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

In the Matter of TOTAL AUTO PROTECT, LLC, Respondent.	Case No. INS-26-0003 ORDER TO CEASE AND DESIST AND ORDER ASSESSING CIVIL PENALTIES, ENTERED BY DEFAULT

On April 7,2026, the Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), by and through the Division of Financial Regulation ("Division"), and acting in accordance with Oregon Revised Statutes ("ORS") 646A.150, et. seq., and the administrative rules promulgated thereunder (hereinafter referred to as the "Oregon Service Contract Law"), ORS chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748, and 750 ("Insurance Code"), and the Oregon Administrative Rules ("OAR") promulgated under those laws, properly served notice (the "Notice") on Total Auto Protect, LLC ("Respondent") that the Director intended to assess civil penalties against Respondent for violating certain provisions of the Oregon Service Contract Law, Insurance Code, and the OARs promulgated under those laws.

The Notice offered Respondent an opportunity for a hearing if requested within 20 days. The Notice further informed Respondent that if a hearing was not conducted because Respondent did not timely request a hearing or otherwise defaulted, then the designated portion of the Director's file and all materials submitted by Respondent in this case would automatically become part of the contested case record for the purpose of proving a *prima facie* case.

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The Director did not receive a hearing request from Respondent and did not conduct a hearing.

The Director finds that the record of this proceeding proves a *prima* facie case.

The Director makes the following Findings of Fact, Conclusions of Law, Orders, and Notice of Right to Judicial Appeal.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent is a Florida limited liability company whose address is 3142 Timucua Circle, Orlando, FL 32837.

2. On or around June 4, 2024, Respondent entered into a "Vehicle Service Program" agreement ("Agreement") with an Oregon consumer related to a 2021 Aprilia Tuono 1100 Factory motorcycle to indemnify the repair, replacement, or maintenance of the motorcycle. Respondent was financially compensated for the agreement.

3. Respondent is both the seller and obligor of the Agreement.

4. The Agreement states that it is a Vehicle Service Contract and not an insurance policy.

5. Under the Agreement, Respondent was contractually obligated to refund the consumer the amount of the unused premium should the consumer sell the motorcycle.

6. The Agreement failed to include a statement of obligation should the obligor fail to perform under the contract.

7. The Agreement failed to identify Respondent as the obligor.

8. At no time has Respondent been registered in Oregon as a service contract obligor.

9. The consumer sold the motorcycle and requested a refund of the unused premium.

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10. Respondent failed to refund the consumer the amount of the unused premium and has not responded to their request.

CONCLUSIONS OF LAW

11. Pursuant to ORS 646A.154(1)(a), the Agreement is a "service contract".

12. Pursuant to ORS 646A.154(2), a service contract "obligor" is a person contractually obligated to the service contract holder to provide service under a service contract.

13. Because Respondent is obligated to provide service under the Agreement, Respondent is the "obligor" for the service contract under ORS 646A.154(2).

14. Pursuant to ORS 646A.154(3), all obligors of service contracts issued, sold, or covering property in Oregon shall file a registration with the Department of Consumer and Business Services.

15. By serving as obligor of the Agreement without being registered as an Oregon service contract obligor, Respondent violated ORS 646A.154(3).

16. Pursuant to ORS 646A.156(2), a service contract in Oregon must identify the obligor and the service contract seller.

17. By failing to identify the obligor in the Agreement, Respondent violated ORS 646A.156(2).

18. Pursuant to ORS 742.390(2)(b), a reimbursement insurance policy is a policy of insurance that provides reimbursement coverage for all obligations and liabilities under the terms of the service contract issued by the obligor including claims against the obligor for the return of the unearned purchase price of the service contract.

19. Because the Agreement provides reimbursement coverage for obligations and liabilities under the terms of the service contract issued by the obligor including the unearned purchase price of the contract, the Agreement is a reimbursement insurance policy under ORS 742.390(2)(b).

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20. Pursuant to ORS 742.390(1), a reimbursement insurance policy must include a statement of obligation. The statement must state that, upon failure of the obligor to perform under the contract, the insurer that issued the policy shall pay on behalf of the obligor any sums the obligor is legally obligated to pay or shall provide the service that the obligor is legally required to perform.

21. By failing to include the statement of obligation on the service contract, Respondent violated ORS 742.390(1).

22. Pursuant to ORS 646A.162(5), the Director may issue an order to Respondent to cease and desist because the Director has reason to believe that Respondent has been engaged, is engaging, or is about to engage in violations of ORS 646A.154 and ORS 646A.156.

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

24. Pursuant to ORS 646A.162(6), the Director may impose a civil penalty of up to $10,000 *per violation* upon any person who violates ORS 646A.154 or ORS 646A.156.[1]

25. Pursuant to ORS 731.988(1), the Director may assess a civil penalty against Respondent of up to $1,000 per violation of the Insurance Code.

ORDERS

The Director issues the following ORDERS:

26. As authorized by ORS 646A.162(5) and ORS 731.252(1), the Director hereby ORDERS Respondent to CEASE AND DESIST from violating ORS 646A.154(3), ORS 646A.156(2), and ORS 742.390(1).

[1] ORS 646A.162(6) authorizes a maximum of $2,000 for the first violation, $5,000 for the second violation, and $10,000 for any subsequent violations.

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27. As authorized by ORS 646A.162(6) and ORS731.988(1), the Director hereby ORDERS that Respondent be subject to a CIVIL PENALTY of $5,000 as follows:

A. $2,000 for violating ORS 646A.154(3);

B. $2,000 for violating ORS 646.156(2); and

C. $1,000 for violating ORS 742.390(1).

FINAL ORDER

28. 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 5th day of May, 2026.

Sean E. O'Day, Director
Department of Consumer and Business Services

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

NOTICE OF RIGHT TO JUDICIAL APPEAL

You are entitled to judicial review of this order in accordance with ORS 183.482. You may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date this order is served.

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