

Fall 2020

Taking Action



To protect consumers and promote a healthy business climate

Insurance



- **Allstate Insurance Company, [INS-20-0064](#)**
– The division issued a cease-and-desist order and fined Allstate Insurance Company \$50,000 for violating the director’s March 25 emergency order, which stated that, due to the COVID-19 pandemic, insurers must suspend all cancellations and nonrenewals for all active insurance policies until the emergency order is no longer in effect. Allstate canceled or nonrenewed 84 insurance policies from March 25 to May 23 for nonpayment of premiums, but offered to reinstate all canceled policies as a result of the division’s action.
- **Root Insurance Company, [INS-20-0076](#)** –
The division issued a cease-and-desist order and fined Root Insurance Company \$50,000. From Feb. 8, 2018, through Jan. 15, 2020, Root issued 8,433 motor vehicle liability policies, including renewals, to 5,899 Oregon consumers without uninsured motorist coverage and underinsurance coverage. As the result of the division’s action, Root Insurance will be making restitution to the affected Oregon consumers.
- **United States Fire Insurance Company and Travel Insured International, Inc., [INS-20-0008](#)** – The division issued a cease-and-desist order and fined United States Fire \$10,000 for failing to respond to inquiries from the director. Travel Insured International, as the claims administrator for United States Fire, was also ordered to cease-and-desist and fined \$5,000 for its failure to respond to the inquiries. Additionally, both companies were fined \$40,000 jointly and severally for failures to communicate claims information to their insureds.
- **Nicole Davenport and NDavenport, LLC, [INS-20-0046](#)** – The division issued a cease-and-desist order and revoked the nonresident insurance producer license of Nicole Davenport and NDavenport, LLC for failing to inform the division of an administrative action wherein Washington revoked their licenses for enrolling 229 people in Medicare plans without their knowledge or consent.
- **Lilya N. Grinevich and Grinevich, LLC, [INS-20-0045](#)** – The division issued a cease-and-desist order and revoked the nonresident insurance producer license of Lilya N. Grinevich and Grinevich, LLC for failing to inform the division of an administrative action wherein Washington revoked their licenses for enrolling 209 people in Medicare plans without their knowledge or consent.
- **Brian E. Tingle, [INS-20-0024](#)** – The division issued a cease-and-desist order and suspended the insurance producer license of Brian E. Tingle for one year for a number of violations relating to the surrender of an annuity product. Tingle’s suspension will be followed by a period of probation for three years. The division also fined Tingle \$7,000.
- **Eric F. Zarate, [INS-20-0035](#)** – The division issued a cease-and-desist order and fined Eric F. Zarate \$300 for failing to timely pay the licensing fee for his insurance producer license.
- **Brent Mann, [INS-20-0026](#)** – The division issued a cease-and-desist order, revoked the nonresident insurance producer license of Brent Mann, and

denied his renewal application for failing to inform the division of an administrative action wherein Mann's home state of Washington revoked his license for the same offense.

- **Selective Insurance Company of America, [INS-20-0072](#)** – The division issued a cease-and-desist order and fined Selective Insurance Company of America \$10,000 for failing to timely submit its Special Oregon Schedule P filing to the division. Workers' compensation insurers are required to file a Special Oregon Schedule P by March 1 each year.
- **Falls Lake National Insurance Company, [INS-20-0069](#)** – The division issued a cease-and-desist order and fined Falls Lake National Insurance Company \$3,500 for failing to timely submit its Special Oregon Schedule P filing to the division by the March 1 deadline.
- **Markel Global Reinsurance Company, [INS-20-0068](#)** – The division issued a cease-and-desist order and fined Markel Global Insurance \$8,500 for failing to timely submit its Special Oregon Schedule P filing to the division by the March 1 deadline.
- **Proselect Insurance Company, [INS-20-0074](#)** – The division issued a cease-and-desist order and fined Proselect Insurance Company \$8,500 for failing to timely submit its Special Oregon Schedule P filing to the division by the March 1 deadline.
- **Sequoia Insurance Company, [INS-20-0073](#)** – The division issued a cease-and-desist order and fined Sequoia Insurance Company \$10,000 for failing to timely submit its Special Oregon Schedule P filing to the division by the March 1 deadline.
- **Cerity Insurance Company, [INS-20-0066](#)** – The division issued a cease-and-desist order and fined Cerity Insurance Company \$1,500 for failing to timely submit its Special Oregon Schedule P filing to the division by the March 1 deadline.
- **Firstsource Transaction Solutions, LLC, [INS-20-0017](#)** – The division issued a cease-and-desist order against Firstsource Transaction Solutions and fined the company \$600 for failing to file certain required annual third-party administrator reports with the division by the March 1 deadline.



Securities



- **Nadesh E. Tanyi, S-19-0111** – The division issued a cease-and-desist order and fined Nadesh E. Tanyi \$20,000 for acting as a salesperson without being licensed, engaging in an act that operates as a fraud or deceit, and participating or materially aiding in the unlawful sale of securities. Tanyi allowed a business that fraudulently sold cryptocurrency online to use her bank account to funnel money from investors to the fraudulent business.
- **George C. Merhoff, S-20-0028** – The division issued a cease-and-desist order and fined George C. Merhoff \$55,000 for breaching his fiduciary duty by engaging in dishonest, fraudulent, or unethical business practices. Merhoff borrowed or loaned money to some clients and made undisclosed installment payments to others. The division previously disciplined Merhoff for negligently failing to ensure his clients understood their investments. Merhoff is permanently barred from the securities industry in Oregon, including the use of any otherwise-available license or registrations exemptions under the Oregon securities law.
- **Bullbear Investment Management, LLC and Ronald Theda, S-20-0025** – The division issued a cease-and-desist order and fined Bullbear Investment Management, LLC and Ronald Theda \$2,000 for books and records violations. Theda and Bullbear are also required to retain an independent, third-party compliance consultant to conduct a comprehensive review of the firm’s operations, policies, procedures, and practices relating to compliance with the books and records requirements of the Oregon securities law.

Mortgage and nondepository programs



- **Uptown Commercial Capital, M-20-0040** – The division issued a cease-and-desist order and fined Uptown Commercial Capital \$5,000 for unlicensed mortgage broker activity. In 2019, Uptown which is purportedly based in New York, offered residential mortgage loans, including fix-and-flip loans and hard-money loans, through advertising on Craigslist for Portland and Multnomah County, Facebook, and Uptown’s website.
- **Total Financial Freedom LLC, DM-20-0052** – The division issued a cease-and-desist order and fined Total Financial Freedom LLC \$36,000 for performing unregistered debt management activities and charging excessive fees. As a result of the division’s investigation and enforcement action, Total Financial Freedom agreed to make full restitution of almost \$30,000 to its Oregon clients.
- **Fresh Start Credit Services, LLC, DM-20-0078** – The division issued a cease-and-desist order and fined Fresh Start Credit Services \$12,500 for performing unregistered debt management services and charging excessive fees. As a result of the division’s investigation and enforcement action, Fresh Start Credit Services agreed to make full restitution of more than \$5,000 to its Oregon clients.
- **CSL Financial LLC, Jason Lesner, and Chad Berke, DM-20-0010** – The division issued a cease-and-desist order and fined CSL Financial LLC, Jason Lesner and Chad Berke \$25,000 for performing unregistered debt management activities, charging excessive fees, making misleading and untrue statements, entering into a deficient debt management agreement, and failing to provide all required disclosures to consumers. CSL Financial, Lesner, and Berke are permanently barred from conducting debt management service activity in Oregon.
- **Timothy Shawn Reid, and Senior Move Management LLC, MSD-20-0043** – The division issued a cease-and-desist order and fined Timothy Shawn Reid and Senior Move Management LLC \$5,000 for offering to sell a manufactured structure without a license.

