

Winter 2021

Taking Action



To protect consumers and promote a healthy business climate

Insurance



- **The Alera Companies, Inc., fka Alera Healthcare, Inc., [INS-19-0109](#)** – The division issued a final order and fined Alera Healthcare \$90,000 for selling insurance to Oregon consumers without a certificate of authority, acting as an unlicensed third-party administrator, and misrepresenting its purported health care sharing ministry products as health insurance. As a result of the division's action, Alera surrendered its Oregon insurance producer license and agreed to exit the Oregon market by June 1, 2021. Alera and its successors, assigns, and affiliates are prohibited from offering or selling any products or services to Oregon consumers for five years following entry of the order.
- **Trinity Healthshare, Inc., [INS-19-0109](#)** – The division issued a final order and fined Trinity Healthcare \$60,000 for selling insurance to Oregon consumers without a certificate of authority and misrepresenting its purported health care sharing ministry products as health insurance. As a result of the division's action, Trinity agreed to exit the Oregon market by June 1, 2021. Trinity and its successor, assigns, and affiliates are prohibited from offering any health care sharing ministry programs

or any other products to Oregon consumers for three years following entry of the order and, at the end of the three-year period, must have approval from the division to re-enter the Oregon market.

- **Blue Cross and Blue Shield of North Carolina, [INS-19-0130](#)** – The division issued a cease-and-desist order and fined Blue Cross and Blue Shield of North Carolina \$10,000 for failing to file an amendment to its Form A statement that had been submitted to the division for a proposed merger with Cambia Health Solutions, Inc. The Form A

statement listed Dr. Patrick Conway as the CEO of Blue Cross and Blue Shield of North Carolina and stated that he would be the new CEO of Cambia after the merger. Conway was arrested and charged with driving while impaired, misdemeanor child abuse, failure to maintain lane control, and reckless driving. Blue Cross and Blue Shield of North Carolina failed to notify the division about Conway's arrest, which was a material change requiring an amendment to the Form A statement.

- **LifeShield National Insurance Company, [INS-20-0092](#)** – The division issued a cease-and-desist order and fined LifeShield National Insurance Company \$35,000 for issuing short-term health insurance policies that were in effect for periods of longer than three months. The Oregon insurance code limits short-term health insurance policies to a maximum of three months, including renewals, and new policies cannot be issued within 60 days of expiration of existing policies. LifeShield issued consecutive policies without waiting the required 60 days between policies. The division previously took action against LifeShield in 2019 for similar violations, resulting in \$20,000 in suspended civil penalties that became due as part of this 2020 administrative action. See [INS-19-0060](#).



insurance applications and signed documents on behalf of clients without their consent. In addition to the license revocations, the division fined Baecker \$5,000 for his violations of Oregon law.

- **Amguard Insurance Company, INS-21-0006** – The division issued a cease-and-desist order and fined Amguard Insurance Company \$20,000 for wrongfully excluding personal injury protection (PIP) coverage on 633 policies between Jan. 1, 2017, and July 30, 2020. Amguard erroneously believed that commercial vehicles were not private passenger motor vehicles under the Oregon insurance code and thus that the subject policies were not required to include PIP coverage. As a result of the division’s action, Amguard provided retroactive PIP coverage to affected policyholders and paid claims that it had wrongfully denied.
- **Lanhong Tran, INS-19-0042** – The division issued a cease-and-desist order and revoked the resident insurance producer license of Lanhong Tran for engaging in fraud and dishonest practices. Tran fraudulently obtained an auto insurance policy for her husband shortly after he was in an at-fault vehicle collision, and made a number of misrepresentations to the insurer and to the division as related to the insurance claim and her identity. The order was issued following a contested hearing before an administrative law judge.
- **Nicholas Baecker, INS-20-0049** – The division issued a cease-and-desist order and revoked the Oregon resident insurance producer license and securities salesperson license of Nicholas Baecker for engaging in dishonest, fraudulent, or illegal practices when he made false statements on
- **Douglas J. Reynaert, INS-20-0086** – The division issued a cease-and-desist order and fined Douglas J. Reynaert \$3,000 for selling an insurance policy without an Oregon insurance producer license, mischaracterizing a short-term medical expense policy as major medical insurance, and listing a different insurance producer as the selling agent on the application. Reynaert is not and has never been licensed to transact insurance in Oregon.
- **B&D Insurance Services, Inc., Shawn Canales, and James McKoin, INS-20-0058** – The division issued a cease-and-desist order, fined B&D Insurance Services \$10,000, and fined McKoin and Canales \$1,000 each for selling, soliciting or negotiating insurance without an Oregon insurance producer license. B&D, McKoin and Canales were never licensed in Oregon, but were previously licensed in Texas until Texas revoked their licenses for misappropriation of premiums and other fraudulent conduct.





- **William I. Shansky, INS-20-0087** – The division issued a cease-and-desist order and revoked the nonresident insurance producer license of William I. Shansky for failing to disclose to the division on an application to renew his license that he had a prior criminal conviction and that four other jurisdictions had taken administrative action against him.
- **Employee Benefit Management Services, LLC, INS-20-0018** – The division issued a cease-and-desist order and fined Employee Benefit Management Services, a licensed third-party administrator, \$300 for failure to timely file its 2018 annual report, due on March 1, 2019.
- **CDS of Nevada, Inc., INS-20-0016** – The division issued a cease-and-desist order and fined CDS of Nevada \$2,000 for failing to file its 2017 and 2018 annual third-party administrator reports with the division by the applicable deadline. As a result of the division's action, CDS of Nevada agreed to surrender its Oregon third-party administrator license.
- **Liberty Northwest Insurance Corporation, INS-20-0060** – The division issued a cease-and-desist order and fined Liberty Northwest Insurance Corporation \$10,000 for failing to provide accurate information on its 2019 annual financial statement filed with the division.
- **Oregon Automobile Insurance Company, INS-20-0061** – The division issued a cease-and-desist order and fined Oregon Automobile Insurance Company \$10,000 for failing to provide accurate information on its 2019 annual financial statement filed with the division.
- **Safeco Insurance Company of Oregon, INS-20-0062** – The division issued a cease-and-desist order and fined Safeco Insurance Company of Oregon \$10,000 for failing to provide accurate information on its 2019 annual financial statement filed with the division.
- **North Pacific Insurance Company, INS-20-0063** – The division issued a cease-and-desist order and fined North Pacific Insurance Company \$10,000 for failing to provide accurate information on its 2019 annual financial statement filed with the division.

Securities



- **Gary Dodds, S-19-0019** – The division issued a cease-and-desist order and fined Gary Dodds \$100,000 for excessively trading or churning several of his elderly clients' accounts. The division also found that Dodds made unsuitable recommendations and sales of securities and that he failed to maintain proper documentation of his trading activities. Dodds is permanently barred from acting as a financial advisor or in any other capacity regulated by the division.
- **Kyle V. Roberts, The Short Interest, LLC, and The Short Manager, LLC, S-20-0041** – The division issued a cease-and-desist order and fined Kyle V. Roberts and his companies, The Short Interest, LLC and The Short Manager, LLC, \$25,000 for selling unregistered securities, and for making untrue statements of material fact and omitting to state material facts in connection with the sales of securities, including, but not limited to, misrepresentations regarding the amount of investor funds raised, the total amount that Roberts had personally invested in his companies, the intended use of investors funds, and the commissions Roberts would charge investors. The division also fined Roberts \$5,000 for transacting business as a securities salesperson without a license. Roberts established two companies for the purported purpose of pooling funds from investors and using the money to engage in trading of options and other securities on a platform, using a trading strategy based on an algorithm that Roberts purportedly developed. Roberts quickly lost significant amounts of investor funds before the fund ultimately folded.
- **Wishbone Group LLC, US Fidelity Homes, Robert Reifer, and Edward Preble, S-19-0136** – The division issued a cease-and-desist order and fined Wishbone Group LLC, US Fidelity Homes, Robert Reifer, and Edward Preble \$50,000 for selling no less than \$238,000 in unregistered securities, selling securities without a license, and making untrue statements of material fact in connection with the purchase or sale of a security. The respondents raised investor funds to purchase distressed residential properties for renovation and eventual sale or rental, but misrepresented that the investment funds would be secured by a senior lien on the properties, when such liens were either not recorded or were in a junior position to other lien holders.

Mortgage and nondepository programs



- **Eastside Capital Ventures, Inc., Joshua A. Turner, and Jamari Davis, M-20-0039** – The division issued a cease-and-desist order and fined Eastside Capital Ventures, Joshua A. Turner, and Jamari Davis \$27,500 for engaging in unlicensed mortgage broker activity and unregistered debt management service provider activity with an Oregon consumer. Respondents misrepresented in advertisements that Eastside was authorized to offer loan modification services in Oregon when it was not, and charged excessive fees.
- **Infinity Consumer Services, LLC, Infinity Consumer Services, Inc., Infinity Consumer Services Inc. dba Infinity Consumer Services DE Inc., DM-20-0055** – The division issued a cease-and-desist order and fined Infinity Consumer Services, a purported credit validation and repair company, \$56,000 for performing unregistered debt management services for 28 Oregon consumers and charging excessive fees.
- **True Solution, Inc., dba Federal Student Loan Council, dba Home Servicing Company, DM 20-0081** – The division issued a cease-and-desist order and fined True Solution, a purported student loan debt relief company, \$15,000 for performing unregistered debt management services for an Oregon consumer and charging excessive fees. As a result of the division’s investigation and enforcement action, True Solution agreed to make full restitution to its Oregon client.
- **CA Enterprises, dba Premier Services and Premier Legal Services, DM-20-0051** – The division issued a cease-and-desist order and fined CA Enterprises \$30,000 for engaging in unlicensed mortgage broker activity and unregistered debt management service provider activity with an Oregon consumer, and charging excessive fees. CA Enterprises promised to take action to forestall or reverse the foreclosure sale of an Oregon consumer’s

home, and collected fees for the same, but then failed to take any action to stop the foreclosure from occurring.

- **GST Factoring, Inc., DM-20-0057** – The division issued a cease-and-desist order and fined GST Factoring, a purported student debt relief company, \$150,000 for performing unregistered debt management service provider activities, charging excessive fees, entering into deficient debt management agreements, and failing to provide all required disclosures to approximately 10 Oregon consumers.
- **Champion Marketing Solutions, LLC, DM-20-0057** – The division issued a cease-and-desist order and fined Champion Marketing Solutions \$150,000 for performing unregistered debt management service provider activities, charging excessive fees, entering into deficient debt management agreements, and failing to provide all required disclosures to approximately 10 Oregon consumers.
- **Daniel Ruggiero, DM-20-0057** – The division issued a cease-and-desist order and fined Daniel Ruggiero \$100,000 for performing unregistered debt management service provider activities, charging excessive fees, entering into deficient debt management agreements, and failing to provide all required disclosures to approximately 10 Oregon consumers. Ruggiero is permanently barred from the debt management service provider industry in Oregon.
- **Gregory Trimarche, DM-20-0057** – The division issued a cease-and-desist order and fined Gregory Trimarche \$100,000 for performing unregistered debt management service provider activities, charging excessive fees, entering into deficient debt management agreements, and failing to provide all required disclosures to approximately 10 Oregon consumers. Trimarche is permanently barred from the debt management service provider industry in Oregon.
- **Rick Graff, DM-20-0057** – The division issued a cease-and-desist order and fined Rick Graff \$100,000 for performing unregistered debt management service provider activities, charging excessive fees, entering into deficient debt management agreements, and failing to provide all required disclosures to approximately 10 Oregon consumers. Graff is permanently barred from the debt management service provider industry in Oregon.
- **Suncorp Solutions, LLC, dba Loanraft Finance, dba First Horizon Finance, dba Capitalserve Invest, dba Skyway Infosolutions, Fullerton Solutions LLC, Dolphin Solutions LLC, and DAP Morgan LLC, CF-20-0015** – The division issued a cease-and-desist order and fined the respondent companies \$72,500 for operating a fraudulent advance-fee scam in violation of various Oregon mortgage and debt management service provider laws. Through online advertisements, the respondents purported to make business and personal loans and promised to make loans to at least three Oregon consumers in exchange for the payment of upfront loan fees. The respondents collected the upfront fees and never disbursed any loan funds to the consumers, and the division's investigation revealed the use of money mules to transfer the funds.

