BEFORE THE INSURANCE COMMISSIONER
STATE OF OKLAHOMA

STATE OF OKLAHOMA, ***ex rel.***	)	
KIM HOLLAND, Insurance Commissioner,	)	
	)	
Petitioner,	)	
	)	
vs.	)	Case No. 10-0423-DIS
	)	
MONICA SANTALLA, a licensed producer,	)	
	)	
Respondents.	)	

CONSENT ORDER

The State of Oklahoma, *ex rel.* Kim Holland. Insurance Commissioner (the "Insurance Commissioner" or "Petitioner"), and Monica Santalla agree to the entry of this Consent Order and jointly state as follows:

JURISDICTION

1. The Insurance Commissioner has jurisdiction over this matter pursuant to Article VI, § 22 of the Oklahoma Constitution and the Oklahoma Producer Licensing Act, 36 O.S. § 1435.1 – 1435.40.

2. Monica Santalla is a licensed producer in Oklahoma. Her producer license number is 40022288.

STIPULATION OF FACTS

3. Respondent has been apprised of her rights, including the right to a public hearing, and has knowingly and freely waived these rights, and enters into this Consent Order as a voluntary settlement to the issues and questions raised in the above captioned case.

4. Respondent acknowledges that she has the right to any attorney and that she has had the opportunity to consult with an attorney before executing this Consent Order.

FINDINGS OF FACT

5. Santalla was employed by Maximus Management as its Director of Operations. Upon information and belief, Santalla was also employed by Eagle Insurance Agency, an Oklahoma insurance business owned by Jerry Lancaster.

6. While employed at Maximus, Santalla assisted her employer – Deborah Scott – in becoming licensed without taking the required examination.

7. On September 5, 2007, Respondent was copied on an e-mail detailing a scheme to obtain Deborah Scott – Respondent's employer – a license without her being required to take the required examination. That e-mail provides in pertinent part:

> Yes Deborah, that is correct that the application was/is being fast tracked. Keep in mind our idea of "fast track" and a state employee is mostly different. On top of that, since they are doing a favor for us, I am trying not to push them too hard. More importantly, we are trying to get the license without having to take the examination. Jerry [Lancaster] wanted you to get

> individual license so that it could go with you in the future...Jerry's directive to me was always to get you licensed as an agent individually and try to do it without an examination...Bob.

8. Thomas – a former Department attorney representing its Agents' Licensing Division – knew that to obtain a producer license, Scott would be required to submit to and pass a written examination.

9. The Department's records do not reflect that Scott ever took the statutorily required examination to become a licensed insurance producer in Oklahoma.

10. On September 13, 2007, an Oklahoma license producer number was assigned to Scott.

11. On October 17, 2007, Santalla applied for an Oklahoma resident producer license.

12. Santalla passed the statutorily required examination on December 4, 2007, and received an Oklahoma producer license the following day. Id.

13. Thus, Santalla knew that an examination was required to become a licensed producer and that Scott had been licensed without submitting to the exam.

14. On February 16, 2010, an Emergency Order of Suspension. Order to Show Cause, and Notice of Hearing was issued suspending Scott's license.

15. In connection with that hearing. on February 25, 2010, Petitioner issued a Subpoena to Santalla ordering her to appear at a March 3, 2010, hearing to testify regarding her conduct in the obtaining Scott a license.

16. Santalla received that Subpoena on February 26, 2010.

17. On March 3, 2010, at the Scott hearing. Santalla did not appear when called to testify.

CONCLUSIONS OF LAW

18. Under 36 O.S. § 1435.13, the Insurance Commissioner may suspend or revoke a producer license if the licensee:

a. Violates any insurance laws, or any regulation, subpoena or order of the Insurance Commissioner or of another state's Insurance Commissioner; and

b. Uses fraudulent, coercive, or dishonest practices. or demonstrates incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere.

19. Santalla knew or should have known that Scott's license was procured in violation of Oklahoma law. Therefore, Santalla violated 36 O.S. § 1435.13(2).

20. Santalla failed to report Scott to the Oklahoma Insurance Department.

21. Santalla assisted Scott in procuring a license using fraud or other misrepresentations. As such, Santalla violated 36 O.S. § 1435.13(3).

22. Santalla's conduct shows that she used fraud. coercion, and dishonest practices in the conduct of business.

23. Santalla's use of fraud, misrepresentation, coercion, and dishonest practices demonstrate her untrustworthiness in the conduct of business in this state. Therefore. Santalla violated 36 O.S. § 1435.13(8).

24. Santalla failed to appear or respond when she was subpoenaed to do so. As such, her conduct violates 36 O.S. § 1435.13(2).

ORDER AND CONSENT

IT IS THEREFORE ORDERED by the Insurance Commissioner and CONSENTED by Respondent:

1. Respondent violated 36 O.S. § 109 and 36 O.S. §§ 1435.13(2), (3), and (8) and that Respondent's Oklahoma Insurance Producer License (No. 40022288) shall be **SUSPENDED** for one (1) year beginning May 11, 2010.

2. Respondent is hereby **FINED** in the amount of Two Thousand Five Hundred Dollars ($2,500). This amount must be paid within 60 days of this Order. In the event Respondent fails to pay the fine within this time period, Respondent hereby agrees and acknowledges that the suspension shall automatically become a revocation.

3. During her suspension, Respondent shall maintain all continuing education requirements. Any continuing education requirements should focus on ethics in the business of insurance.

4. Respondent agrees to cooperate with any and all local, state, or federal agencies regarding any matter to which she has knowledge. Respondent acknowledges that her failure to cooperate may result in a violation of this Order.

5. Respondent agrees to comply with Oklahoma law and report any fraud or other violations of law of which she has knowledge.

WITNESS My Hand and Official Seal this 26 day of May 2010.

KIM HOLLAND
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

APPROVED:

Monica Santalla

Caleb J. Muckala
Attorney for the Oklahoma Insurance Department

CERTIFICATE OF MAILING

On this 27 of May 2010, a true and correct copy of the above and foregoing Consent Order was mailed, via certified mail, to:

Monica Santalla
[redacted]

Caleb J. Muckala