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DEPT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGISTRATION

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

P.O. Box 690, Jefferson City, Mo. 65102-0690

IN RE: KENNETH W. HEISE
HEISE ADVISORY GROUP, LLC
2111 Patrician Way Court
St. Louis, Missouri 63131

Our File Number 09A000142

VOLUNTARY FORFEITURE AGREEMENT

It is hereby agreed by KENNETH W. HEISE and the Consumer Affairs Division of the Department of Insurance, Financial Institutions and Professional Registration, as follows:

WHEREAS, John M. Huff, or his successor, is the duly appointed Director of the Department of Insurance, Financial Institutions and Professional Registration, State of Missouri (hereinafter, Director) whose duties, pursuant to Chapters 374 and 375, RSMo, include the supervision and regulation of the business of insurance;

WHEREAS, the Consumer Affairs Division of the Department of Insurance, Financial Institutions and Professional Registration is charged with investigating producers and companies engaged in the business of insurance pursuant to Section 374.085, RSMo 2000 and is authorized by the Director to recommend enforcement action

under the laws relating to insurance.

WHEREAS, KENNETH W. HEISE is currently licensed in Missouri as a resident insurance producer under License # PR344270 by the Department of Insurance, Financial Institutions and Professional Registration, pursuant to Chapter 375, RSMo;

WHEREAS, the investigation by the Consumer Affairs Division revealed that:

1. KENNETH W. HEISE promoted himself and the Heise Advisory Group with a ½ page newspaper advertisement in the Metro Section of the St. Louis Post-Dispatch on Sunday, February 1, 2009 by a reference to "our powerful 'Insafement' strategies." Although the term "Insafement" was identified within the ad as a registered trademark, no further definition, detail or explanation was disclosed.

2. KENNETH W. HEISE's advertisement of February 1, 2009 included direct testimonial quotations from two couples concerning "this strategy" that were not either current or former clients of the Heise Advisory Group.

3. KENNETH W. HEISE's advertisement failed to fully disclose the insurance product being promoted while indicating that consumers could "earn up to 13% guaranteed over the next 12 months."

4. KENNETH W. HEISE's advertisement failed to disclose that the 13% rate of return included a first year bonus of 0% to 10% credited by the insurance company.

5. KENNETH W. HEISE's advertisement failed to disclose that the 13% first-year rate of return was subject to surrender charges and withdrawal penalties.

6. KENNETH W. HEISE had been the subject of a previous investigation in 2007 (Case File 07A000623) regarding his use of a power-point presentation during public seminars promoting the sale of equity indexed annuities. At that time, KENNETH W. HEISE agreed to modify one (1) item that appeared on five (5) separate graph images.

The activity by KENNETH W. HEISE which is set out above, subjects him to enforcement action by the Director for the following:

Violation of 20 CSR 400-5.100(3)(A), Advertisements shall be truthful and not misleading in fact or by implication. The form and content of an advertisement of a policy shall be sufficiently complete and clear so as to avoid deception. It shall not have the capacity or tendency to mislead or deceive. Whether an advertisement has the capacity or tendency to mislead or deceive as used in this rule shall be determined by the director of insurance from the overall impression that the advertisement reasonably may be expected to create upon a person of average education or intelligence within the segment of the public to which it is directed;

Violation of 20 CSR 400-5.100(4)(A), The information required to be disclosed by these rules shall not be minimized, obscured or presented in an ambiguous fashion or intermingled with the text of the advertisement so as to be confusing or misleading; and

Violation of 20 CSR 400-5.100(4)(E), An advertisement shall prominently describe the type of policy advertised; each of which are grounds for discipline under Section 375.141.1(2), RSMo (Cum. Supp.) 2008.

WHEREAS, KENNETH W. HEISE has been informed of the nature of his violations, of his right to counsel and of his right to contest any attempt by the Department of Insurance, Financial Institutions and Professional Registration, to discipline his insurance producer license, or to recover whatever penalties or other monetary relief as may be provided for by statute, and states that he understands his rights to contest any such actions;

NOW, THEREFORE, in lieu of the institution by the Department of Insurance, Financial Institutions and Professional Registration of any action to revoke or suspend the insurance producer license of KENNETH W. HEISE or to impose any other penalties provided for by statute for the above-described violations, after being afforded the opportunity to consult legal counsel, KENNETH W. HEISE, does hereby voluntarily and knowingly surrender and forfeit the sum of four thousand dollars ($4,000.00), such sum paid to the Missouri State School Fund pursuant to Sections 374.046 and 374.280,RSMo.

KENNETH W. HEISE shall submit this sum to the Department of Insurance, Financial Institutions and Professional Registration, by cashier's check or money order made **payable to the Missouri State School Fund** no later than Tuesday, July 28, 2009.

DATED: 8-5-09

JOHN M. HUFF
Director

DATED: July 21, 2009

KENNETH W. HEISE
Producer

DATED: 7-29-2009

ANGELA L. NELSON
Division Director

Return to: Department of Insurance, Financial Institutions
& Professional Registration
Attn: Ron Harrod
P. O. Box 4001
Jefferson City, MO 65102