

STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCIAL REGULATION

In the Matter of:

Case No. INS-22-0032

SCOTT SANTANA, and SIA, Inc.

Respondents.

FINAL ORDER TO CEASE AND  
DESIST, FINAL ORDER  
SUSPENDING LICENSE, FINAL  
ORDER PLACING LICENSEES ON  
PROBATION, FINAL ORDER  
ASSESSING CIVIL PENALTY, AND  
CONSENT TO ENTRY OF ORDER

THIS IS A FINAL ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon (“Director”), acting in accordance with Oregon Revised Statutes (“ORS”) chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 (“Insurance Code”), has conducted an investigation into the insurance related activities of Scott Santana, and SIA, Inc. (collectively “Respondents”) and determined that Respondents engaged in activities constituting violations of the Insurance Code.

Respondents wish to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signatures subscribed on this Order, Respondents hereby CONSENT to entry of this Order upon the Director’s Findings of Fact and Conclusions of Law as stated hereinafter.

FINDINGS OF FACT

The Director FINDS that:

1. Scott Santana (“Santana”) is an Oregon resident with his last recorded business address at 3905 River Rd, N, Keizer, OR 97303. Santana has been an Oregon licensed individual insurance producer since August 7, 2001. Santana’s NAIC national producer number is 620222.

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1           2.     SIA, Inc. (“SIA”) is an Oregon business entity with its last recorded business  
2 address at 3905 River Road N, Keizer OR 97303. SIA has been an Oregon licensed  
3 business entity insurance producer since October 31, 2014. SIA’s NAIC national producer  
4 number is 17414550.

5           3.     Santana is the President of SIA.

6           4.     Two business entities, referred to herein as CR and GT (collectively the  
7 “Clients”), provide transportation for people seeking medical services. The two companies  
8 are managed jointly and they serve as contractors for the City of Portland.

9           5.     Since early 2018, the Clients, pursuant to contracts each client had with an  
10 independent organization, were required to carry an automobile insurance product called  
11 “sexual abuse and molestation” (“SAM”) coverage.

12           6.     The Clients had existing insurance coverage through Santana and SIA. In April  
13 2018, LB, an employee of the Clients who is responsible for obtaining and maintaining  
14 insurance coverage for each, contacted SIA to inquire about obtaining updated coverage  
15 and adding SAM coverage to their existing policies. LB received quotes and references  
16 that the coverage was included on the renewal for the Clients’ insurance starting in  
17 December 2018.

18           7.     Until February 22, 2021 when an audit from the organization both clients  
19 contracted with revealed that neither CR or GT had SAM coverage, the Clients incorrectly  
20 believed that they had SAM coverage spanning 2018 to 2021. They believed this because  
21 Santana, individually and on behalf of SIA, provided Coverage Summaries and Certificates  
22 of Liability Insurance (“Certificates”) evidencing such coverage as follows:

23                 A.     In 2018, Santana provided a Coverage Summary that included SAM  
24 coverage for GT. Santana provided the Coverage Summary to GT, but had not  
25 actually acquired the coverage.

26                 B.     On or about December 20, 2018 Santana provided a Coverage Summary



1 that included SAM coverage for CR. Santana provided the Coverage Summary to  
2 CR, but had not actually acquired the coverage.

3 C. On February 20, 2019, Santana provided a Certificate listing SAM  
4 coverage issued to GT. Santana provided the Certificate to GT, but had not actually  
5 acquired the coverage.

6 D. On December 27, 2019, Santana provided a Certificate listing SAM  
7 coverage issued to GT. Santana provided the Certificate to GT, but had not actually  
8 acquired the coverage.

9 E. On December 27, 2019, Santana provided a Certificate listing SAM  
10 coverage issued to CR. Santana provided the Certificate to CR, but had not actually  
11 acquired the coverage.

12 F. In 2020 Santana provided a Coverage Summary that included SAM  
13 coverage for CR. Santana provided the Coverage Summary to CR, but had not  
14 actually acquired the coverage.

15 G. In 2020 Santana provided a Coverage Summary that included SAM  
16 coverage for GT. Santana provided the Coverage Summary to GT, but had not  
17 actually acquired the coverage.

18 H. On February 14, 2020, Santana provided a Certificate listing SAM  
19 coverage issued to CR. Santana provided the Certificate to CR, but had not actually  
20 acquired the coverage.

21 I. On February 14, 2020, Santana provided a Certificate listing SAM  
22 coverage issued to GT. Santana provided the Certificate to GT, but had not actually  
23 acquired the coverage.

24 J. On or about February 18, 2020 Santana provided a Coverage Summary  
25 that included SAM coverage for CR. Santana provided the coverage summary to  
26 CR, but had not actually acquired the coverage.



1           8.     In a May 17, 2021 letter, through legal counsel, Santana stated that SIA’s  
2 records “...reflect that abuse and molestation coverage was not obtained for the insureds  
3 for year 2020-2021. Mr. Santana admits he did not obtain that, but the insureds were not  
4 charged for the missing coverage.”

5           9.     Santana, through legal counsel, explained the missing coverage as follows:

6                 “Unfortunately, to save time, staff were not creating a new Certificate of Liability  
7 Insurance or Coverage Summary sheet for each policy change or renewal. Instead,  
8 staff used the previous sheet and made changes directly over the document. These  
9 documents were then not closely reviewed for accuracy before sending them to  
10 [CR] and [GT.]”

11           10.    When the Division asked Respondents for copies of any documentation relating  
12 to the requests for coverage described above, Respondents, through legal counsel,  
13 explained in the same May 17, 2021 letter referenced in paragraph 8, that, “[d]ue a  
14 catastrophic electronic failure, my client is missing emails and records back any further  
15 than 2019. Santana Insurance currently has IT expert/consultant working to recover emails  
16 and on records retention.”

17           11.    Similarly, in response to a letter of inquiry from the Division dated February  
18 10, 2022, asking for “Copies of Insurance/Coverage Summaries from December 2017  
19 through December 2021,” Respondents, through legal counsel, stated: “I have enclosed the  
20 Certificate of Liability Insurance sheets issued in 2020 and their correlating emails....  
21 Unfortunately, we do not have the earlier Certificate of Liability Insurance or emails.”

22           12.    On August 27, 2018, as part of a prior administrative proceeding, the Division  
23 issued an Order to Cease and Desist, Final Order Imposing Civil Penalty, and Consent to  
24 Entry of Order against Santana and SIA (the “2018 Order”), wherein the Division  
25 concluded that Santana and SIA made false or fraudulent statements or representations on  
26 no less than five separate Loss Reports, in violation of ORS 746.100. The Division also  
27 concluded in the 2018 Order that the actions of Santana and SIA constituted fraudulent,  
28 coercive or dishonest practices, or demonstrated incompetence, untrustworthiness or

1 financial responsibility in the conduct of business in this state or elsewhere, in violation of  
2 ORS 744.074(1)(h). As a result of such violations, the Division assessed \$5,000 in civil  
3 penalties against Santana and SIA.

4 CONCLUSIONS OF LAW

5 The Director CONCLUDES that:

6 13. Pursuant to ORS 731.252(1), whenever the Director has reason to believe that  
7 any person has engaged or is engaging or is about to engage in any violation of the  
8 Insurance Code, the Director may issue an order to discontinue or desist from such  
9 violation or threatened violation.

10 14. Pursuant to ORS 744.074(1)(h), the Director may place a licensee on probation  
11 or suspend, revoke or refuse to issue or renew an insurance producer license and may take  
12 other actions authorized by the Insurance Code in lieu thereof or in addition thereto, for  
13 using fraudulent, coercive or dishonest practices, or demonstrating incompetence,  
14 untrustworthiness or financial irresponsibility in the conduct of business in this state or  
15 elsewhere.

16 15. Respondents demonstrated incompetence in the conduct of insurance business  
17 when providing the Coverage Summaries and Certificates showing SAM coverage, as  
18 more fully described in Paragraph 7 above, when there was no such coverage. Accordingly,  
19 the Director may place Respondents' resident insurance producer licenses on probation or  
20 may suspend, revoke, or refuse to renew Respondents' licenses.

21 16. Pursuant to ORS 744.074(1)(b), the Director may place a licensee on probation  
22 or suspend, revoke or refuse to issue or renew an insurance producer license and may take  
23 other actions authorized by the Insurance Code in lieu thereof or in addition thereto, for  
24 violating any insurance laws.

25 17. Pursuant to ORS 744.068(2), "a resident insurance producer shall keep at the  
26 principal place of business of the insurance producer the usual and customary records

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1 pertaining to the business under the resident insurance producer license. All such records  
2 shall be kept available and open to inspection by the director during business hours. A  
3 resident insurance producer shall keep records of insurance transacted by the insurance  
4 producer under the license for three years following expiration of the policy.”

5 18. Respondents failed to keep and produce for inspection the usual and customary  
6 records pertaining to the insurance transactions with the Clients for a period of three years  
7 following the expiration of the policy as issue, as described in Paragraph 10 above, in  
8 violation of ORS 744.068(2), thereby authorizing the Director to place Respondents’  
9 resident insurance producer licenses on probation or to suspend, revoke, or refuse to renew  
10 Respondents’ licenses.

11 19. Pursuant to ORS 731.988(1), the Director may impose a civil penalty of up to  
12 \$1,000 per violation upon any insurance producer who violates a provision of the Insurance  
13 Code.

#### 14 ORDERS

15 The Director issues the following ORDERS:

16 20. As authorized by ORS 731.252(1), the Director ORDERS Respondents to  
17 CEASE AND DESIST from violating ORS 744.074(1)(b) and (h), and ORS 744.068(2).

18 21. The Director, pursuant to ORS 744.074(1)(b) and (h), and ORS 744.068(2),  
19 hereby SUSPENDS Santana’s insurance producer license for SIX MONTHS, beginning  
20 the date this Order is fully executed.

21 22. During the suspension period, Santana shall perform the actions required to  
22 maintain his insurance producer license, including satisfying any applicable fee, filing, or  
23 continuing education requirements.

24 23. The Director, pursuant to ORS 744.074(1)(b) and (h), and ORS 744.068(2),  
25 hereby places Santana’s insurance producer license on PROBATION for ONE YEAR  
26 AND SIX MONTHS, beginning the date his license suspension ends.





1       24.    The Director, pursuant to ORS 744.074(1)(b) and (h), hereby places SIA’s  
2 entity insurance producer license on PROBATION for TWO YEARS beginning the date  
3 this Order is fully executed.

4       25.    During the foregoing probationary periods, Respondents shall satisfy the  
5 following conditions:

6           A.    Respondent SIA will provide the Division with quarterly reports which  
7 identify:

- 8                   (a)    The insurance policies sold that quarter; and  
9                   (b)    The persons to whom SIA sold the policies, including their  
10 contact information.

11          B.    The quarterly reports will be due pursuant to the following schedule:

- 12                   (a)    September 1, 2023;  
13                   (b)    December 1, 2023;  
14                   (c)    March 1, 2024;  
15                   (d)    June 3, 2024;  
16                   (e)    September 2, 2024;  
17                   (f)    December 1, 2024;  
18                   (g)    March 1, 2025; and  
19                   (h)    June 1, 2025.

20          C.    SIA will designate an employee to review all certificates of insurance  
21 before they are issued.

22          D.    The designated responsible licensed producer (“DRLP”) of SIA will  
23 work primarily out of SIA’s primary office in Keizer, Oregon.

24          E.    The DRLP of SIA will conduct monthly one-on-one meetings with each  
25 of SIA’s licensed producers to review their work product.  
26



1       26.     SIA will formally designate Edith Herrera (“Herrera”)<sup>1</sup> as its DRLP within one  
2 week of the date this Order is fully executed. In the event that Herrera is unavailable for  
3 any reason to act as DRLP of SIA during the suspension period described in paragraph 21,  
4 SIA will not designate any person as its DRLP without first securing the Director’s written  
5 approval of such designation.

6       27.     Santana will notify Respondents’ clients to contact Edith Herrera or other SIA  
7 insurance producers (rather than him) regarding insurance-related matters during the period  
8 in which his insurance producer license is suspended. Santana shall provide the following  
9 notification to his clients: “To all of our valued clients, for the period beginning June 5,  
10 2023 and ending December 1, 2023, instead of contacting Scott Santana, please contact  
11 Edith Herarra or another Santana Insurance representative for all of your insurance needs.”

12       28.     While his insurance producer license is suspended, Santana is prohibited from:

13           A.     Visiting SIA’s offices;<sup>2</sup>

14           B.     Making and/or receiving communications relating to SIA’s business;<sup>3</sup>

15           and/or

16           C.     Exercising any management and/or control over SIA’s insurance  
17           business other than to facilitate the reporting required by this order.

18       29.     Based upon the foregoing and in accordance with ORS 731.988(1), the Director  
19 ORDERS that Respondents be jointly and severally subject to a CIVIL PENALTY of  
20 \$13,000 as follows:

21           A.     \$10,000 for violating ORS 744.074(1)(h); and

22           B.     \$3,000 for violating ORS 744.068(2).

24 <sup>1</sup> Herrera’s NAIC national producer number is 9122516.

25 <sup>2</sup> This Order does not prohibit Santana from visiting buildings in which SIA’s offices are located, including  
26 non-SIA-related offices and businesses within such buildings.

<sup>3</sup> This Order does not prohibit unsolicited communications Santana receives relating to SIA’s business. In  
the event he receives such communications he shall promptly notify the other person(s) he is unable to  
discuss such matters, and direct them to Herrera or SIA.



1 30. The Director hereby suspends payment of \$5,500 of the CIVIL PENALTIES  
2 for a period of three years, provided Respondents:

3 A. Comply with the terms of this Order; and

4 B. Do not violate the Insurance Code within the three-year time period.

5 31. The suspended CIVIL PENALTY (\$5,500) will be waived three years from the  
6 effective date of this Order, provided Respondents have complied with the foregoing Order  
7 terms. Respondents' failure to satisfy any terms of this Order will render the suspended  
8 penalties immediately due and payable.

9 32. The non-suspended CIVIL PENALTY (\$7,500) is due and payable at the time  
10 this Order is returned to the Division.

11 33. This Order is binding upon Respondents' successors and assigns.

12

13 SO ORDERED this 6<sup>th</sup> day of June, 2023.

14

ANDREW R. STOLFI, Director  
Department of Consumer and Business Services

15

16

/s/ Dorothy Bean  
Dorothy Bean, Chief of Enforcement  
Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, Scott Santana, state that I am an officer of SIA and I am authorized to act on its behalf. I have read the foregoing Consent Order, and I know and fully understand the contents hereof. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. SIA voluntarily and without any force or duress consents to the entry of this Consent Order expressly waiving any right to a hearing in this matter. SIA understands that the Director reserves the right to take further actions to enforce this Consent Order or to take appropriate action upon discovery of other violations of the Insurance Code. SIA will fully comply with the terms and conditions stated herein.

SIA understands that this Consent Order is a public document.

Signature: /s/ Scott Santana

Position Held: President

State of Oregon \_\_\_\_\_

County of Marion \_\_\_\_\_

Signed or attested before me on this 1<sup>st</sup> day of June, 2023

by Scott Santana.

/s/ Julie Barnes Foley  
Notary Public

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CONSENT TO ENTRY OF ORDER

I, Scott Santana, have read the foregoing Consent Order, and I know and fully understand the contents hereof. I have been advised of my right to a hearing and of the right to be represented by counsel in this matter. I voluntarily and without any force or duress consents to the entry of this Consent Order expressly waiving any right to a hearing in this matter. I understand that the Director reserves the right to take further actions to enforce this Consent Order or to take appropriate action upon discovery of other violations of the Insurance Code. I will fully comply with the terms and conditions stated herein.

I understand that this Consent Order is a public document.

Signature: /s/ Scott Santana

State of Oregon \_\_\_\_\_

County of Marion \_\_\_\_\_

Signed or attested before me on this 1<sup>st</sup> day of June, 2023

by Scott Santana.

/s/ Julie Barnes Foley

Notary Public

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