



NEWS RELEASE

OFFICE OF ATTORNEY GENERAL HENRY MCMASTER
STATE OF SOUTH CAROLINA

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Contact: Mark Plowden
803-734-3670
mplowden@ag.state.sc.us

Anderson County Woman Pleads Guilty to Insurance Fraud

Columbia, S.C. – Attorney General Henry McMaster announced today that Patsy P. Heard, 41, of 405 Clark Lane, Apt. C, in Anderson, pleaded guilty on December 1, 2004 to one (1) count of Forgery less than \$5,000, a felony violation of §16-13-10(B)(2) of the Code of Laws, and punishable to five (5) years imprisonment and a fine in the discretion of the court. Heard also pleaded guilty to one (1) count of Making a False Statement or Misrepresentation to receive an insurance benefit of \$1,000 or more, a misdemeanor violation of §38-55-540(2), punishable to three (3) years imprisonment and/or a fine of \$50,000.

On or about December 7, 2000, Zurich Life Insurance Company in Schaumburg, Illinois issued a life insurance policy [name withheld] in the amount of \$500,000. (The policy subsequently lapsed for lack of premium payments.) On or about April 30, 2003, Heard, posing as that insured, filed a change of beneficiary and reinstatement application. On or about July 2, 2003, Heard presented a money order to Zurich Life for the payment of the premiums. However, the money order was in the name of the insured.

On or about October 2, 2003, an individual purporting to be the beneficiary of the policy falsely notified Zurich Life of the death of the insured.

An investigation conducted by Zurich Life and the State Law Enforcement Division (SLED) revealed that the insured had not died. Moreover, SLED was able to trace the money order to the purchase location, and learned that the funds used to purchase the money order came from an account in Heard's name.

Judge Cordell Maddox, Jr., presiding over the General Sessions Court of Anderson County, sentenced Heard to five (5) years imprisonment suspended to the service of three (3) years and five (5) years probation on the Forgery charge. He further sentenced Heard to three (3) years imprisonment on the Misrepresentation charge. The sentences are to run concurrent.

This case was investigated by Zurich Life Insurance Company, SLED, and prosecuted by the Attorney General's Office.

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