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

<p>UTAH INSURANCE DEPARTMENT</p> <p>Complainant,</p> <p>PRESTON B. LEONARD II, License No. 459584, 10564 S 1055 W, South Jordan, Ut. 84095</p> <p>Respondent.</p>	<p><b>STIPULATION AND ORDER</b></p> <p>Docket No. 2014-055 LC</p> <p>Enf. Case No. 3489</p> <p>Mark E. Kleinfield Administrative Law Judge</p>
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**STIPULATION**

The Utah Insurance Department (“Department”), by its legal counsel, and Preston B. Leonard II (“Respondent”) hereby stipulate and agree as follows:

1. Respondent Preston B. Leonard II currently holds an active Utah Resident Producer Insurance License No. 349584. Prior to his resident license, Respondent, then domiciled in Washington State, held a non-resident producer license- License No. 292826.

2. The Department has jurisdiction over the parties and subject matter of this administrative action.

3. Respondent acknowledges notice of agency action pursuant to Utah Code § 63G-2-210; acknowledges that this Stipulation and Order is an informal proceeding pursuant to Utah Code § 63F-4-202; and irrevocably waives the right to any hearing, review or appeal concerning this matter.

4. This signed Stipulation and the Order, along with the Findings of Fact and the Conclusions of Law, shall not be subject to any reconsideration, renegotiation, modification, hearing, or agency review or appeal.

5. If an administrative hearing were held, the Department could introduce evidence supporting the Findings of Fact presented below; therefore, the Findings of Fact and Conclusions of Law presented below are agreed to by the parties.

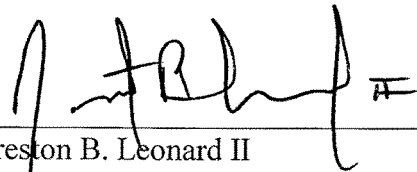
6. The issuance of the signed Order proposed below is solely for the purpose of disposing of the specific matter addressed herein.

7. The only understanding that the parties have regarding this matter are contained in this Stipulation.

8. Respondent enters into this Stipulation voluntarily, knowingly, and free from coercion of any kind.

9. The persons signing this Stipulation on behalf of the named parties hereby affirm that they are authorized to sign and bind the parties.

Dated this 16<sup>th</sup> day of June, 2014.

  
\_\_\_\_\_  
Preston B. Leonard II  
License No. 459584

Dated this 19<sup>th</sup> day of June, 2014.

  
\_\_\_\_\_  
Gary Josephson, Assistant Attorney General  
Attorney for Utah Insurance Department

Based upon the foregoing Stipulation and information in the Division file, the Administrative law Judge makes the following Findings of Fact:

**FINDINGS OF FACT**

1. On August 6, 2013, Respondent was a non-resident Utah licensed producer, domiciled in the state of Washington, under License No. 292826.
2. On September 16, 2013, Respondent became a Utah resident producer under License No. 459584.
3. On August 6, 2013, Respondent, an associate of Aflac Insurance, was terminated for-cause due to alleged fraudulent wellness claims.
4. On August 6, 2013, Aflac sent a letter to the Department notifying the Department of Respondent's termination for-cause. The letter was received by the Department

on August 23, 2013.

5. On September 5, 2013, Respondent submitted to the Department an application for a resident producer license in which he responded “no” to the application question regarding any prior terminations for-cause.

6. On March 28, 2014, a market conduct examiner sent a request for explanation via email to Respondent. Respondent replied on March 28, 2014 stating that he had misread and misunderstood the question. He stated that if he had more carefully read the question, he would have responded “yes.”

7. The market conduct examiner proposed an administrative forfeiture in the amount of \$500.00. On May 12, 2014, Respondent has agreed to the proposed forfeiture.

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 Section 31A-2-202(6), which requires that all information submitted to the commissioner be accurate and complete, when on the application for a resident producer license, he did not disclose his for-cause termination by Aflec,.

2. The Department and Respondent has agreed to imposition of an administrative forfeiture in the amount of \$500.00.

3. The \$500.00 forfeiture is appropriate under the circumstances of this case.

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

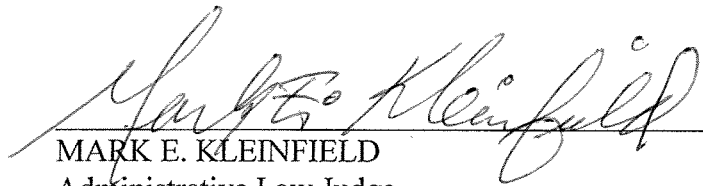
**ORDER**

**IT IS HEREBY ORDERED:**

1. Respondent Preston B. Leonard II is hereby assessed an administrative forfeiture in the amount of \$500.00
2. Respondents shall pay the administrative forfeiture of \$500.00 to the Department within thirty (30) day of the date of this Order.

DATED this 20<sup>th</sup> day of June, 2014.

TODD E KISER  
Insurance Commissioner



MARK E. KLEINFELD  
Administrative Law Judge  
Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, Utah 84114  
Telephone: (801) 538-3800

**NOTIFICATION**

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeiture of up to \$5,000 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures of up to \$10,000 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.

**CERTIFICATE OF MAILING**

The undersigned hereby certifies that on this date, a true and correct copy of the Stipulation and Order were mailed, postage prepaid, to the following:

PRESTON B. LEONARD, II  
10564 S 1055 W  
SOUTH JORDAN UT 84095

Dated this 23 day of June, 2014.

  
LINDA HARDY  
UTAH INSURANCE DEPARTMENT  
STATE OFFICE BUILDING, ROOM 3110  
SALT LAKE CITY, UT 84114-6901



**State of Utah**

GARY R. HERBERT  
*Governor*

SPENCER J. COX  
*Lieutenant Governor*

# Insurance Department

## UTAH Invoice - Original

PRESTON B LEONARD  
LEONARD, PRESTON B II  
10564 SOUTH 1055 WEST  
SOUTH JORDAN UT 84095

Printed Date: June 23, 2014  
Invoice Date: June 23, 2014  
Balance Due: \$500.00  
Due Date: July 28, 2014  
Invoice ID: 701240  
Payor ID: 1369305

Date	Item Description	Amount
06-23-2014	Monetary Penalty Individual	\$500.00

**E-Case3489 Docket 2014-055 LC**

No Adjustments

No Payments

**Balance Amount Due** \$500.00

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## UTAH Invoice - Original

Make check payable to: Utah Insurance Department  
Send payment to:  
Utah Insurance Department  
3110 State Office Building  
Salt Lake City, UT 84114-6901

Invoice Date: June 23, 2014  
Balance Due: \$500.00  
Due Date: July 28, 2014  
Invoice ID: 701240  
Payor ID: 1369305

**E-Case3489 Docket 2014-055 LC**

**Detach and Return this Voucher with Payment  
Payments Will Not Be Processed without Voucher**