

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF BURLEIGH

SOUTH CENTRAL JUDICIAL DISTRICT

STATE OF NORTH DAKOTA EX REL.  
DREW H. WRIGLEY,  
ATTORNEY GENERAL,

Civil No. 08-2023-CV-00560

Petitioner,

-vs-

ASSURANCE OF  
VOLUNTARY COMPLIANCE

HOUSE OF PRAYER AND LIFE,  
INCORPORATED D/B/A  
JERICHO SHARE,  
JERICHO HEALTH SHARE, and  
JHS COMMUNITY.

Respondent.

CPAT 220044.004

To: House of Prayer and Life, Incorporated, 1900 Matlock Rd. Suite #502, Mansfield, Texas 76063.

[¶1] WHEREAS Drew H. Wrigley Attorney General of the State of North Dakota (Attorney General), acts in the public interest pursuant to North Dakota Century Code (N.D.C.C.) ch. 51-15, commonly referred to as the Consumer Fraud Law, and ch. 51-18, commonly referred to as the Home Solicitation Sales Statute.

[¶2] WHEREAS House of Prayer and Life, Incorporated (“Respondent”) is a Texas Business Corporation with its principal address at 1900 Matlock Rd. Suite #502, Mansfield, Texas 76063. Respondent is not registered in the State of North Dakota. Respondent does business under the names Jericho Share, Jericho Health Share, and JHS Community.

[¶3] WHEREAS Respondent is a nonprofit 501(c)(3) health care sharing ministry that offers memberships that enables people who share a common set of religious and ethical beliefs to share in medical needs of one another, which memberships are not Insurance, but a community sharing in each other's medical needs with no promise to pay.

[¶4] WHEREAS Respondent is engaged in the business of soliciting and selling merchandise, as those terms are defined in N.D.C.C. § 51-15-01, in the State of North Dakota, namely health share membership programs;

[¶5] WHEREAS N.D.C.C. § 51-15-02 prohibits the act, use, or employment of any deceptive act or practice, fraud, false pretense, false promise, or misrepresentation, with the intent that others rely thereon in connection with the sale or advertisement of any merchandise;

[¶6] WHEREAS N.D.C.C. § 51-15-02 makes it unlawful for a person from provide assistance or support to any person engaged in any act or practice in violation of N.D.C.C. § 51-15-02 when the person providing assistance or support knows or consciously avoids knowing that the other person is engaged in an act or practice in violation of N.D.C.C. § 51-15-02.

[¶7] WHEREAS N.D.C.C. ch. 51-18 regulates home solicitation sales and requires, among other things, that sellers provide North Dakota consumers with both verbal and written notice of cancellation rights;

[¶8] WHEREAS N.D.C.C. § 51-18-04 requires an agreement in a personal solicitation sales to be in writing, dated and signed, and contain certain required disclosures and acknowledgements regarding the consumer's right to cancel.

[¶9] WHEREAS the Attorney General has received information indicating Respondent is or has engaged in violations of N.D.C.C. chapter 51-15 and 51-18 while selling health share membership programs to North Dakota consumers.

[¶10] WHEREAS the Attorney General has determined that in the public interest an investigation should be conducted into the activity of Respondent to ascertain whether violations of N.D.C.C. chs. 51-15 or 51-18 occurred;

[¶11] WHEREAS as a result of this investigation the Attorney General alleges Respondent has violated N.D.C.C. chs. 51-15 or 51-18; and

[¶12] WHEREAS the parties desire to settle this matter without further investigation or litigation, and without any admission of liability; NOW, THEREFORE, it is hereby agreed as follows:

[¶13] This Assurance of Voluntary Compliance shall constitute the statutory assurance of discontinuance as provided in N.D.C.C. § 51-15-06.1. Respondent acknowledges *in personam* jurisdiction in North Dakota. Nothing in this Assurance of Voluntary Compliance is intended to waive any rights or private remedies available to consumers. *See also* N.D.C.C. § 51-15-09.

[¶14] Respondent, its directors, officers, principals, employees, agents, and servants, and all other persons in active concert or participation with it, voluntarily agrees to be, and hereby is, permanently enjoined from engaging in any violations of N.D.C.C. ch. 51-15, including any deceptive act or practice, fraud, false pretense, false promise, or misrepresentation in connection with the sale or advertisement of any merchandise, or facilitating or assisting any such violations.

[¶15] Respondent, its directors, officers, principals, employees, agents, and servants, and all other persons in active concert or participation with it agree to comply with all requirements of N.D.C.C. chapter 51-18 while selling merchandise to a North Dakota consumer in a personal solicitation sale.

[¶16] Respondent, its directors, officers, principals, employees, agents, and servants, and all other persons in active concert or participation with it, agrees to provide a verbal and written disclosure, at the time of a sale, that the product offered is not, and does not work like, health insurance, and obtain an acknowledgement from the customer that a verbal disclosure has been made and received by the customer.

[¶17] Respondent agrees to establish a mechanism that ensures reasonable oversight over third-party producers marketing and selling its health share membership programs, to make sure that proper disclosures are made to customers regarding the products sold, and that creates accountability for third-party producers and rewards compliance with applicable laws.

[¶18] Within 30 days of executing this agreement, Respondent agrees to provide full refunds to North Dakota customers Angela Schneider, Jeanette Smith-Murphy, and Paul Kerzman, of all amounts paid to Respondent, except Respondent may deduct from any refund the amount the customer has received, if any, for medical needs from the membership. The refunds shall in form of a check issued to the customer and mailed to the Attorney General.

[¶19] Respondent agrees to provide refunds to any customer who cancelled within 60 days of purchasing a health share membership program if the customer has not received any sharing for medical needs from the membership. Such refunds shall be made within 30 days of executing this agreement, and proof of the refunds shall be provided to the Attorney General.

[¶20] Upon execution of this agreement, Respondent shall make a payment to the Attorney General in the sum of \$15,000 in lieu of civil penalties, investigation costs and attorney fees. Payment shall be the form of a certified check or money order payable to Office of Attorney General – North Dakota, and delivered to:

Elin S. Alm  
Assistant Attorney General  
Consumer Protection and Antitrust Division  
Office of Attorney General  
1720 Burlington Drive, Suite C  
Bismarck, ND 58504-7736

[¶21] Respondent agrees it will comply with this Assurance of Voluntary Compliance and further acknowledge and agree any violations of this Assurance of Voluntary Compliance, as determined by a State of North Dakota District Court, shall be punishable as contempt of court

pursuant to N.D.C.C. ch. 27-10 and Respondent further may be subject to all other civil penalties and sanctions provided by law, including attorney fees and costs.

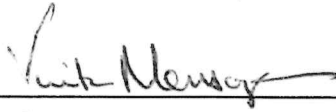
[¶22] If Respondent is adjudged in contempt of court for violations of this Assurance of Voluntary Compliance, adjudged in violation of this Assurance of Voluntary Compliance or adjudged in violation of N.D.C.C. ch. 51-15, said Respondent shall also be responsible for payment to the Attorney General for reasonable investigation costs, expenses, and attorney fees.

[¶23] In the event of a breach of this Assurance of Voluntary Compliance, the Attorney General may make application to a State of North Dakota District Court to have the entire amount still owing under the Assurance of Voluntary Compliance entered as a formal judgment so it may be filed on the judgment roll and docketed pursuant to North Dakota law. *See* N.D.C.C. §§ 28-20-11, 28-20-12 and 28-20-13.

[¶24] Respondent represents the signers below are competent and fully authorized to act on behalf of Respondent. Respondent acknowledges it has been provided the opportunity to review this Assurance of Voluntary Compliance with an attorney, understands the implications and obligations imposed by it and has freely and willingly entered into this Assurance of Voluntary Compliance. Respondent further acknowledges and agrees this Assurance of Voluntary Compliance may be approved by and filed with the State of North Dakota District Court without any further notice or hearing. Respondent agrees to and acknowledges the sufficiency of service by facsimile, and/or first-class mail at its last known address, with respect to any and all actions taken with regard to this Assurance of Voluntary Compliance. Signatures transmitted electronically or via facsimile by Respondent shall be deemed the equivalent of original signatures; this document may be executed in counterparts, with each counterpart deemed an original.

Dated this 24 day of February, 2023.

HOUSE OF PRAYER AND LIFE,  
INCORPORATED  
(including all "doing business as" names, formal  
corporate names, fictitious names of any kind or  
any variations of the same)

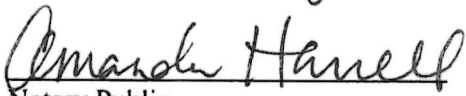
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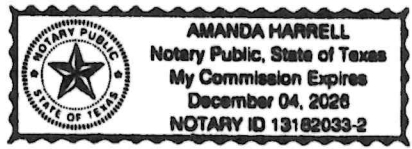
VICTOR MENSAVAGE  
(print name)

Its: CEO  
(title)

STATE OF Texas )  
COUNTY OF Tarrant ) ss

Subscribed and sworn to before me this  
24 day of February, 2023.

  
Notary Public



STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF BURLEIGH

SOUTH CENTRAL JUDICIAL DISTRICT

STATE OF NORTH DAKOTA EX REL.  
DREW H. WRIGLEY,  
ATTORNEY GENERAL,

Civil No. 08-2023-CV-00560

Petitioner,

ORDER OF APPROVAL

-vs-

HOUSE OF PRAYER AND LIFE,  
INCORPORATED D/B/A  
JERICHO SHARE,  
JERICHO HEALTH SHARE, and  
JHS COMMUNITY.

Respondent.

CPAT 220044.004

[¶1] Pursuant to the authority of this Court provided in N.D.C.C. § 51-15-06.1, IT IS HEREBY ORDERED that the Assurance of Voluntary Compliance filed in this matter is approved as an assurance of voluntary compliance as specified in N.D.C.C. § 51-15-06.1.

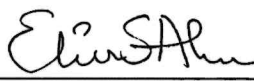
[¶2] The Clerk of Court shall receive and file the Assurance of Voluntary Compliance.

Signed: 3/15/2023 8:19:29 AM

  
\_\_\_\_\_  
Judge of the District Court

This Assurance of Voluntary Compliance is hereby received and accepted this 28th day  
of February, 2023.

STATE OF NORTH DAKOTA  
Drew H. Wrigley  
Attorney General

BY:   
\_\_\_\_\_  
Elin S. Alm, ND ID 05924  
Assistant Attorney General  
Office of Attorney General  
Consumer Protection & Antitrust Division  
1720 Burlington Drive, Suite C  
Bismarck, ND 58504-7736  
Telephone (701) 328-5570  
Facsimile (701) 328-5568  
ealm@nd.gov

Attorneys for the Petitioner