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**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCE AND CORPORATE SECURITIES**

**BEFORE THE DIRECTOR OF THE DEPARTMENT
OF CONSUMER AND BUSINESS SERVICES**

In the Matter of:

Case No. S-12-0021

JOHN MICHAEL GRISHKIN,

**FINAL ORDER OF VIOLATION OF
PRIOR CONSENT ORDER AND
ORDER ASSESSING PREVIOUSLY
SUSPENDED CIVIL PENALTY**

Respondent.

On March 19, 2012, the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter “the Director”), acting by the authority of Oregon Revised Statutes (“ORS”) 59.005 to 59.451, 59.991, and 59.995 (“the Oregon Securities Law”) issued Administrative Order No. S-12-0021, NOTICE OF VIOLATION OF PRIOR CONSENT ORDER, PROPOSED ORDER ASSESSING PREVIOUSLY SUSPENDED CIVIL PENALTY, AND NOTICE OF RIGHT TO AN ADMINISTRATIVE HEARING (“the Proposed Order”) against Respondent John Michael Grishkin (“Grishkin” or “Respondent”).

On March 20, 2012, Grishkin was duly served with a true copy of the Proposed Order by certified United States Mail, postage prepaid, at 4636 NE Mallory, Portland, Oregon 97211 (Item No. 7008 1830 0003 3147 4014). A true copy of the Proposed Order was also sent by regular mail to Grishkin at the address noted above.

Grishkin has not made a written request for a contested case hearing in this matter and time to do so has now expired.

NOW THEREFORE, after consideration of the file in this matter maintained by the Oregon Department of Consumer and Business Services, including any materials that Grishkin may have submitted, the Director hereby issues the following Findings of Fact,

Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387





1 Conclusions of Law and Final Order.

2 I.

3 **FINDING OF FACT**

4 1. On December 12, 2011, the Director issued an ORDER TO CEASE AND
5 DESIST, ORDER DENYING SECURITIES EXEMPTIONS, AGREEMENT NOT TO
6 APPLY FOR FINANCE INDUSTRY RELATED LICENSE OR REGISTRATION,
7 ORDER ASSESSING CIVIL PENALTIES AND CONSENT TO ENTRY OF ORDER
8 (“Consent Order”) which was signed by both the Administrator of the Division of Finance
9 and Corporate Securities (“Division”) as the Director’s designee and John Michael
10 Grishkin (“Grishkin” or “Respondent”). That Consent Order is adopted by this reference
11 and is attached to this Order as Exhibit A.

12 2. The terms of the Consent Order provided, *inter alia*, that Respondent was
13 found to have violated provisions of the Oregon Securities Law, was ordered to cease and
14 desist from violating the Oregon Securities Law, and was assessed a civil penalty in the
15 amount of \$40,000 for the violations detailed therein. The Consent Order further provided
16 that the Director agreed to suspend the entire amount of the assessed civil penalty
17 provided that Respondent would comply with the provisions of the Consent Order.

18 3. Under the terms of the Consent Order, Respondent agreed to pay \$20,000 to
19 Oregon resident AFE as restitution for the amount that AFE invested with Respondent. At
20 AFE’s request, Respondent was to send a check to the Division made out to AFE. The
21 Division would then forward the check to AFE. The payment was to be paid to the
22 Division on or before February 10, 2012.

23 4. Under the terms of the Consent Order, if Respondent failed to make the
24 restitution payment by February 10, 2012, the entire civil penalty of \$40,000 would be due
25 and payable to the State of Oregon.

26 5. Respondent failed to make payment to the Division, or to AFE directly, on or



1 before February 10, 2012.

2 **II.**

3 **CONCLUSIONS OF LAW**

4 6. Respondent Grishkin signed the Consent Order issued by the Director on
5 December 12, 2011.

6 7. Respondent Grishkin failed to make the payment of \$20,000 in restitution to
7 Oregon resident AFE as required under the terms of the Consent Order.

8 8. Respondent Grishkin has failed to comply with the terms of the December 12,
9 2011 Consent Order.

10 9. The entire civil penalty of \$40,000, together with interest charged from the date
11 of default, February 10, 2012, at the statutory interest rate of nine percent (9%) simple per
12 annum, should be imposed.

13 **III.**

14 **ORDER**

15 10. Pursuant to ORS 59.995, the Director hereby ORDERS Respondent John
16 Michael Grishkin to pay the full CIVIL PENALTY of \$40,000 (forty thousand dollars)
17 assessed in the December 12, 2011 Consent Order, plus interest at the rate of nine percent
18 (9%) simple per annum from February 10, 2012.

19 11. The entry of this Order in no way limits further remedies which may be
20 available to the Director under Oregon law.

21 IT IS SO ORDERED.

22 Dated this 16th day of April, 2012 at Salem, Oregon.

23 PATRICK M. ALLEN, Director
24 Department of Consumer and Business Services

25 /s/ David Tatman
26 David C. Tatman, Administrator
Division of Finance and Corporate Securities