

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

STATE OF IOWA ex rel.
THOMAS J. MILLER,
ATTORNEY GENERAL OF IOWA

Plaintiff,

v.

SONYA M. ACKERSON and
ADVOCATE 4 THE AGING, LLC,

Defendants.

EQUITY EQCE082694

CONSENT JUDGMENT

This Court, recognizing that the State of Iowa, by Attorney General Thomas J. Miller and Assistant Attorneys General Chantelle Smith and Mariclare Thinnies Culver, and Sonya Ackerson and Advocate 4 the Aging, both Defendants represented by Attorney Todd Geer, have consented to the entry of this judgment, finds as follows:

1. The Court has jurisdiction over the parties and the subject matter of this litigation.
2. Venue is proper in Polk County, Iowa.
3. Plaintiff is the State of Iowa, ex rel. Attorney General Thomas J. Miller, the duly elected Attorney General of Iowa. The Attorney General of Iowa is expressly authorized pursuant to Iowa Code sections 714.16(7) (2017) and 555A.6(2) (2017) to file a civil action against any person who has engaged in a practice declared to be unlawful under Iowa Code section 714.16 (Consumer Fraud Act) and Iowa Code chapter 555A (Door-to-Door Sales Act).

4. Defendant Sonya Ackerson is the sole owner, president, and CEO of an Iowa limited liability corporation named "Advocate 4 the Aging" (A4A) and formerly known as "Lifetime Financial Services, LLC." During the relevant time period, the residence and business addresses for Ackerson and A4A are or were the following in Nashua, Iowa: P.O. Box 422, 1001 Main Street, 307 Main Street, and 104 Bradford Parkway. Defendant Ackerson is named in her

individual capacity as well as her past or present corporate capacities.

5. Ackerson formulated, directed, controlled, was a primary participant in, and had, or should have had, knowledge of the acts and practices of A4A constituting the violations of Iowa law as alleged and, at all times relevant, was an officer, director, owner, and managing agent of A4A.

6. A4A is a business that markets and sells services to older Iowans and their families involving financial management and Medicaid and veterans benefits programs. Consumers are commonly referred to A4A by professional colleagues and past or current clients of A4A. At all times relevant to this action, personal contact with consumers by A4A and Ackerson was made at a location other than the place of business for A4A.

7. Unless otherwise specified, the term "Defendants" as referred to herein includes Ackerson and A4A as well as any corporate name or trade name under which they operated, or are operating a business; and their representatives, agents, independent contractors, assigns, successors, or other business entities, whose acts, practices or policies are or were directed, formulated or controlled by Ackerson or A4A.

8. The State alleges that Defendants violated Iowa Code chapter 555A in a manner including, but not limited to, selling services that were valued at more than \$25 to consumers for personal, family or household purposes, at a place other than the Defendants' place of business, and:

- a. violating Iowa Code section 555A.2 by failing to furnish a fully completed receipt or copy of any contract showing the address of the Defendants at the time of signing;
- b. violating Iowa Code section 555A.2 by failing to furnish at the time of signing a fully completed receipt or copy of any contract containing the notification of the consumers' cancellation rights required by this subsection, and in the format and language required by this subsection;

- c. violating Iowa Code section 555A.3 by failing to furnish two copies of a completed "Notice of Cancellation" containing the form and language to consumers at the time that the parties entered into a contract;
- d. violating Iowa Code section 555A.4(1) by failing to include the Defendant's name, address, date of transaction, and proper date for the expiration of the consumers' right to cancel the transaction in the written Notice of Cancellation required under Iowa Code section 555A.3;
- e. violating Iowa Code section 555A.4(3) by failing to orally inform consumers of their right to cancel the contract on or before the third business day after the sale; and
- f. violating Iowa Code section 555A.4(5) by failing to honor valid cancellations by consumers and refund all payments made under the contracts within ten (10) business days of the cancellation.

9. The State further alleges that Defendants violated Iowa Code section 714.16(2)(a)

by:

- a. committing the violations of Iowa Code chapter 555A as described in paragraph 8, which Defendants admit and upon which judgment is entered;
- b. failing to inform consumers that Respondents are not licensed to provide advice regarding estate planning, which Defendants deny and upon which judgment is not entered; and
- c. making deceptive statements concerning the Respondents' authority to provide assistance to consumers seeking veterans benefits, which Defendants deny and upon which judgment is not entered.

10. Defendants admit to violations of Iowa Code chapter 555A as alleged by the State but deny all other allegations.

11. Defendants agree to entry of this Consent Judgment.

12. Defendants waive the right to a judicial hearing on any issue of fact or law set forth in the Petition filed by the State in this matter.

13. Defendants acknowledge that entry of this Consent Judgment may have collateral

consequences under state or federal law and the rules and regulations of self-regulatory organizations, licensing boards, and other regulatory organizations, which may include disqualification.

14. It is in the public interest that permanent injunctive relief be issued to protect the people of the State of Iowa from any further losses from any similar conduct by the Defendants in Iowa in the future.

15. The Court finds that this Consent Judgment should be entered.

IT IS THEREFORE ORDERED, pursuant to Iowa R. Civ. P. 1.1501 et seq., Iowa Code section 714.16, chapter 555A, and chapter 546B (2018 Acts, ch 1115, §7) (Veterans Benefits Assistance Act), that Defendants shall at all times comply with the Consumer Fraud Act, the Door-to-Door Sales Act, and the Veterans Benefits Assistance Act when operating within Iowa. Specifically, Defendants shall:

- a. Furnish each Iowa buyer with a fully completed receipt or copy of any contract pertaining to a door-to-door sale at the time of its execution, which is in the same language as that principally used in the oral sales presentation and which shows the date of the transaction and contains the name and address of the seller, and in immediate proximity to the space reserved in the contract for the signature of the buyer or on the front page of the receipt if a contract is not used and in boldface type of a minimum size of ten points, the following statement: You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form for an explanation of this right.
- b. Furnish each Iowa buyer, at the time each buyer signs door-to-door sales contracts or otherwise agrees to buy consumer goods or services from Defendants, a completed form in duplicate, captioned "Notice of Cancellation," which shall be attached to the contract or receipt and easily detachable, and which shall contain in ten point boldface type the information, statements and prompts reflected within Iowa Code section 555A.3.
- c. Provide two written notices of cancellation with the required content and form, such notices to be completed by the Defendants or their agents or

representatives (not by consumers), at the time merchandise is sold to each Iowa consumer.

- d. Not include in any contract or receipt any confession of judgment or any waiver of any of the rights to which each Iowa buyer is entitled under the Door-to-Door Sales Act and this Judgment, including, specifically, the right to cancel the sale in accordance with the provisions of the Door-to-Door Sales Act.
- e. Accurately inform each Iowa buyer orally, at the time each buyer signs a contract or purchases goods or services, of the right to cancel pursuant to the Door-to-Door Sales Act.
- f. Not misrepresent in any manner Iowa buyers' rights to cancel pursuant to the Door-to-Door Sales Act.
- g. Honor any notice of cancellation by Iowa buyers that is validly effectuated pursuant to the Door-to-Door Sales Act.
- h. Within ten business days after the receipt of a valid notice of cancellation by an Iowa buyer, refund all payments made under the buyer's contract or sale, return any goods or property traded in, in substantially as good condition as when received by the seller, and cancel and return any negotiable instrument executed by the buyer in connection with the contract or sale and take any action necessary or appropriate to terminate promptly any security interest created in the transaction.
- i. Not negotiate, transfer, sell, or assign any note or other evidence of indebtedness to a finance company or other third party prior to midnight of the seventh business day following the day each contract with Iowan consumers is signed or the goods or services are purchased.
- j. Within ten business days of the Defendants' receipt of any Iowa buyer's notice of cancellation, notify the buyer whether the Defendants intend to repossess or to abandon any shipped or delivered goods.
- k. Not orally misrepresent or contradict written terms of the contracts the Defendants solicit Iowans to execute, or misrepresent the scope or terms of the specific offers the Defendants solicit Iowans to buy and or contract.
- l. Not make deceptive statements, omit to state a material fact, or make misrepresentations to any consumer regarding Defendants' qualifications or authority to provide assistance with preparing, presenting, or prosecuting claims for veterans benefits including, but not limited to, making determinations about eligibility or potential eligibility, providing

advice about making a claim for veterans benefits, or assisting with the collection of claim-related documents.

- m. Not provide, for a fee or for free, assistance with or services associated with preparing, presenting, or prosecuting claims for veterans benefits including, but not limited to, making determinations about eligibility or potential eligibility, providing advice about making a claim for veterans benefits, or assisting with the collection of claim-related documents, without proper accreditation under federal law or otherwise in compliance with federal law, other than to suggest a consumer contact an accredited individual or organization and to assist the consumer in finding information about accredited individuals and organizations.

The prohibitions of (l) and (m) do not affect Defendant's ability, in compliance with applicable federal and state laws, to provide advice or gather documents for the purpose of making application for a Medicaid program. Upon request by a claimant for veterans benefits, the claimant's legal representative, or a VA-accredited individual or organization on behalf of the claimant, any documents gathered by Defendants for a purpose other than making a claim for veterans benefits, but pertinent to a claim for veterans benefits, may be provided only to the claimant or the claimant's legal representative.

- n. Include a disclosure as required by Iowa Code chapter 546B and disseminate the disclosure, both orally and in writing, at the beginning of any event, presentation, seminar, workshop, or other public gathering regarding veterans benefits or entitlements advertised or promoted by Defendants.
- o. Provide a written disclosure as required by Iowa Code section 546B.2 in the same type size and font as the term "veteran" or any variation of that term as used in the advertisement or promotional materials for the event, presentation, seminar, workshop, or public gathering and state the following: "This event is not sponsored by, or affiliated with, the United States Department of Veterans Affairs, the Iowa Department of Veterans Affairs, or any other congressionally chartered or recognized organization of honorably discharged members of the Armed Forces of the United States or any of their auxiliaries. Products or services that may be discussed at this event are not necessarily endorsed by those organizations. You may qualify for benefits other than or in addition to the benefits discussed at this event."
- p. Not receive compensation for advising or assisting another person with a veterans' benefit matter, except as permitted under Title 38 of the United States Code.

- q. Not use financial or other personal information gathered in order to prepare documents for, or otherwise represent the interests of, another in a veterans' benefit matter for purposes of trade or commerce, except as permitted under Title 38 of the United States Code.
- r. Not receive compensation for referring another person to a person accredited by the United States department of veterans affairs.
- s. Not represent orally or in writing, either directly or by implication, that the receipt of a certain level of veterans' benefits is guaranteed.
- t. Not fail to provide a disclosure required to be provided pursuant to Iowa Code section 546B.2.
- u. Disclose to consumers in writing that Defendants are paid or expect to be paid a commission, referral fee, contingent fee, or similar for the recommendation or referral of a product or service, if a commission, referral fee, contingent fee, or similar is paid or expected to be paid.
- v. Not hold Defendant Ackerson out to be an attorney or otherwise represent Defendant Ackerson to be an attorney and shall not engage in the unauthorized practice of law.
- w. Not refer to Defendant Ackerson as a "Professional Financial Advisor Extraordinaire" or use similar language referring to Defendants in any marketing materials or communications, whether written or oral, with consumers and shall make all reasonable efforts to remove such language from existing marketing materials or written communications with consumers.

IT IS FURTHER ORDERED that judgment in the amount of \$7,500 is entered against Defendants, jointly and severally, as a civil penalty and shall be paid to the Attorney General's Office and deposited in the Elderly Victim Fund pursuant to Iowa Code section 714.16A. One thousand dollars (\$1,000) of this penalty was paid by Defendants at the time of execution of the Consent Judgment; the balance (\$6,500) shall be paid to the Attorney General's Office as separately instructed by it no later than six (6) months after the date of signing of this Consent Judgment by Defendants. Defendants have represented to the State that they do not have the financial ability to pay the judgment in full and the State has agreed to a payment plan

commensurate with their represented financial condition in reliance on the Defendants' representations.

IT IS FURTHER ORDERED that nothing contained in this Assurance shall be construed to waive any individual right of action by a consumer or any action by a local, state, federal or other governmental agency or entity for conduct included in this Consent Judgment.

IT IS FURTHER ORDERED that nothing herein diminishes or enlarges the requirements, duties, obligations, or powers set forth in the Consumer Fraud Act, the Door-to-Door Sales Act, or the Veterans Benefits Assistance Act.

IT IS FURTHER ORDERED that Defendants cooperate with reasonable and good faith requests from the Office of the Iowa Attorney General for information relating to Defendants' compliance with this Consent Judgment.

IT IS FURTHER ORDERED that the Attorney General's execution of this Consent Judgment and its subsequent entry by the Court constitutes a settlement, and a release of the Defendants from any and all liability for conduct that (i) occurred prior to entry of this Consent Judgment; and (ii) would violate the Consumer Fraud Act or the Door-to-Door Sales Act. The Attorney General may seek to enforce violations of this Consent Judgment.

IT IS FURTHER ORDERED that, in addition to whatever other legal remedies may be available, a material violation of this Consent Judgment constitutes a violation of the Consumer Fraud Act, Iowa Code section 714.16, and each such violation by any of the Defendants of this Consent Judgment, if established by a preponderance of the evidence in an enforcement action by the Attorney General, gives rise to all of the remedies provided in the Consumer Fraud Act.

IT IS FURTHER ORDERED that the Court retains jurisdiction to enforce this Consent Judgment.

IT IS FURTHER ORDERED that the following, in addition to any other remedies deemed equitable and just by the Court, shall apply should the Court find that Defendants violated this Consent Judgment:

- a. Defendants shall be permanently restrained and enjoined from owning, operating, controlling, directing, or otherwise profiting from any business in the State of Iowa that in any manner offers or provides door-to-door sales as defined by Iowa Code chapter 555A;
- b. Defendants shall be ordered not to advertise or offer any services related to or regarding Medicaid and any of its programs to Iowa consumers;
- c. Defendants shall be ordered not to advise, control, direct, or otherwise exercise any authority to any extent regarding a business which, in part or in whole, provides services related to or regarding Medicaid and any of its programs, including, but not limited to business practices, hiring decisions, or the like;
- d. Defendants may be found guilty of contempt of this Court, pursuant to Iowa Code chapter 665, and as that chapter is subsequently amended; and
- e. Pursuant to Iowa Code section 714.16(7), a civil penalty of not more than \$5,000 for each day of intentional violation of this Consent Judgment found by the Court in addition to any other remedy allowed by law.

IT IS FURTHER ORDERED that the mailing of a copy of this signed and filed Consent Judgment to Defendants shall constitute notice and acceptance by Defendant of all the terms of this Consent Judgment; Defendant has waived the necessity of having the Consent Judgment served upon them.

IT IS FURTHER ORDERED that the Defendants pay court costs, if any.

SO ORDERED.

Agreed and approved as to form and content:

Date 2/4/19

Sonya Ackerson
Sonya Ackerson (in her personal and
corporate capacities)
Defendant

Subscribed and sworn to before me this 4th day of February, 2019.



Jackie Pearl Meyer
Notary Public in and for the State of Iowa

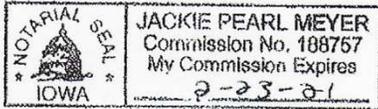
Date 2/4/19

Sonya Ackerson
Advocate 4 the Aging
By: Sonya Ackerson
Title: Owner, President, and CEO
Defendant

By affixing a signature to this Consent Judgment on behalf of Advocate 4 the Aging, Sonya Ackerson represents and acknowledges that she has legal authority to bind the Corporate Defendant to the terms and provisions of this Consent Judgment.

Sonya Ackerson
Sonya Ackerson

Subscribed and sworn to before me this 4th day of February, 2019.



Jackie Pearl Meyer
Notary Public in and for the State of Iowa

Date 2/12/19

Chantelle Smith
Chantelle Smith
Attorney for the State of Iowa
Iowa Department of Justice
Consumer Protection Division



State of Iowa Courts

Type: OTHER ORDER

Case Number **Case Title**
EQCE082694 STATE OF IA VS SONYA M ACKERSON ET AL

So Ordered

A handwritten signature in black ink, appearing to read 'Heather Lauber', written over a faint rectangular stamp area.

Heather Lauber, District Judge,
Fifth Judicial District of Iowa