



BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF)	Division Case No. 118886
ARJUN SALGADO-WESTMAN,)	ORDER AND
NPN 19544972,)	CONSENT TO ORDER
DOB 01/14/XXXX,)	
Respondent.)	

NOW THEREFORE, upon motion of the Iowa Insurance Division (“Division”) and by the consent of Respondent Arjun Salgado-Westman, pursuant to the provisions of Iowa Code chapter 507B—Insurance Trade Practices and Iowa Code chapter 522B—Licensing of Insurance Producers, the Commissioner enters the following Order and Consent to Order (“Consent Order”):

I. PARTIES AND JURISDICTION

1. The Commissioner of Insurance, Douglas M. Ommen, directly and through his designees, administers and enforces of Iowa Code chapter 507B—Insurance Trade Practices and Iowa Code chapter 522B—Licensing of Insurance Producers pursuant to Iowa Code § 505.8.
2. Arjun Salgado-Westman (“Salgado-Westman”) is an individual with a last-known residence address of 2929 California Plz., Apt. 4155, Omaha, NE 68131.
3. Salgado-Westman was licensed in the state of Iowa as a nonresident insurance producer from June 18, 2020, to December 12, 2023, when his license was terminated as a matter of law for not holding a resident producer license. Salgado-Westman was licensed under National Producer Number 19544972.
4. Pursuant to Iowa Code § 522B.11(5), the Commissioner may enforce the provisions of Iowa Code chapters 507B and 522B “against any person who is under investigation for, or

charged with, a violation of either chapter even if the person's license has been surrendered or has lapsed by operation of law.”

5. Pursuant to Iowa Code § 505.28, Salgado-Westman consented to the jurisdiction of the Commissioner of Insurance by committing acts governed by chapters 507B and 522B.

6. From on or about January 26, 2023, to present, Salgado-Westman engaged in acts and practices within the state of Iowa constituting cause for probation, suspension, or revocation of Salgado-Westman's insurance producer license; cease and desist orders; and civil penalties or other relief under Iowa Code chapters 505, 507B, 522B, and rules adopted pursuant to these chapters.

II. FINDINGS OF FACT

7. Salgado-Westman applied for a nonresident insurance producer license with the Division by submitting a Uniform Application for Individual Producer License (“Uniform Application”) through the National Insurance Producer Registry. In submitting the Uniform Application, Salgado-Westman designated the Commissioner as an agent for service of process.

8. The Division issued Salgado-Westman a license as a nonresident insurance producer on June 18, 2020, and assigned to Salgado-Westman National Producer Number 19544972.

9. On June 4, 2022, Farm Bureau Property and Casualty Insurance Company (“Farm Bureau”) hired Salgado-Westman as an independent insurance sales agent with an effective date of August 1, 2022.

10. On March 2, 2023, Farm Bureau notified the Division that it terminated Salgado-Westman's employment for cause due to suspected fraud effective February 28, 2023. Farm Bureau alleged that Salgado-Westman bound auto insurance policies to Iowa residents R.G.B.,

D.W., A.L., R.J.B., M.O., Z.O., J.A., and L.A. (collectively “Consumers”) without their knowledge or consent, and engaged in fraud during the application process.

11. Farm Bureau held a sales contest titled “Blue Vase” where an agent could earn a \$5,000 bonus if the agent wrote 20 pieces of qualifying business from August 1, 2022, to January 31, 2023. During this time, Salgado-Westman bound twelve legitimate policies and bound eight policies for Consumers without their authorization or knowledge. Farm Bureau discovered Salgado-Westman’s activity and refused to pay out the bonus to Salgado-Westman.

Traditional Application Process

12. To create an auto insurance application in the Farm Bureau system, Salgado-Westman needed to obtain personally identifying information from consumers and ask questions required by Farm Bureau to generate a quote. If the consumer agreed to move forward with submitting an application for insurance, Salgado-Westman would obtain the consumer’s email address and email him or her a copy of the prefilled application. The consumer would then be required to electronically sign the application using DocuSign. To view and sign the application in DocuSign, the consumer needs to input an access code, which consists of the last four digits of their phone number. The consumer would sign the agreement, then the agent would sign the agreement, and the policy would be bound to the consumer.

13. Farm Bureau provides to sales agents access to an underwriter report (“UAR”) system that generates potential personal information that Farm Bureau associated with the potential applicant. This information includes potential vehicles owned by the applicant, social security number, driver’s license information, and other drivers associated with the applicant’s address. This information can be used to assist the sales agents in filling out the insurance application, but

each piece of potential information needs to be verified for its accuracy with the potential applicants.

Insurance Applications without Consumer Consent

14. Between January 26 and January 31, 2023, Salgado-Westman entered Consumers' names and addresses into the Farm Bureau UAR system. Salgado-Westman used the information in the UAR system to fill out an insurance application for each Consumer without their knowledge or consent. Salgado-Westman also created fake Gmail accounts and phone numbers for these Consumers, then used the fake Gmail accounts and phone numbers to finalize the applications, initial, and sign the Authorization and Agreement pages for each application on behalf of Consumers.

15. Salgado-Westman did not have any contact with the Consumers during or prior to filling out the auto insurance applications on their behalf. Salgado-Westman did not confirm Consumers' driver's history, including prior accidents, nor whether they were licensed to drive. Salgado-Westman also failed to confirm Consumers' names, dates of birth, social security numbers, and vehicles they owned. Consequently, Salgado-Westman submitted applications for consumers who were not licensed to drive and included automobiles not owned by the consumer. These applications also contained incorrect identifying information, including name and social security numbers.

16. Upon discovering that Salgado-Westman had created these policies without Consumers' knowledge or consent, Farm Bureau contacted each consumer by mail and canceled the policies with no financial harm to the Consumers.

Consumer D.W.

17. On February 13, 2023, D.W. contacted the Farm Bureau Customer Service Center and requested information on a policy. D.W. explained that she had never signed up for a Farm Bureau policy. D.W. further explained that three other occupants in her residence had also received correspondence from Farm Bureau indicating they also had policies they had not signed up for. The other policies she received were issued to D.W.'s spouse, A.L., and D.W.'s sons: R.J.B. and R.G.B.

18. D.W. stated that she recognized the agent's name on the policies, Salgado-Westman, because he went to school with her son, R.G.B.

19. Following D.W.'s initial contact with Farm Bureau, Farm Bureau opened an investigation into Salgado-Westman.

20. On February 23, 2023, D.W., R.G.B., and A.L. were interviewed by a Farm Bureau investigator. They informed Farm Bureau that the emails and phone numbers on the policies do not belong to them. They further informed Farm Bureau that some of the vehicles listed on the policies were not vehicles they owned. D.W. further informed the investigator that she had changed her name several years prior back to her maiden name, D.B.

21. D.W. informed Farm Bureau that her son, R.J.B., is special needs, does not have a driver's license, does not own or operate a vehicle, and that the social security number listed on the policy for R.J.B. was incorrect.

Interview with Salgado-Westman by Farm Bureau Investigator

22. Following D.W.'s initial contact informing Farm Bureau of Salgado-Westman's potential misconduct, Farm Bureau investigators scheduled an interview with Salgado-Westman. Salgado-

Westman met with Farm Bureau investigator on February 24, 2023, for an audio recorded interview.

23. Initially, Salgado-Westman told the Farm Bureau investigator that he had only created five fraudulent policies. However, when the investigator told Salgado-Westman he knew there were additional policies, Salgado-Westman admitted that he created eight fraudulent policies.

24. Salgado-Westman, stated to the Farm Bureau investigator that he had made a payment on M.O.'s auto insurance policy. Salgado-Westman stated that he used a personal credit card, but could not recall the exact amount of the payment but thought it was around \$100. Farm Bureau records showed that no payments had been made towards M.O.'s premium, or for any of the remaining Consumers.

Salgado-Westman's Statement to the Division

25. On March 16, 2023, Division investigators interviewed Salgado-Westman.

26. Salgado-Westman admitted that he used the Consumers' correct addresses so that the Consumers would be notified by mail that he had created the policies, and so that he would be able to contact him to cancel the policies if they did not want to keep them. Salgado-Westman intended the policies to be automatically cancelled after he received his Blue Vase bonus, since there would be no premium payment remitted, unless the Consumer wanted to keep the policy. Salgado-Westman additionally explained he only created these policies for individuals whom he knew, so they would be able to contact him.

27. Salgado-Westman was fully cooperative with the investigation from the Division. The policies were cancelled with no financial impact to Consumers. Salgado-Westman did not receive any of the Blue Vase bonus.

Other State Actions

28. On October 12, 2023, the Nebraska Department of Insurance revoked Salgado-Westman's resident insurance producer license. The Nebraska revocation arose from the same conduct alleged herein by the Division.

III. CONCLUSIONS OF LAW

COUNT I

**Using Fraudulent, Coercive, or Dishonest Practices or
Demonstrating Incompetence or Untrustworthiness**

29. 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, untrustworthiness, or financial irresponsibility in the conduct of business.

30. Salgado-Westman used fraudulent or dishonest practices and demonstrated incompetence or untrustworthiness when Salgado-Westman bound eight fraudulent auto insurance policies without Consumers' knowledge or consent, listed unverified personal information on insurance applications, and applied Consumers' electronic signatures on insurance applications without providing Consumers an opportunity to review for accuracy and understanding.

31. Salgado-Westman's acts and practices violate Iowa Code § 522B.11(1)(h) subjecting Salgado-Westman to probation, suspension, or revocation of Salgado-Westman's insurance producer license, the imposition of a civil penalty, an order requiring Salgado-Westman 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 II
Misrepresentation on or Related to Insurance Applications

32. 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.”

33. Salgado-Westman made false or fraudulent statements on eight applications for insurance for the purpose of securing a \$5,000 bonus from his employer, Farm Bureau. Specifically, Salgado-Westman entered unverified personal information on the applications and attested in the Declaration section of each application that the information was given to him by Consumers and that he provided the appropriate notices to Consumers.

34. Salgado-Westman’s acts and practices violate Iowa Code § 507B.4(3)(n) subjecting Salgado-Westman to probation, suspension, or revocation of Salgado-Westman’s insurance producer license, the imposition of a civil penalty, an order requiring Salgado-Westman 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.

IV. ORDER

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

- A. Salgado-Westman’s Iowa nonresident insurance producer license is immediately revoked pursuant to Iowa Code §§522B.11 and 522B.17;
- B. Salgado-Westman, pursuant to Iowa Code §§ 507B.7 and 522B.17, shall immediately cease and desist from engaging in the business of insurance in this state;

- C. Salgado-Westman shall, within 30 days of this Order, pay the amount of \$893.75 for the cost of investigation pursuant to Iowa Code § 505.8. Payment shall be made payable to the Iowa Insurance Division, to be credited to the Iowa Insurance Enforcement Fund to provide funds for insurance enforcement and education; and
- D. 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 Division or the State of Iowa Department of Revenue for unpaid penalties and other ordered monetary amounts.

SO ORDERED on this 5th day of March, 2024.



DOUGLAS M. OMMEN
Iowa Insurance Commissioner

Respectfully submitted,



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ATTORNEY FOR THE DIVISION

Copy to:

Arjun Salgado-Westman
2929 California Plz., Apt. 4155
Omaha, NE 68131
Email: arjunsalgado@gmail.com
RESPONDENT

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 March 6, 2024.

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

Signature: Brooke Hohn
Brooke Hohn

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 REISSUANCE

Upon entry of this Order, your insurance producer license will become inactive due to revocation. 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 reissue your insurance producer license by order pursuant to Iowa Administrative Code rule 191—10.10.

Reissuance 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 Reissuance with the Division, 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 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 this order. 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.

CONSENT TO ORDER AND AGREEMENT

I, Arjun Salgado-Westman, Respondent in this matter, have read, understood, and do knowingly consent to this Order in its entirety. I understand and acknowledge I have the right to consult with an attorney on this matter if I choose to do so, and acknowledge that the Division cannot provide me an attorney nor can the Division provide me legal advice. 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.

Arjun Salgado-Westman

02/29/2024
Date

Arjun Salgado-Westman
Arjun Salgado-Westman, Respondent



2929 California Plaza Apt 5343 Omaha, NE 68131
Address of Signatory

Subscribed and sworn before me by Arjun Salgado-Westman on this 29th day of February, 2024.



Nurul Bashar

Nurul Bashar
Notary Public for the State of Virginia

Notarized remotely online using communication technology via Proof.