

Winter-Spring 2024

Taking Action



To protect consumers and promote a healthy business climate

Taking Action is a quarterly publication of the Oregon Division of Financial Regulation (DFR) and includes summaries of the final orders issued by the division. Below are orders issued from the first two quarters of 2024.

Insurance



- **Esurance Insurance Services, Inc.,** [INS-24-0023](#) – DFR issued a cease-and-desist order against Esurance for failing to provide timely responses to claim-related communications, failing to timely complete investigations, failing to provide members with timely claim-related notifications, and failing to provide total loss notices to members when required. In addition to the cease-and-desist, DFR fined Esurance \$150,000 and will require Esurance to report claim-related data to DFR pursuant to periodic audits over the next two years.
- **AmShield Insurance Company,** [INS-24-0010](#) – DFR issued a cease-and-desist order and fined AmShield Insurance Company \$100,000 for failing to send claimants the required Oregon total loss notices for cash settlements, provide the valuation reports it used to determine the cash settlement amounts, and pay all applicable taxes and fees incident to the transfer of ownership on total loss claims. As a result of DFR’s investigation, AmShield reimbursed the claimants those taxes and fees plus interest.
- **Artisan and Truckers Casualty Company,** [INS-23-0043](#) – DFR issued a cease-and-desist order and fined Artisan and Truckers Casualty Company \$35,000 for failing to pay all applicable taxes and fees incident to the transfer of ownership on 31 total loss claims. As the result of DFR’s investigation, Artisan reimbursed the claimants those taxes and fees plus interest, and created a corrective action plan to prevent future deficiencies.
- **California Casualty General Insurance Company of Oregon,** [INS-24-0011](#) – DFR issued a cease-and-desist order and fined California Casualty General Insurance Company of Oregon \$40,000 for failing to send claimants the required Oregon total loss notices for cash settlements and failing to pay all applicable taxes and fees incident to the transfer of ownership on total loss claims. As a result of DFR’s investigation, California Casualty reimbursed the claimants those taxes and fees plus interest.
- **State Farm Mutual Automobile Insurance Company,** [INS-23-0078](#) – DFR issued a cease-and-desist order and fined State Farm \$200,000 for failing to send a required notice to 241,525 consumers purchasing new automobile policies between 2017 and 2023. The notice would have informed customers of their right to request a reate of their policy annually, which may result in a lower rate if their credit history or the credit factors used in their credit-based insurance score had improved. State Farm failed to send this notice due to a system error, and self-reported the same to DFR upon discovering the error. State Farm corrected this system error and agreed to send a new notification to all impacted consumers who remain customers of the company.

- **PEMCO Mutual Insurance Company, INS-23-0050** – DFR issued a cease-and-desist order and fined PEMCO Mutual Insurance Company \$20,000 for failing to send Oregon insureds and third-party owners the required Oregon total loss notice for cash settlements and the valuation reports it used to determine the cash settlement amounts.
- **Sovereign Nations Insurance, LLC, INS-23-0077** – DFR issued a cease-and-desist order against Sovereign Nations Insurance for underwriting health insurance policies without a certificate of authority. In addition to the cease-and-desist, Sovereign Nations Insurance agreed not to re-enter Oregon’s insurance market and/or transact any future insurance business in Oregon.
- **Seguro Medico LLC, dba Quick Health, and Arthur Walsh, INS-22-0097** – DFR issued a cease-and-desist order and fined Seguro Medico LLC, doing business as Quick Health, and Arthur Walsh \$100,000 for failing to adequately take their clients’ insurance needs into account and/or inform them of the policies for which they applied, delivering excessive and inaccurate messages to clients, utilizing sales scripts containing false information, using Walsh’s unique credentials to submit insurance applications for other producers, submitting applications under a producer’s license after he resigned from the company, and failing to report other states actions. In addition to the cease-and-desist, Seguro and Walsh voluntarily surrendered their Oregon licenses and agreed to permanently refrain from seeking re-licensure in Oregon.
- **Romy D. Hayden, INS-24-0018** – DFR issued a cease-and-desist order and fined Romy Hayden \$20,000 for creating a fake insurance business, soliciting insurance business without a license, and making false statements related to the sale of insurance. In addition to the cease-and-desist and fine, Hayden agreed not to seek employment with a regulated entity or person, and agreed not to applying for any license or registration that falls under the jurisdiction of DFR. Hayden was arrested, charged with, and plead guilty to identity theft, forgery, and theft of services in connection with her fraudulent insurance business.
- **Daisy J. Amerson, INS-23-0073** - DFR issued a cease-and-desist order and revoked the resident insurance producer license of Daisy J. Amerson. Amerson redirected premium payments from insurers that should have gone to her employer to her own personal bank account. In addition, Amerson forged the signature of her former employer onto a letter seeking to have an insurer release the former employer’s book of business to Amerson, and failed to notify DFR when she was criminally prosecuted for these actions. Amerson was charged with aggravated theft in the first degree, a felony. In addition to the cease-and-desist and license revocation, DFR fined Amerson \$14,000.
- **Ove S. Arvidson and Ove Arvidson, Inc., dba Skandia Northwest Insurance, INS-23-0065** – DFR issued a cease-and-desist order and revoked the resident insurance producer license of Ove S. Arvidson. Arvidson contracted to act as a middle-man in a transaction between his client, an insurer, and a premium finance company. Over the course of this transaction, Arvidson misappropriated funds from both his client and the premium finance company, which he commingled with his own personal assets and used for personal expenses. In addition to the cease-and-desist order and revocation of Arvidson’s license, DFR revoked the Oregon resident business entity producer license of Ove Arvidson, Inc., doing business as Skandia Northwest Insurance, and fined Arvidson \$60,000, but agreed to suspend collection of the fine if Arvidson repays the \$21,103.30 in misappropriated premiums within 60 days of the order.
- **Ryan Lorsch and Protegrity, LLC, INS-23-0032** – DFR issued a cease-and-desist order and placed Ryan Lorsch and Protegrity, LLC’s nonresident insurance producer licenses on probation for one year for allowing unlicensed insurance activity in Oregon and demonstrating incompetence



in conducting its insurance business. An unlicensed employee of Protegrity was intentionally misrepresenting the insurance scores on consumer applications in order to obtain a better rate for the customers, with Barnes and Protegrity failing to detect or prevent this misconduct from occurring. In addition to the license suspension, DFR fined Lorsch and Protegrity \$16,000.

- **Joshua Moses Bekhor and Immediate Insurance Services, [INS-23-0055](#)** – DFR issued a cease-and-desist order against Joshua Moses Bekhor and his company, Immediate Insurance Services, for unlicensed insurance producer activity; use of a device, scheme, or artifice to defraud; obtaining money or property through misrepresentation; and misappropriating insurance premiums. Bekhor has never been licensed as an insurance producer in Oregon. Nevertheless, he purported to bind insurance policies for two Oregon businesses through an online portal. In actuality, Bekhor acquired far cheaper (and less comprehensive) coverage than promised and appropriated the premiums for his own use. In addition to the cease-and-desist, DFR fined Bekhor and his company \$8,000.
- **Douglas A. Eze, [INS-24-0038](#)** – DFR issued a cease-and-desist order and suspended the nonresident insurance producer license of Douglas A. Eze for failing to timely report a criminal case against him. Eze was charged

in the U.S. District Court for the District of Maryland with one count of making a false statement in a passport application, two counts of false swearing in an immigration matter, four counts of aggravated identity theft, and two counts of use of a passport secured by a false statement.. Eze’s Oregon insurance producer will remain suspended until a verdict is entered in the criminal case against him and all opportunities to appeal said verdict have been exhausted.

- **Katherine F. Benedict, [INS-24-0017](#)**– DFR issued a cease-and-desist order against Katherine F. Benedict for intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance and altering the language of multiple Certificate of Insurance without notifying the underwriter or carrier, or obtaining approval to do so. DFR allowed Benedict to voluntarily surrender her resident insurance producer license in lieu of a revocation and prohibits her from reapplying for a license in Oregon indefinitely.
- **Kayla Thomas, [INS-23-0059](#)** - DFR issued a cease-and-desist order and revoked the nonresident insurance producer license of Arizona-based insurance producer Kayla Thomas. Thomas was employed by Atrio Health Plans as a sales representative. In that capacity, Thomas altered several applications for Atrio’s Medicare Advantage plan so that she

could benefit from an incentive program that Atrio offered to its sales staff. In addition to the cease-and-desist and license revocation, DFR fined Thomas \$5,000.

- **Richard J. Sweet, [INS-24-0031](#)** - DFR issued an order suspending the resident insurance producer license of Richard J. Sweet for failure to pay child support in an arrears amount equal to the greater of three months of support or \$2,500, and for failing to enter into an agreement with the Oregon Child Support Program. After DFR suspended his license, Sweet got back into compliance and DFR reinstated his license.
- **Cole A. Jannusch and Cole Jannusch Insurance Agency LLC, [INS-23-0079](#)** – DFR issued a cease-and-desist order and fined Cole A. Jannusch and Cole Jannusch Insurance Agency \$1,000 for issuing and sending the Department of Environmental Quality a Certificate of Insurance for a canceled insurance policy without first confirming whether the policy was still in force, a bind was requested, or a premium payment had been received.
- **Lauren E. Woodbrook, [INS-23-0012](#)** – DFR issued a cease-and-desist order and denied the application of Lauren E. Woodbrook for an Oregon resident insurance producer license. On her application, Woodbrook failed to disclose the suspension of her insurance producer license in Louisiana, where she had previously worked in the insurance industry. DFR discovered the Louisiana suspension in the course of completing Woodbrook’s background check. In addition to the cease-and-desist and the license denial, Woodbrook was fined \$500.
- **Deno C. Malachias, [INS-23-0075](#)** – DFR issued a cease-and-desist order against Deno C. Malachias and allowed him to withdraw his nonresident insurance producer application for failing to provide all required documentation and a letter of explanation concerning his past felony and misdemeanor convictions.
- **Diversified Benefit Administrators, Inc., [INS-24-0013](#)** - DFR issued a cease-and-desist order against Diversified Benefit Administrators for failing to timely file the 2022 annual report required of third party administrator licensees. This was the second time Diversified Benefit Administrators had failed to timely file this report. DFR previously issued an order against the company for similar violations in 2023. See [INS-22-0078](#). DFR reinstated the \$1,000 fine it had suspended under that order, and assessed an additional \$2,000 fine for the new violation. DFR’s order also allowed Diversified Benefit Administrators to surrender its third party administrator license in Oregon, and prohibits the company or its successors from reapplying for an Oregon third party administrator license for three years from the date of the new order.
- **CHCS Services Inc., [INS-23-0069](#)** – DFR issued a cease-and-desist order against CHCS Services Inc. for failing to timely file the 2022 annual report required of third party administrator licensees. This was the second time CHCS had failed to timely file this report. DFR had previously issued an order against the company for similar violations in 2021. See [INS-22-0064](#). DFR reinstated the \$500 fine it had suspended under that order, and assessed an additional \$5,000 fine for the new violation.
- **Advisors LLC, [INS-24-0012](#)** - DFR issued a cease-and-desist order and revoked the third party administrator license of Advisors LLC for failing to timely file the 2022 annual report required of all third party administrator licensees. In addition to the license revocation, DFR fined the company \$1,000 for its filing violation.
- **isolved, Inc., fka Infnisource, Inc., [INS-23-0070](#)** – DFR issued a cease-and-desist order and fined isolved, Inc., fka Infnisource, Inc., \$1,000 for failing to timely file the 2022 annual report required of all third- party administrator licensees.
- **Marpai Administrators LLC, [INS-23-0071](#)** – DFR issued a cease-and-desist order and fined Marpai Administrators \$1,000 for failing to timely file the 2022 annual report required of all third-party administrator licensees.

Mortgage

- **Jason A. Gallegos, M-24-0016** – DFR issued an order granting a conditional mortgage loan originator license to Jason A. Gallegos as the result of a prior conviction related to dishonesty and breach of trust. The conditional license places restrictions upon Gallegos’s ability to access certain databases that are not generally available to the public, and requires certain disclosures to Gallegos’s employers. These conditions will remain in place for a minimum of five years.
- **Kelly Mortgage, Inc. and Tracy Kelly, M-23-0049** – DFR issued a cease-and-desist order and fined Kelly Mortgage, Inc. \$10,000 for failing to diligently supervise its staff and for demonstrating negligence or incompetence in preparing a borrower’s loan file. DFR’s cease-and-desist order also named Tracy Kelly, and she was fined \$5,000 for allowing unlicensed individuals to engage in loan origination activity.



Non-depository programs



for unlicensed money transmitter activities. Between 2017 and 2022, EPPS entered into agreements with approximately 208 Oregon consumers, wherein EPPS transmitted funds between the consumers, their creditors, and debt management service providers without being licensed to make such transfers. As a result of the division's investigation and enforcement action, EPPS agreed to make full refunds to all impacted Oregon consumers within 90 days from the date of the order. In addition, the division fined EPPS \$100,000.

- **BAM Trading Services, Inc. dba Binance.US, MT-24-0026** – DFR issued a cease-and-desist order and revoked the money transmission license of the cryptocurrency exchange BAM Trading Services, Inc., doing business as Binance.US. The revocation resulted from Binance.US's majority beneficial owner and control person, Changpeng Zhao, pleading guilty to felony charges stemming from his willful violations of U.S. anti-money laundering and sanctions law.
- **Sigue Corporation, MT-24-0029** – DFR entered into a multi-state settlement agreement with money transmitter licensee Sigue Corporation, which has ceased operations nationwide as a result of its deteriorating financial condition in early 2024. Under the agreement, Sigue voluntarily surrendered its money transmitter license and will cease and desist from all money transmission activity in Oregon and every other participating state. The agreement provides a process for affected Oregon consumers to file a bond claim to recover any funds owed to the consumers from outstanding transmissions, or for the division to file such claims on behalf of affected Oregon consumers.
- **EPPS, LLC, MT-21-0023** – DFR issued a cease-and-desist order against EPPS, LLC
- **CoinX, Inc., MT-23-0061** – DFR issued a cease-and-desist order and suspended the money transmitter license of CoinX, Inc. for failing to maintain its surety bond, which is a requirement of licensure.
- **Consumer Law Relief, LLC dba Helbing Law Group, LLC, and Erik M. Helbing, DM-23-0021** – DFR issued a cease-and-desist order and fined Helbing Law Group and Erik M. Helbing \$537,000 for performing unregistered debt management services in Oregon. Between 2019 and 2021, Helbing offered or provided debt management services to at least 97 Oregon consumers without being registered, and charged 79 of those consumers excessive fees in the total amount of more than \$460,000. As a result of DFR's investigation and enforcement action, Helbing voluntarily made approximately \$80,000 in refunds and agreed to provide approximately \$215,000 in additional refunds to Oregon consumers.
- **Student Processing Center LLC, et al, DM-24-0024** - DFR issued an cease-and-desist order and fined Student Processing Center LLC, aka Student Processing Center, aka Stu Processing aka, STU Processing Center LLC, aka Credit Repair Pros LLC, aka Prime Processing Center LLC \$150,000 for violations of the Oregon debt management service provider law. Student Processing Center operated a fraudulent scheme using fake websites,

which resembled legitimate student loan servicer websites, to induce borrowers to make payments to entities that did not exist in exchange for false promises of student debt forgiveness.

- **Fed Help, LLC, DM-24-0019** - DFR issued a cease-and-desist order and fined Fed Help, LLC \$10,000 for performing unregistered debt management services in Oregon, failing to provide the required disclosures, and charging excessive fees. Fed Help purported to be a student loan document preparation company, but did not provide the services promised to an Oregon consumer in exchange for payments to the company.
- **Tony Diab, DM-23-0062** – DFR issued a cease-and-desist order and fined Tony Diab \$80,000 for multiple violations of Oregon’s laws applicable to debt management service providers. These violations affected at least four Oregon consumers, and included Diab’s failure to register the entity that he controlled – The Litigation Practice Group, P.C. – with DFR, failing to perform a budget analysis for these consumers, charging an excessive initial fee for services, and charging an excessive monthly fee for services.
- **Clear Sky Financial, LLC, DM-23-0052** – DFR issued a cease-and-desist order and fined Clear Sky Financial, LLC \$20,000 for performing unregistered debt management services in Oregon, charging excessive fees, and failing to make required disclosures. Clear Sky Financial purported to specialize in debt relief services, specifically in assistance for eliminating credit card debt.
- **J.C. Park Company aka J & J Market, CC-24-0015** - DFR denied the check-cashing business license application of J.C. Park Company, also known as J & J Market, after determining that the company was not financially responsible and lacked good character and/or reputation. These findings were based on the USDA’s determination that

the company engaged in the trafficking of benefits provided through the Supplemental Nutrition Assistance Program (“SNAP”) and, in response to the allegations, a finding that the defenses and documentation submitted by the company lacked credibility. DFR also found that the company was not generally fit to conduct a check-cashing business in the public interest and in accordance with law.

- **Aaronson Schwartz & Associates LLC, CA-24-0032** - DFR issued a cease-and-desist order and fined Aaronson Schwartz & Associates \$400 for unregistered collections agency activities. Aaronson Schwartz & Associates contacted an Oregon consumer and threatened to sue him for allegedly defrauding a financial institution. When the consumer requested validation of his debt, Aaronson Schwartz never responded.
- **Accounts Interchange Group, LLC, CA-23-0027** – DFR issued a cease-and-desist order and fined Accounts Interchange Group, LLC \$50,400 for unregistered collections agency activities. Between 2019 and 2022, Accounts Interchange Group carried out collections agency activities in Oregon for over 3,800 accounts, successfully collecting against 51 Oregon consumers in total amounts exceeding \$35,000. As a result of DFR’s investigation and enforcement action, Accounts Interchange Group became registered as a collections agency with DFR. In addition to the cease-and-desist, DFR’s order requires Accounts Interchange Group to refund all of the amounts collected from Oregon consumers within 60 days from the date of the order, and to consider the debts underlying such amounts satisfied.
- **Account Control Systems, Inc., CA-24-0014** – DFR issued a cease-and-desist order and revoked the collection agency license of Account Control Systems, Inc. for failing to maintain its surety bond, which is a requirement of licensure.

Securities

- **Raymond James & Associates, Inc. and Raymond James Financial Services, Inc., S-23-0045** – DFR issued a cease-and-desist order and fined Raymond James & Associates, Inc. and Raymond James Financial Services, Inc. \$67,500 for failure to supervise the securities activities of all its associated persons. Raymond James also paid \$7,500 for the DCBS Consumer Financial Education Account. A multi-state investigation coordinated by the North American Securities Administrators Association (NASAA) found Raymond James had charged unreasonable commissions on low-principal amount equity transactions. Between July 2018 and 2023, there were more than 2,500 transactions with Oregon customers that resulted in unreasonable commissions totaling more than \$96,000. DFR's order requires Raymond James to pay restitution and interest to affected Oregon customers. The order also requires Raymond James to change and enhance their policies and procedures to ensure that all commissions are fair and reasonable.
- **TradeStation Crypto, Inc., S-23-0080** – DFR issued a cease-and-desist order and fined TradeStation \$29,411.76 for offering and selling securities in violation of the Oregon Securities Law. TradeStation is a platform that holds digital asset trading accounts for its clients, and for a period of time those accounts had a feature that accrued and paid interest to customers on certain digital asset balances. Such interest payments constitute securities in Oregon and should have been registered or exempt from registration. DFR's order stems from a multi-state investigation coordinated by NASAA, which resulted in a \$1.5 million settlement and an agreement to cease offering the foregoing interest payments without being registered or exempt from registration.
- **Bill John Grigorieff, dba Wealth Planning Group, S-20-0056** – DFR issued a cease-and-desist order and revoked the resident insurance producer license of Bill John Grigorieff, doing business as Wealth Planning Group, for selling unregistered securities without a license, acting as a state investment adviser without a license, and engaging in fraudulent or dishonest business practices. Grigorieff led his clients to believe that he was licensed to sell securities and provide investment advice in Oregon, when he was only licensed to sell life and health insurance products. Grigorieff sold his clients high risk alternative investment products, such as Global Capital, Woodbridge, and Conestoga Settlement Trust securities, which were also not in compliance with state securities laws, including registration violations and fraud. In addition to the license revocation, DFR fined Grigorieff \$130,000.
- **True Bullion, LLC, dba Gold Silver International Exchange, dba GSI Exchange, and Anthony Allen Anderson, S-23-0058** – DFR issued an order against True Bullion and Anthony Anderson for violations of the Oregon Securities Law in connection with the offer and sale of precious metals to Oregonians without being registered as a broker-dealer or investment advisor, and making misrepresentations about the sale of such precious metal. True Bullion and Anderson failed to disclose the risks of those investments and the amount of mark-up or spread that the investors were charged. The order requires the company to offer refunds to investors in exchange for returning the purchased metals, effectively unwinding those transactions. DFR's order stems from a multi-state investigation coordinated by NASAA.
- **My Private Bullion and Alex Viera, S-23-0039 and S-23-0039** - DFR issued an order to cease-and-desist and fined Alex Viera and his alter ego, My Private Bullion, \$40,000 for violations of the Oregon Securities Law and the Oregon Commodities Law. My Private Bullion and Viera were providing unregistered securities and unlicensed investment advice related to the purchase of gold and silver bullion, and refused to return an Oregon consumer's money following the purchase of \$20,000 in gold bullion that was never delivered.
- **Sovereign Legacy Securities, Inc., S-23-0041** – DFR issued a cease-and-desist order and fined Sovereign Legacy Securities, Inc. \$5,000 for transacting business as a broker-dealer without the required Oregon license and employing an unlicensed salesperson. Sovereign Legacy, which is headquartered in North Carolina, effected transactions in securities for the account of one Oregon resident and employed an unlicensed salesperson to act in Oregon. Sovereign Legacy and the salesperson became licensed in Oregon before the division issued the order.
- **Daryl W. Sutton dba The Blon Project, LLC, S-23-0001** – DFR reinstated \$80,000 in fines assessed against Daryl W. Sutton dba The Blon Project in a previous enforcement action (see S-19-0099) because Sutton failed to pay restitution required under the terms of the order resolving that action.