

**BEFORE THE COMMISSIONER OF INSURANCE
OF THE STATE OF KANSAS**

In the Matter of the Kansas Resident)	
Insurance Agent's License of)	Docket No. 3179-SO
BRAD S. GAGLIONE)	

CONSENT ORDER

The Kansas Insurance Department ("KID") and nonresident insurance agent Brad S. Gaglione ("Gaglione") wish to resolve allegations of misconduct without formal adjudicative proceedings by entering into this consent order. Having been advised of his right to a hearing prior to the entry of a final order, Gaglione stipulates to the following facts, upon which the Commissioner of Insurance ("Commissioner") bases her conclusions of law and enters the order. Further, Gaglione agrees to the order and voluntarily waives hearing and review of the order.

Facts

1. Records maintained by the Kansas Insurance Department ("KID") indicate that Gaglione was licensed as a nonresident agent to transact the business of insurance in the State of Kansas from August 2, 2000, until the license was revoked by summary order effective August 1, 2003.
2. On January 22, 2003, the KID received notice from the Licensing and Registration division of Prudential Insurance Company of America ("Prudential of America") that Gaglione's appointments with Prudential Insurance Company ("Prudential") and Pruco Life Insurance Company ("Pruco") were terminated effective December 12, 2002 as a result of Gaglione's termination from the broker-dealer Prudential Securities Incorporated ("PSI").

3. When Gaglione failed to respond to KID inquiries about the termination, Gaglione's license was revoked by Summary Order, Docket Number 3179-SO, effective when the statutory time lapsed without a request for hearing.

4. Gaglione has now provided KID with a current address and satisfactory explanation of the circumstances of his termination from Prudential and Pruco.

Applicable Law

5. K.S.A. 2002 Supp. 40-4909(a) provides, in relevant part:

“The commissioner may deny, suspend, revoke or refuse renewal of any license issued under this act if the commissioner finds that the applicant or license holder has . . . (2) Violated: (A) Any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rule and regulation promulgated thereunder; . . . K.S.A. 2002 Supp. 40-4909(a).

6. A person licensed in this state as an insurance agent is required to report to the Commissioner, within 30 days of the occurrence, each change of residential address and change of agency association or address. K.A.R. § 40-7-9.

7. In lieu of taking any action under K.S.A. 40-4909(a), the commissioner may impose an administrative penalty up to a maximum of \$500 for each violation or \$1000 for a knowing violation.” K.S.A. 2002 Supp. 40-4909(h).

Conclusions of Law

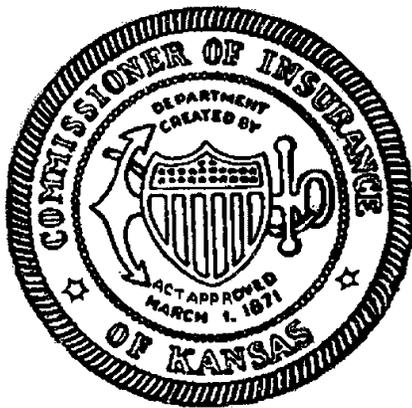
8. The Commissioner has jurisdiction over Gaglione as well as the subject matter of this proceeding, and such proceeding is held in the public interest.

9. The Commissioner finds that good cause exists to set aside the order of August 1, 2003, revoking Gaglione's license and enter into the following agreed order.

10. The Commissioner concludes that Gaglione should pay an administrative penalty of \$100, pursuant to K.S.A. 40-4909(h)(2), for violations of K.A.R. § 40-7-9 by failing to report a change of address or agency affiliation within 30 days of the occurrence.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT the Summary Order revoking the nonresident insurance agent's license of **Brad S. Gaglione** is set aside, the Kansas resident insurance agent's license **Brad S. Gaglione** is reinstated as of the date of this order, and **Brad S. Gaglione** shall pay an administrative penalty of \$100. It is further noted that this order shall be effective immediately upon the signature of the last party to sign.

IT IS SO ORDERED THIS 29th DAY OF DECEMBER 2003, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



/s/ Sandy Praeger
Sandy Praeger
Commissioner of Insurance
BY:

/s/ John W. Campbell
John W. Campbell
General Counsel

/s/ Brad S. Gaglione
Brad S. Gaglione
Respondent

12/17/03
Date

Prepared by:

/s/ Brenda J. Clary
Brenda J. Clary
Staff Attorney

NOTICE: This order shall constitute a final agency action on the date it is signed by the Commissioner or her designee. In the event the Petitioner desires to file a petition for judicial review, the agency officer designated pursuant to K.S.A. 77-613(e) to receive service of a petition for judicial review on behalf of the KID is John W. Campbell, General Counsel, Kansas Insurance Department, 420 S.W. 9th St., Topeka, KS 66612-1678.

Certificate of Service

The undersigned hereby certifies that she served a true and correct executed copy of the above and foregoing Consent Order on this 29th day of December 2003, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Brad S. Gaglione
82 Shelter Cove Rd.
Milford, CT 06460
Respondent

/s/ Brenda J. Clary
Brenda J. Clary