

**BEFORE THE IOWA INSURANCE COMMISSIONER**

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IN THE MATTER OF	)	CEASE AND DESIST ORDER
VIKING ADMINISTRATORS, LLC	)	
SERVE AMERICA INSURANCE LTD. a/k/a	)	DIVISION FILE NO.: 70274
SERVE AMERICA ASSURANCE LTD.	)	

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**Now** comes the Iowa Insurance Division ("Division"), pursuant to the provisions of the Iowa Unauthorized Insurers Act – Iowa Code Chapter 507A (2011) and finds as follows:

**PARTIES AND JURISDICTION**

1. The Commissioner of Insurance, Susan Voss, pursuant to Iowa Code § 505.8 (2011), administers the Iowa Unauthorized Insurers Act – Chapter 507A (2011).
2. Viking Administrators, LLC is an entity with a last known mailing address of P.O. Box 171, Avon Lake, Ohio 44012, and/or 5201 Kingston Pike, Suite 6-355, Knoxville, TN 37919.
3. Serve America Insurance Ltd, a/k/a Serve America Assurance Ltd, is an entity with a last known mailing address of 4676 Highway 41, Springfield, TN 37172 and/or 117 Winding Oak Way, Blythewood, SC 29016.
4. Viking Administrators, LLC and Serve America Insurance Ltd, a/k/a Serve America Assurance Ltd (individually "Respondent", collectively "Respondents") have engaged in acts or practices within the State of Iowa constituting violations of Iowa Code Chapter 507A and (2011) and/or any rule or order adopted or issued pursuant to Iowa Code Chapter 507A.

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## FACTUAL BACKGROUND

5. Paragraphs 1-4 above are incorporated herein by reference.
6. Neither Respondent has been granted a certificate of authority as an insurance company in the state of Iowa.
7. Respondents utilized various independent marketing organizations and/or marketing networks to make contact with Iowa residents and offer Iowa residents health insurance.
8. Respondents issued unauthorized and/or unapproved contracts of health insurance to Iowa residents ("Unauthorized Contracts").
9. Respondents collected premiums from Iowa residents for the Unauthorized Contracts.
10. Respondents subsequently failed to pay claims submitted by Iowa residents pursuant to the Unauthorized Contracts.

## VIOLATIONS OF THE UNAUTHORIZED INSURERS ACT

11. Paragraphs 1-10 are incorporated herein by reference.
12. The purported health insurance that Respondents offered to Iowa residents involved the transfer of risk and are insurance contracts within the meaning of Iowa Code §§ 505.8 and 507B.2(3) (2011) and Iowa Administrative Code §§ 191—15.1 and 15.3 (2011).
13. Respondents have violated Iowa Code §§ 507A.3 and 507A.5 (2011), by offering or selling insurance contracts of an unauthorized insurer and should be ordered to cease and desist.

14. This action is necessary and appropriate in the public interest and for the protection of policyholders and consistent with the purposes fairly intended by the provisions of Iowa Code Chapter 507A (The Iowa Unauthorized Insurers Act).

### ORDERS

**WHEREFORE, IT IS HEREBY ORDERED** pursuant to the powers granted to the Commissioner of Insurance by Iowa Code §§ 507A.10 as follows:

A. Viking Administrators, LLC and its principals, officers, directors, agents, representatives, and affiliates shall Cease and Desist the offer or sale of, or participating in the offer or sale of the insurance products described herein or any other insurance products in the state of Iowa on behalf of an unauthorized insurer in violation of Iowa Code §§ 507A.3 and 507A.5 (2011).

B. Serve America Insurance Ltd, a/k/a Serve America Assurance Ltd, and its principals, officers, directors, agents, representatives, and affiliates shall Cease and Desist the offer or sale of, or participating in the offer or sale of the insurance products described herein or any other insurance products in the state of Iowa on behalf of an unauthorized insurer in violation of Iowa Code §§ 507A.3 and 507A.5 (2011).

**IT IS FURTHER ORDERED** pursuant to the powers granted to the Commissioner of Insurance by Iowa Code § 507A.8 (2011) that Respondents, within forty-five (45) days of receipt of this Order, furnish the Division with a complete listing, of all Iowa insurance contracts and other documents evidencing insurance with unauthorized insurers and to disclose the amount of insurance, name and address of each insurer, gross amount of premium paid or to be paid and the name and address of the person or persons assisting or aiding in the solicitation, negotiation, or effectuation of such insurance.

**IT IS FURTHER ORDERED** pursuant to the powers granted to the Commissioner of Insurance by Iowa Code § 507A.9 (2011) that Respondents, within forty-five (45) days of receipt of this Order, for all Iowa premiums collected during the preceding calendar year on which insurance was effectuated, continued or renewed, shall remit a premium tax on gross premiums charged for such insurance on subjects resident, located or to be performed in this state equal to the applicable percent, as provided in Iowa Code § 432.1 (2011), and any applicable penalty.

#### **NOTICE REGARDING FAILURE TO REQUEST A HEARING**

If you fail to request a hearing within thirty (30) days of the date of this Cease and Desist Order, the Order shall be a final Order of the Commissioner of Insurance and shall be enforceable by the Commissioner of Insurance in an administrative or court proceeding.

#### **NOTICE REGARDING EXHAUSTION OF ADMINISTRATIVE REMEDIES AND RIGHT TO SEEK JUDICIAL REVIEW**

The failure to request a hearing can constitute a failure to exhaust your administrative remedies and limit the issues subject to judicial review. You may seek judicial review of this Order pursuant to Iowa Code chapter 17A after the Order becomes final. The Order becomes final thirty (30) days after it is issued if you do not timely request a contested case hearing, or following hearing if you do timely request a contested case hearing.

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

**YOU ARE NOTIFIED** that any person who willfully violates this order shall be deemed in contempt of the order pursuant to Iowa Code § 507A.10 (2011). The administrator may petition

the district court to hold a hearing to enforce the order as certified by the administrator. 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 per violation and may issue further orders as it deems appropriate.

YOU ARE ALSO NOTIFIED that a person who willfully violates any provision of this chapter, or any rule or order under this chapter, is guilty of a class "D" felony pursuant to Iowa Code § 507A.10(3). A person who willfully violates any provision of this chapter, or any rule or order under this chapter, resulting in a loss of more than ten thousand dollars is guilty of a class "C" felony pursuant to Iowa Code § 507A.10(4).

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

A final Cease and Desist Order may adversely affect existing business or professional licenses and result in license revocation or disciplinary action. For example, a final Cease and Desist Order issued to a licensed insurance agent may subject the insurance agent to insurance license revocation or other disciplinary action. Further notice is given that the Iowa Insurance Division may review this Cease and Desist Order for a potential license revocation or disciplinary action.

#### **NOTICE OF RIGHT TO REQUEST HEARING**

NOTICE IS HEREBY GIVEN that Viking Administrators, LLC and Serve America Insurance Ltd, a/k/a Serve America Assurance Ltd or any individual representing any Respondent, may request a hearing in this matter. This request must be in writing and must be filed within thirty (30) calendar days of the date of this Order with Janet Gustafson, Enforcement Attorney, Iowa

Insurance Division, 330 Maple Street, Des Moines, Iowa 50319. A notice of the hearing shall be prepared and shall be given at least fifteen (15) days before the date of the hearing unless the parties agree to an earlier date. The hearing shall be held within forty-five (45) days after the date of the notice of the hearing unless extended by the presiding officer for good cause with at least fifteen days notice to the parties. The resulting hearing will be held in accordance with Iowa Code Chapter 17A (2011).

Dated this 9<sup>th</sup> day of March, 2011.

**IOWA INSURANCE DIVISION**



by Robert Koppin  
Enforcement Bureau Chief  
Iowa Insurance Division  
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Des Moines, IA 50319  
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**COPY SENT BY CERTIFIED AND FIRST CLASS MAIL TO:**

Viking Administrators, LLC  
P.O. Box 171  
Avon Lake, Ohio 44012  
*and*  
5201 Kingston Pike, Suite 6-355  
Knoxville, TN 37919

Serve America Insurance Ltd  
a/k/a Serve America Assurance Ltd  
4676 Highway 41  
Springfield, TN 37172  
*and*  
117 Winding Oak Way  
Blythewood, SC 29016