

authorized to conduct insurance business in the State of Utah under License No. 273501.

Respondents' business address is 3280 West 3500 South, Suite C, West Valley City, UT 84119.

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 Section 63G-4-201; acknowledges that this Stipulation and Order is an informal proceeding pursuant to Utah Code Section 63G-4-202; and irrevocably waives the right to any hearing, review or appeal concerning this matter.

4. Respondent is represented by Attorney William M. Fontenot, in this matter.

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

6. The Findings of Fact and Conclusions of Law presented below are accepted by the parties.


7. The issuance of the signed and adopted Order proposed below is solely for the purpose of disposing of the specific matter entitled herein.

8. The only promises, agreements and understandings that the parties have regarding this matter are contained in this Stipulation.

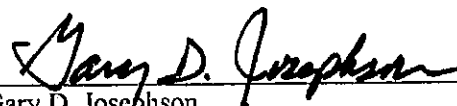
9. Respondent enters this Stipulation voluntarily, knowingly, and free from any coercion of any kind.

10. 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 25th day of July, 2017.


William M. Fontenot, Attorney at Law, Representing
Licensees JAVIER PONCE DE LEON INSURANCE
AGENCY, INC. & JAVIER PONCE DE LEON

Dated this 25th day of July, 2017


Gary D. Josephson
Assistant Attorney General
UTAH INSURANCE DEPARTMENT

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

FINDINGS OF FACT

1. A Department investigation found that Respondents admit to forging multiple vehicle bill of sale forms and then submitted the forged bills of sale as part of insurance applications for multiple insurance customers. These forged bills of sale resulted in the Respondents' customers qualifying for lower insurance premium rates with the insurer carrier.

2. The investigation also found that Respondents had employed non-licensed producers to sell, solicit, and negotiate insurance for the agency and were not designated to the agency. Also, from 2010 to 2016, Respondent conducted insurance business without a required insurance organization license.

3. The investigation also determined that Respondents' Wells Fargo trust account did not contain the required wording "Trust Account;" nor, did those words appear on bank registers, checks, or deposit slips.

4. The investigation also found that Respondent agency's business cards advertised the agency as "Ponce De Leon Insurance Agency;" whereas, the licensee name is "Javier Ponce De Leon Insurance Agency."

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

CONCLUSIONS OF LAW

1. Under Utah Code § 31A-31-103, Respondents committed multiple fraudulent insurance acts, along with violating both Utah Code §§ 31A-23a-402(1)(a)(i) and 31A-23a-111(5)(b)(xv), (xvi)(A) and (B), by forging multiple vehicle bills of sale and then submitting the forged bills of sale to the insurance carrier, along with insurance applications, in an attempt to override the need to provide prior proof of insurance documentation and thereby qualify the customers for lower insurance rates with the insurer carrier.

2. Respondents violated both Utah Code § 31A-23a-302 and Utah Administrative Rules R590-244-5, when Respondents failed to designate producers to act on the agency's behalf and allowed non-licensed individuals to quote and write new insurance business, along with making insurance coverage changes with insureds.

3. Respondents violated Utah Code § 31A-23a-301 when they conducted insurance business without a required insurance organization license from 2010 to 2016.

4. Respondents violated Utah Administrative Code R590-154-5 when their insurance business cards advertised the name as "Ponce De Leon Insurance;" whereas, the name filed with the Department is "Javier Ponce De Leon Insurance Agency."

5. Respondents violated Utah Administrative Code R590-170-4 when Respondents' established trust account failed to contain the words "Trust Account."

6. Under Utah Code § 31A-2-308, an Administrative forfeiture in the amount of \$16,000.00 is appropriate under the circumstances of this case.


Based on the foregoing Findings and Fact and Conclusions of Law, the Administrative Law Judge enters the following Order:

ORDER

Respondent is hereby ordered to pay an administrative forfeiture in the amount of \$16,000.00 to the Department. Respondent will pay the full administrative forfeiture with four separate quarterly payments of \$4,000.00 each on or before September 1, 2017; December 1, 2017; March 1, 2018; and June 1, 2018.

DATED this 26th day of July, 2017.

TODD E. KISER
Insurance Commissioner



BRETT BARRATT, J.D.
Deputy Insurance Commissioner
Administrative Law Judge

NOTIFICATION TO RESPONDENT

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeitures 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.