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UTAH STATE
INSURANCE DEPT.

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Salt Lake City, UT 84114-0874
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OK

**BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH**

| | |
|---|------------------------------|
| COMPLAINANT: | STIPULATION AND ORDER |
| UTAH INSURANCE DEPARTMENT | Docket No. 2013-057 LC |
| RESPONDENT: | Enf. Case No. 3277 |
| RODNEY K. BINGHAM 12 South Main Street, suite 220 Layton, UT 84041 License No. 68792 | |

STIPULATION

1. Respondent, Rodney K. Bingham, is a licensed resident insurance producer in the State of Utah, holding License No. 68792.
2. Respondent stipulates with the Complainant, Utah Insurance Department, as follows:
 - a. If a hearing were held, witnesses called by the Complainant could offer and introduce evidence that supports the Findings of Fact herein;
 - b. Respondent admits the Findings of Fact and Conclusions made therefrom;
 - c. Respondent stipulates to the summary entry of the Order herein which

shall be in lieu of other administrative proceedings by Complainant in this matter; and

- d. Respondent and Complainant have negotiated the terms of the Order entered herein and Respondent agrees to its entry and further agrees to be bound by all its terms.

3. Respondent is aware of his right to a hearing at which he may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived his right to such hearing and to any appeal related thereto.

4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.


5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to his rights set forth herein.

6. Respondent acknowledges that the issuance of this Order by the Commissioner is solely for purpose of disposition of the matter entitled herein.

DATED this 18th day of April, 2013.



RODNEY K. BINGHAM



UTAH INSURANCE DEPARTMENT
M. Gale Lemmon, Assistant Attorney General

Based upon the foregoing Stipulation and information in the file, the Presiding Officer makes the following Findings of Fact:

FINDINGS OF FACT

1. On July 30, 2012, Respondent sold a New York Life Variable Universal Life Insurance policy to Utah resident Margaret Mondragon, but failed to obtain one required signature of the applicant.
2. Respondent signed the application with the applicants name, but didn't like the look of the signature. He then transcribed all the information from the original application to a second new application form and signed the name of the applicant in two places.
3. The application was then submitted to New York Life where the false signatures were discovered.
4. Respondent's association with New York Life was terminated, and on February 4, 2013 the Department received a termination for cause letter from New York Life.
5. A February 27, 2013, email from New York Life to the Department notified the Department that the relevant application for insurance was not processed and no policy had been issued; the \$100.00 customer application check was returned to the applicant; and no commission was paid to Respondent.
6. On March 7, 2013, Respondent agreed to an administrative forfeiture of \$2,000.00 and probation for a period of 24 months.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

CONCLUSIONS OF LAW

1. Respondent violated Utah Code Ann. § 31A-23a-402 which prohibits a producer making any false or misleading communication and from making a false entry in a record with intent to deceive.

2. Respondent committed a fraudulent insurance act under Section 31A-31-103(1)(a) by making a written statement that he knew to be false with intent to deceive.

3. An administrative forfeiture of \$2,000.00 and probation for a period of 24 months is appropriate in this matter.

Based upon the foregoing Stipulation, Findings of Fact and Conclusions of Law, the Presiding Officer herewith enters the following Order:

ORDER

IT IS HEREBY ORDERED:

1. Respondent, Rodney K. Bingham, is assessed an administrative forfeiture in the amount of \$2,000.00 to be paid to the Department within 30 days of the date of this Order.

2. Respondent is placed on probation for a period of 24 months beginning on the date of this Order. The terms of probation are that Respondent shall make timely payment of the forfeiture, and shall have no further violations of the Insurance Code, Department Rules, or any order of the Commissioner.

NOTIFICATION

Respondent is hereby notified that failure to abide by the terms of this Order may subject you to further penalties, including additional forfeitures of up to \$2,500.00 per violation and the

suspension or revocation of your license, and the filing of an action to enforce this Order in the District Court, which may impose penalties of up to \$10,000.00 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

DATED this 30th day of April, 2013.

TODD E. KISER
Insurance Commissioner



A handwritten signature in cursive script, reading "Mark E. Kleinfeld", is written over a horizontal line.

MARK E. KLEINFELD
Administrative Law Judge
Utah Insurance Department

CERTIFICATE OF MAILING

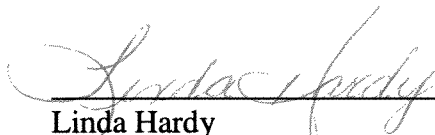
I do hereby certify that on this date I mailed, by regular mail postage prepaid, a true and correct copy of the attached:

STIPULATION
&
ORDER

To the following:

Rodney K. Bingham
12 South Main Street, Suite 220
Layton, UT 84041

DATED this 30th day April, 2013



Linda Hardy
Market Conduct
801-538-3860
lhardy@utah.gov

UTAH
Invoice - Original

Printed Date: April 30, 2013
Invoice Date: April 30, 2013
Balance Due: \$2,000.00
Due Date: May 30, 2013
Invoice ID: 632879
Payor ID: 48370

BINGHAM RODNEY K
12 SOUTH MAIN SUITE 220
LAYTON UT 84041

| Item Description | Amount |
|---|---------------------------|
| 4/30/2013 Monetary Penalty Individual E-Case 3277 Docket # 2013-057 LC | \$2,000.00 |
| Original Amount Due | <u>\$2,000.00</u> |
| Payments Received | |
| | <u>Balance Due</u> |

UTAH
Invoice - Original

Invoice Date: April 30, 2013
Balance Due: \$2,000.00
Due Date: May 30, 2013
Invoice ID: 632879
Payor ID: 48370
Payor Name: BINGHAM, RODNEY
K

Make checks payable to: Utah Insurance Department

Send payment to:

Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114-6901