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3 STATE OF OREGON
4 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
5 DIVISION OF FINANCE AND CORPORATE SECURITIES

6 In the Matter of:

Case No. S-15-0074

7 DAVID C. CREGGER,

8 Respondent.

9 FINAL ORDER TO CEASE AND
10 DESIST, FINAL ORDER ASSESSING
11 CIVIL PENALTY, FINAL ORDER
12 DENYING USE OF EXEMPTIONS TO
13 THE SECURITIES REGISTRATION
14 REQUIREMENTS AND CONSENT TO
15 ENTRY OF ORDER

16 WHEREAS, the Director of the State of Oregon, Department of Consumer and
17 Business Services (the “Director”), has determined that David C. Cregger (“Respondent”)
18 has violated provisions of Oregon Revised Statutes (“ORS”) 59.005 to 59.451, 59.991
19 and 59.995 (“the Oregon Securities Law”); and

20 WHEREAS, Respondent wishes to resolve and settle this matter with the
21 Director;

22 NOW THEREFORE, the Director hereby issues the following Findings of Fact,
23 Conclusions of Law and Orders, to which Respondent consents, as evidenced by the
24 Consent to Entry of Order attached hereto.

25 FINDINGS OF FACT

26 The Director FINDS that:

1. Respondent is an Oregon resident and was licensed as an insurance agent in
Oregon until his license went into inactive status in August 2014. Respondent has never
been licensed to sell securities in Oregon.

2. The individual identified herein as “WP” was at all times relevant to this
matter an Oregon resident.





1 3. In the fall of 2011, WP was introduced to Respondent as a person who was
2 looking to make a “private placement” investment. Respondent informed WP of a high-
3 yield investment program promoted by Jeanne Christensen (“Christensen”) and her
4 company, Doing Business, Inc. Respondent informed WP that Christensen would direct
5 investor funds to an unnamed financial institution that Christiansen claimed would
6 provide Doing Business, Inc. with a financial instrument that Doing Business, Inc. could
7 monetize within 30 days. The sale of this financial instrument would pay investors the
8 promised 300 percent return within 30 days.

9 4. Respondent also told WP that he could purchase investment insurance that
10 would insure WP’s principal. The insurance was to be provided by Commonwealth Life
11 Insurance.

12 5. WP was told by Respondent that Respondent had done business with
13 Christiansen in the past and that the transactions had been successful.

14 6. Respondent was WP’s sole point of contact in the transaction prior to
15 investing.

16 7. Respondent sent WP a set of documents to complete prior to investing. This
17 included a form requesting personal or contact information from WP, a non-disclosure
18 agreement for WP to sign, and instructions for wiring the investment funds.

19 8. In November 2011, WP wired \$90,000 to a third-party for the benefit of
20 Doing Business, Inc. WP also wired \$10,000 as a premium payment for the investment
21 insurance in accordance with instructions from Respondent. Respondent told WP that the
22 investment would mature within 90 days of the date the funds were wired.

23 9. WP never received any return on his investment. He also had no response to
24 his attempts to make a claim on the investment insurance.

25 10. The investment offered by Respondent to WP was not registered as a security
26 in Oregon.



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CONCLUSIONS OF LAW

The Director CONCLUDES that:

- 11. The “high-yield” investment offered and sold by Respondent to WP is a security as defined by ORS 59.015(19)(a).
- 12. Respondent offered and sold unregistered securities in Oregon in violation of ORS 59.055(1).
- 13. Respondent transacted business as a securities salesperson without being licensed in violation of ORS 59.0165(1).

ORDERS

The Director issues the following ORDERS:

Final Order to Cease and Desist

- 14. Pursuant to ORS 59.245, Respondent is ORDERED TO CEASE AND DESIST from:
 - A. Offering or selling unregistered securities in the State of Oregon, in violation of ORS 59.055;
 - B. Transacting business in Oregon as a securities salesperson without a license, in violation of ORS 59.165; and
 - C. Violating any provision of the Oregon Securities Law or Oregon administrative rules chapter 441.

Final Order Assessing Civil Penalty

- 15. In accordance with ORS 59.995, the Director may assess CIVIL PENALTIES in an amount not to exceed \$20,000 per violation against persons who violate the Oregon Securities Law. In the case of a continuing violation, each day’s continuance is a separate violation, but the maximum penalty for any continuing violation shall not exceed \$100,000.



1 16. In accordance with ORS 59.995(1), the Director hereby assesses a CIVIL
2 PENALTY against Respondent in the total amount of \$10,000 (ten thousand dollars) as
3 follows:

4 A. A CIVIL PENALTY of \$5,000 (five thousand dollars) for violation of ORS
5 59.055(1) by offering and selling unregistered securities in Oregon.

6 B. A CIVIL PENALTY of \$5,000 (five thousand dollars) for violation of ORS
7 59.165(1) by selling securities without a license issued by the Director under the Oregon
8 Securities Law.

9 Final Order Denying Use of Exemptions to
10 the Securities Registration Requirements

11 17. Pursuant to the authority of ORS 59.045, the Director ORDERS Respondent
12 and any entities owned or affiliated with him to be DENIED THE USE OF
13 EXEMPTIONS TO THE SECURITIES REGISTRATION REQUIREMENTS that
14 would otherwise be available to him under ORS 59.025 and ORS 59.035, other than ORS
15 59.025 (4), until further order of the Director.

16 SECURITIES LICENSE OR REGISTRATION

17 18. Respondent agrees to not apply for, hold, or renew any securities license or
18 registration in Oregon required by the Director, including but not limited to any
19 investment adviser, broker-dealer, or securities salesperson license.

20 PARTIAL SUSPENSION OF CIVIL PENALTY

21 19. The Director agrees to SUSPEND the collection of \$7,500 of the \$10,000
22 CIVIL PENALTY assessed herein, upon the condition that Respondent complies with all
23 terms and conditions set out in this Order and commits no new violations of the Oregon
24 Securities Law or any administrative rules adopted thereunder.

25 20. If Respondent complies with all of the terms and conditions set out in this
26



1 Order and commits no violations of the Oregon Securities Law during the five (5) year
2 period from the date of issuance of this Order, the Director hereby agrees to WAIVE the
3 \$7,500 suspended CIVIL PENALTY.

4 21. The Director reserves the right to immediately assess and collect the \$7,500
5 suspended CIVIL PENALTY upon a determination that Respondent has violated any
6 term of this Order.

7 22. The remaining portion of the CIVIL PENALTY assessed against Respondent
8 in the amount of \$2,500 (two thousand five hundred dollars) is due and payable to the
9 Department of Consumer and Business Services at the time of Respondent's execution of
10 this Order.

11 23. This Order is a Final Order under ORS 183.310(6)(b). Subject to that
12 provision, the entry of this Order does not limit other remedies that may be available to
13 the Director under Oregon law.

14 SO ORDERED this 15th day of July, 2015 in
15 Salem, Oregon.

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

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

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CONSENT TO ENTRY OF ORDER BY DAVID C. CREGGER

As authorized by ORS 59.135(4), I attest that I have read the foregoing Order and I know and fully understand the contents hereof. I have been represented by counsel in this matter, or have had the opportunity to discuss this matter with my counsel. I have been advised of my right to a hearing, and I expressly waive any right to a hearing. I voluntarily consent to the entry of this Order, without any force or duress, and I will fully comply with the terms and conditions stated herein.

I understand that this Order is a public document.

/s/ David C. Cregger
David C. Cregger

State of Oregon

County of Clackamas

Signed or attested before me on this 30th day of June, 2015 by David C. Cregger.

/s/ Lisa Beyer
Notary Public

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