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

In the Matter of SCOTT, KENNETH CHARLES (NPN# 15471241) Respondent.	Case No. INS-22-0098 ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTIES, AND CONSENT TO ENTRY OF 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") and specifically ORS 744.074, has conducted an investigation of the activities of nonresident insurance producer licensee Kenneth Charles Scott ("Scott").

Scott submits to the Director's jurisdiction and agrees to waive his rights to notice and an administrative hearing under ORS 183.415 and wishes to resolve this matter by consenting to entry of this Consent Order.

Now, therefore, as evidenced by the signature subscribed herein, Scott hereby CONSENTS to the entry of this Order.

The Director makes the following Findings of Fact, Conclusions of Law, and Orders.

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Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

FINDINGS OF FACT

The Director FINDS that:

1. Scott is a Nevada resident with his last recorded address at 2151 Village Walk Dr., Apt 14207, Henderson, Nevada 89012.

2. Scott has been licensed in the State of Oregon as a nonresident insurance producer since February 11, 2010.

3. On July 24, 2022, Scott submitted a license renewal application for a nonresident insurance producer license.[1] In the application he answered "no" to question 2, denying he had been named or involved as a party in an administrative proceeding regarding any professional license, which had not been previously reported to the Oregon Division of Financial Regulation ("Division").

4. Scott has been the subject of three administrative proceedings over the past two years regarding his insurance producer licenses in other states and has failed to report them.

5. On December 8, 2020, New York Department of Insurance took action against Scott for "failing to respond" and for demonstrating "lack of fitness or trustworthiness."

6. On December 21, 2021, Louisiana Department of Insurance took action against Scott for failing to report the New York action.

7. On August 19, 2022, California Department of Insurance took action against Scott for failing to report each of the foregoing actions.

8. On July 27, 2022, the Division attempted to contact Scott at each address associated with his license and requested an explanation for his failure to report and the false response on his renewal application. The Division also requested copies of the administrative orders. Scott failed to respond.

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[1] Scott's insurance producer license has been expired since 6/30/22.

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CONCLUSIONS OF LAW

The Director CONCLUDES that:

9. ORS 744.074(1)(a) authorizes the Director to place a licensee on probation or to suspend, revoke or refuse to issue or renew a license for providing incorrect, misleading, incomplete or materially untrue information in the license application. Scott violated ORS 744.074(1)(a) when he submitted an application with false information regarding his prior administrative actions, thereby authorizing the Director to revoke Scott's license and deny his July 2022 license renewal application.

10. Under ORS 731.296, the Director may address any proper inquiries to any insurer, licensee or its officers in relation to its activities or condition or any other matter connected with its transactions. Any such person so addressed shall promptly and truthfully reply to such inquiries using the form of communication requested by the Director. The reply shall be verified by an officer of such person, if the Director so requires. Scott violated ORS 731.296 when he failed to respond to the Director's inquiries as set forth in Paragraph (8) above.

11. Under ORS 744.089(1), an insurance producer shall report to the Director any administrative action taken against the insurance producer in another jurisdiction no later than the 30th day after the date of the final disposition of the matter. Scott violated ORS 744.089(1) when he failed to report, on three occasions, the administrative actions taken against him as set forth in Paragraphs (5)-(7) above.

12. ORS 744.074(1)(b) authorizes the Director to place a licensee on probation or to suspend, revoke or refuse to issue or renew a license for violating any insurance laws. Scott's violations of ORS 731.296 and ORS 744.089(1) authorizes the Director to revoke Scott's license and deny his license application, pursuant to ORS 744.074(1)(b).

13. ORS 731.988(1) authorizes the Director to impose civil penalties against an individual insurance producer in the amount up to $1,000 per violation for any violation of

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the Insurance Code, including violations of ORS 744.074, 744.089 and 731.296.

FINAL ORDERS

The Director issues the following ORDERS:

14. Pursuant to ORS 731.252(1), the Director hereby ORDERS Scott to CEASE AND DESIST from violating any provision of the Insurance Code, or any administrative rule adopted by the Director under those statutes.

15. Pursuant to ORS 731.988(1), the Director hereby ORDERS the assessment of CIVIL PENALTIES against Scott in the amount of $500 for violating ORS 744.074, 744.089 and 731.296.

16. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

IT IS SO ORDERED.

Dated this 27th day of October, 2022.

Andrew R. Stolfi, Director
Department of Consumer and Business Services

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

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CONSENT TO ENTRY OF ORDER BY KENNETH C SCOTT

I, Kenneth C. Scott, state that I have read the foregoing Order and that I know and fully understand the contents hereof; that the factual allegations stated herein are true and correct; that I have been advised of my right to a hearing, that I have been advised of my right to be represented by counsel in this matter; that I voluntarily consent to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order; that I understand that the Director reserves the right to take further actions against me to enforce this Order or to take appropriate action upon discovery of other violations of the Insurance Code by me; and that I will fully comply with the terms and conditions stated herein.

I understand that this Order is a public document.

/s/ Kenneth C Scott
Kenneth C Scott

State of: Nevada

County of: USA

Signed or attested before me on this 11th day of October, 2022.

by Kenneth C Scott.

/s/ Blake R. Seebold
Notary Public

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