity policy.

103. Marcum did not indicate on any of the forms that a replacement was occurring despite recommending that Ms. T. liquidate her AXA annuity for the purpose of purchasing the F&G annuity.

104. The amount paid out from the surrender of the AXA annuity, \$80,848.41, was the exact amount of the originated F&G annuity.

105. Marcum's acts and practices have been in violation of Iowa Administrative Code rules 191—16.24 and 16.29 and Iowa Code Chapter 507B subjecting Marcum to suspension or revocation of Marcum's insurance producer license, the imposition of a civil penalty, the forfeiture of any commissions or compensation paid to the producer as a result of the transaction in connection with which the violations occurred, an order requiring Marcum to cease and desist from engaging in such acts or practices, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 505.8(1), 507B.7 and Iowa Administrative Code rule 191—16.29.

COUNT III
Suitability

106. Under Iowa Code § 507B.4B(1), a producer shall not recommend the purchase, sale, or exchange of any annuity contract, or any rider, endorsement, or amendment unless the person has reasonable grounds to believe the recommended product is suitable for the consumer based upon the consumer's financial status, investment objectives and other relevant information.

107. Under Iowa Administrative Code rule 191—15.75(1), a producer must have a reasonable basis to believe that the particular consumer would benefit from the annuity as a whole based upon the specific consumer's suitability information.

108. Marcum recommended that Ms. K place almost all of her liquid assets into three annuities with surrender charge periods of 13 and 14 years.

109. Marcum recommended that Ms. T purchase two annuities that accounted for nearly all of Ms. T's liquid assets and had a surrender charge period of 14 years.

110. Marcum recommended that Mr. and Mrs. B purchase three annuities. The three annuities comprised of nearly ninety percent of Mr. and Mrs. B's liquid assets and had a surrender charge period of 14 years.

111. Marcum recommended Ms. W purchase an annuity with National Western that accounted for nearly all of Ms. W's limited liquid assets and had a surrender charge period of 13 years.

112. Marcum's acts and practices have been in violation of Iowa Code § 507B.4B(1) and Iowa Administrative Code rule 191—15.75 subjecting Marcum to an order requiring the producer to take reasonably appropriate corrective action for any consumer harmed by the producer's violation, the suspension or revocation of Marcum's insurance producer license, the imposition of a civil penalty, an order requiring Marcum 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 §§ 505.8(10), 507B.7, and Iowa Administrative Code 191—15.77.

COUNT IV

Using Fraudulent or Dishonest Practices and Demonstrating Untrustworthiness or Incompetence

113. Under Iowa Code § 522B.11(1)(h), a producer is prohibited from using fraudulent, coercive, or dishonest practices or demonstrating untrustworthiness or incompetence in the conduct of business.

114. Marcum demonstrated untrustworthiness, dishonest practices, or incompetence when he completed Ms. K's annuity suitability forms that had different values of total liquid assets on two different companies' forms related to transactions that occurred on the same day.

115. Marcum used fraudulent or dishonest practices in advising Ms. T and Mr. and Mrs. B to sign blank annuity applications and supporting forms.

116. Marcum used fraudulent, dishonest, or untrustworthy practices in failing to identify previous administrative actions in multiple insurance producer appointment applications.

117. Marcum used fraudulent, dishonest, or untrustworthy practices in failing to identify on his independent producer contract appointment application with Accordia Life and Annuity Company that he had a previous producer appointment terminated by F&G.

118. Marcum's acts practices have been in violation of Iowa Code § 522B.11(1)(h) subjecting Marcum to probation, suspension, or revocation of Marcum's insurance producer license, the imposition of a civil penalty, and an order requiring Marcum to cease and desist from engaging in such acts or practices, an order of restitution, 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(10).

IV. ORDER

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

- A. Respondent Gary D. Marcum's Iowa resident insurance producer license is suspended for a period of eighteen months, effective on the date of this Consent Order, pursuant to Iowa Code §§ 507B.7 and 522B.11;
- B. Respondent Gary D. Marcum is prohibited from selling, soliciting, negotiating, or transacting in the business of insurance in the state of Iowa during his suspension;
- C. Respondent Gary D. Marcum is prohibited from making any false or misleading statements or representations on or relative to an application for an insurance policy, recommending the sale or exchange of any annuity contract without reasonable grounds to believe the recommendation is suitable for the individual, making any undisclosed annuity replacements, engaging in any fraudulent or deceptive practice, and from engaging in the acts or practices found herein pursuant to Iowa Code §§507B.7 and 522B.17;
- D. Respondent Gary D. Marcum shall, contemporaneously with this Consent Order, pay restitution in the amount of \$20,000.00, made payable to the Iowa Insurance Division, to be credited to the Settlement Fund, pursuant to Iowa Code § 505.8; and
- E. Respondent Gary D. Marcum shall, contemporaneously with this Consent Order, pay costs of the investigation and proceeding in the amount of \$2,000.00 pursuant to Iowa Code § 505.8. Payment shall be made payable to the Iowa Insurance Division, to be credited to the Enforcement Fund to provide funds for insurance enforcement and education.

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing instrument was served upon all parties to the above cause, or their attorney, at their respective addresses disclosed on the pleadings on October 8, 2019.

By: First Class Mail Personal Service
 Restricted certified mail, return receipt Email, by consent
 Certified mail, return receipt _____

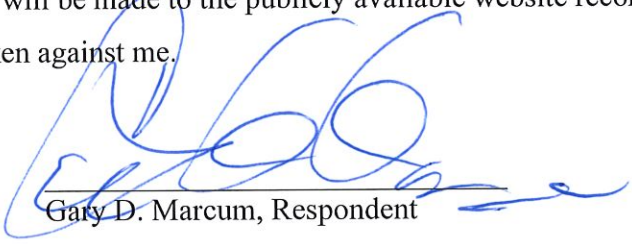
Signature: Tammil Green
~~Hilary Foster~~
Tammil L. Green

CONSENT TO ORDER AND AGREEMENT

I, Gary D. Marcum, 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.

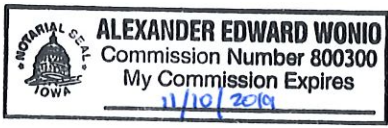
I further understand this Order is considered a final administrative action that will be reported by the Division to the National Association of Insurance Commissioners and to other regulatory agencies. I also understand this Order is a public record under Iowa Code chapter 22 and information may be shared with other regulatory authorities or governmental agencies, pursuant to Iowa Code § 505.8(8)(d). I also understand this Order will be posted to the Division's website and a notation will be made to the publicly available website record that administrative action has been taken against me.

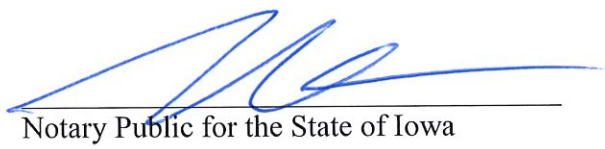
10/04/2019
Date


Gary D. Marcum, Respondent

8515 Douglas Ave Ste 10 Urbandale IA 50322
Address of Signatory

Subscribed and sworn before me by Gary D. Marcum on this 4th day of October, 2019.




Notary Public for the State of Iowa

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 if you violate this Order, you 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 you 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 REINSTATEMENT

Upon entry of this Order, your insurance producer license will become inactive due to suspension. While your license is inactive, you are prohibited from conducting the business of insurance. Your license will not be active until the Division makes the determination to reinstate your insurance producer license by order pursuant to Iowa Administrative Code rule 191—10.10.

Reinstatement of your insurance producer license is subject to the discretion of the Commissioner. Additionally, it will not be granted unless and until you have complied with the terms of this Order, made the appropriate Application for Reinstatement with the Division, retest, and paid all applicable fees. If applicable, you may also be required to apply for licensure through the National Insurance Producer Registry (NIPR) and pay all applicable fees.

NOTICE OF FINAL ORDER IMPACT

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

A final order in an administrative action does not resolve any potential criminal or civil violations or causes of action that might arise from the same or similar conduct that is the subject

of this contested case. It may result in criminal law enforcement authorities, including the fraud bureau of the Iowa Insurance Division, pursuing a criminal investigation or prosecution of potential criminal law violations.

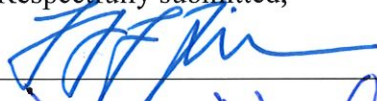

F. These orders may be enforced under Iowa Code chapters 507B and 522B, including but not limited to Iowa Code § 507B.8 and 522B.17(3), and additionally, by any collection remedies available to the State of Iowa Department of Revenue for unpaid penalties and other ordered monetary amounts.

SO ORDERED on the 8th day of October, 2019.



DOUGLAS M. OMMEN
Iowa Insurance Commissioner

Respectfully submitted,

LANNY ZIEMAN
JOHANNA NAGEL
Iowa Insurance Division
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Attorney for Respondent