STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of: THOMAS MONTETON, an Individual, and A J MONTETON CORPORATION dba AJ THOMAS INSURANCE SERVICES, a Nevada Corporation, Respondents.	Case No. INS-26-0031 FINAL ORDER TO CEASE AND DESIST, FINAL ORDER TO REVOKE LICENSES, FINAL ORDER TO PERMANENTLY REFRAIN FROM APPLYING FOR LICENSURE, FINAL ORDER TO ASSESS CIVIL PENALTIES, AND CONSENT TO ENTRY OF ORDER THIS IS A FINAL ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting in accordance with Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 ("Insurance Code"), has conducted an investigation into the insurance related activities of Thomas Monteton ("Monteton") and A J Monteton Corporation dba AJ Thomas Insurance Services ("AJMC") (collectively, "Respondents") and determined that Respondents engaged in activities constituting violations of the Insurance Code.

Respondents, without admitting or denying the Director's Findings of Fact or Conclusions of Law, wish to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signatures subscribed on this Order, Respondents hereby CONSENT to entry of this Order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

FINDINGS OF FACT

The Director FINDS that:

1. On November 13, 2006, Monteton was issued an Oregon non-resident insurance producer license. His National Producer Number ("NPN") is 8901674.

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

2. On February 9, 2007, AJMC was issued a non-resident business entity insurance producer license. AJMC's NPN is 8938172.

3. Monteton is AJMC's owner, director, and designated responsible licensed producer ("DRLP").

4. At all relevant times, Monteton acted on AJMC's behalf and controlled and directed all actions of AJMC. Monteton caused AJMC to take or fail to take each action or failure to act of AJMC identified in this *Order to Cease and Desist, Proposed Orders to Revoke Licenses and Civil Penalties, and Notice of Right to an Administrative Hearing*.

5. Respondents' principal place of business is 8350 Auburn Blvd., #135, Citrus Hills, California, 95610.

TS

2022

6. In or around July 2022, Oregon resident "TS" authorized Respondents to acquire commercial insurance policies for his business.

7. On or around July 13, 2022, Respondents obtained an insurance quote for TS from Hiscox Insurance Company Inc. ("Hiscox"). Hiscox charged $1,183 for the policies.

8. That same day, Respondents conveyed Hiscox's quote to TS. However, Respondents represented that the cost of the policies was $1,583.

9. TS paid $1,583 for the coverage and Respondents kept $400 in fees.

10. The only fee identified in Respondents' quote was a processing fee of $100.

2023

11. In or around July 2023, TS authorized Respondents to acquire commercial insurance policies for his business. TS and Respondents agreed the policies would include:

A. Business personal property coverage;

B. Personal and advertising injury coverage; and

C. Excess liability protection coverage (collectively referred to as "Extra

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

Coverage").

12. On or around July 14, 2023, Respondents obtained an insurance quote for TS from Hiscox. Hiscox charged $1,207 for the policies, which did not include any of the Extra Coverage.

13. That same day, Respondents conveyed Hiscox's quote to TS. However, Respondents' quote represented that the coverage included the Extra Coverage. In addition, Respondents represented that the cost of the policies was $1,957.

14. TS paid $1,957 for the coverage, which did not include the Extra Coverage, and Respondents kept $750 in fees.

15. The only fee identified in Respondents' quote was a processing fee of $100.

16. On or around August 4, 2023, Respondents issued a Certificate of Insurance[1] to TS which falsely represented that his coverage included the Extra Coverage.

2024

17. In or around July 2024, TS authorized Respondents to acquire commercial insurance policies for his business.

18. On or around August 1, 2024, Respondents obtained an insurance quote for TS from Hiscox. Hiscox charged $1,906 for the policies.

19. That same day, Respondents conveyed Hiscox's quote to TS. However, , Respondents represented that the cost of the policies was $2,806.

20. TS paid $2,806 for the coverage and Respondents kept $900 in fees.

21. The only fee identified in Respondents' quote was a processing fee of $100.

General

22. At no time did Respondents provide their clients with an explanation for the additional fees they collected.

[1] A Certificate of Insurance confirms that an insurance policy is active and outlines its terms and conditions.

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

23. At no time did Respondents provide services for their clients beyond the usual and customary practice of insurance producers.

24. In addition to the fees referenced in this Order, Respondents collected a commission of 10% of Hiscox's insurance quotes from 2022 through 2024.

25. Respondents did not obtain their clients' written acknowledgment that they were collecting the foregoing fees or commissions.[2]

Director Investigation

26. In or around May 2025, TS submitted a complaint to the Director which led to an investigation.

27. In or around September 2025, the Director directed inquiries to Respondents regarding the conduct identified in this Order. Among the inquiries, the Director asked Respondents to identify the Oregon clients to whom they had sold policies from January 1, 2022 through September 3, 2025.

28. On or around October 1, 2025, Monteton responded to the Director's inquiries. In his response, Monteton claimed:

A. Respondents could only identify their active clients and were incapable of identifying their inactive clients for that time period; and

B. Respondents charged 75% of their clients, including Oregon clients, a fee of $50 to $150 per policy.

29. On or around November 5, 2025, the Director asked Respondents to explain why they did not disclose that their fees accrued "per policy." Respondents did not respond to this inquiry.

30. Respondents eventually identified their current Oregon clients to the Director and provided the quotes they received from insurers and those they provided to clients.

[2] On or around April 30, 2025, Respondents issued TS a refund of $1,750 for the fees it collected in excess of the $100 processing fee identified in their quotes.

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

From this information the Director found:

A. Respondents charged fees of $25 to $280 per policy;

B. Respondents charged Oregon client "NRK" $1,579 for insurance coverage that Hiscox quoted at $579;[3] and

C. Respondents charged Oregon client "FSRE" $1,289 for insurance coverage that Hiscox quoted at $579.[4]

31. On or around January 7, 2026, the Director directed additional inquiries to Respondents, including:

A. Requesting receipts from their Oregon clients' 2025 premium payments and

B. Requesting quotes missing from Respondents' prior responses.

32. On or around February 9, 2026, Monteton responded to the Director's inquiries. His response did not include the items identified in Paragraph (31).[5]

33. On or around February 25, 2026, the Director directed additional inquiries to Respondents, including:

A. Requesting their premium trust bank account records; and

B. Requesting their business operating bank account records.

34. Respondents failed to respond to the Director's February 25, 2026 inquiries.[6]

CONCLUSIONS OF LAW

The Director CONCLUDES that:

35. Respondents intentionally misrepresented the terms of insurance contracts, in violation of ORS 744.074(1)(e), by:

A. Providing TS with a quote and Certificate of Insurance which falsely

[3] Respondents' quote to NRK only identified a $100 fee.
[4] Respondents' quote to FSRE only identified a $200 fee.
[5] In his response, Monteton claimed "documentation identifying or itemizing alleged overcharged amounts, including dates of such charges, [was] not available for submission."
[6] The Director reiterated the requests on March 26, 2026 and Respondents again failed to respond.

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

represented he had insurance coverage he did not have; and

B. Charging undisclosed fees to TS, NRK, and FSRE.

36. By engaging in the conduct identified in Paragraph (35), Respondents made false statements and representations relative to applications for insurance, in violation of ORS 746.100.

37. Respondents used fraudulent and dishonest practices, in violation of ORS 744.074(1)(h), by:

A. Engaging in the conduct identified in Paragraph (35);

B. Failing to provide their clients with an explanation for the fees they collected beyond the stated processing fee;

C. Failing to obtain their clients' written acknowledgement of their fees and commissions; and

D. Collecting additional fees without providing services beyond the usual and customary practice of insurance producers.

38. Respondents demonstrated incompetence, untrustworthiness, and financial irresponsibility in the conduct of their business, in violation of ORS 744.074(1)(h), by:

A. Engaging in the conduct identified in Paragraph (37); and

B. Failing to maintain the usual and customary records pertaining to their business, as set forth in Paragraphs (28) and (31) – (32).

39. By failing to maintain and produce the usual and customary records pertaining to their business, including those identified in Paragraphs (28) and (31) – (32), Respondents violated ORS 744.068(3).

40. Respondents failed to promptly and truthfully respond to the Director's inquiries, in violation of ORS 731.296, by:

A. Submitting false statements as to the fees they charged, as set forth in Paragraphs (28) and (30); and

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

B. Failing to respond to inquiries, as set forth in Paragraphs (29) and (31) – (34).

41. By failing to obtain their clients' written acknowledgement of their fees and commissions, Respondents violated OAR 836-071-0260.

42. Respondents violated OAR 836-071-0277(2), by:

A. Charging additional fees without providing services beyond the usual and customary practice of insurance producers; and

B. Failing to provide their clients with an explanation for the fees they collected beyond the stated processing fee.

43. Because Respondents engaged in the foregoing violations of ORS 744.074(1)(e) and (h), the Director may revoke their non-resident insurance producer licenses.

44. Because Respondents engaged in the foregoing violations of ORS 746.100, ORS 744.068(3), ORS 731.296, OAR 836-071-0260, and OAR 836-071-0277(2), the Director may revoke their non-resident insurance producer licenses, under ORS 744.074(1)(b).

45. Because the Director has reason to believe that Respondents have been engaged in violations of the Insurance Code, the Director may issue an order to Respondents to cease and desist, under ORS 731.252(1).

46. The Director may impose a civil penalty of up $10,000 *per violation* upon any person who violates a provision of the Insurance Code, under ORS 731.988(1). The civil penalty for individual insurance producers may not exceed $1,000 for each offense.

47. The Director may require a person that violates any provision of the Insurance Code to forfeit and pay to the General Fund of the State Treasury a civil penalty in an amount determined by the director that does not exceed the amount by which the person profited in any transaction that violates the provision, under ORS 731.988(2).

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

ORDERS

The Director issues the following ORDERS:

48. As authorized by ORS 731.252(1), the Director ORDERS Respondents to CEASE AND DESIST from violating ORS 744.074(1)(e), ORS 744.074(1)(h), ORS 746.100, ORS 744.068(3), ORS 731.296, OAR 836-071-0260, and OAR 836-071-0277(2).

49. As authorized by ORS 731.988(1), the Director ORDERS that Respondents be jointly and severally subject to a CIVIL PENALTY of $60,000 as follows:

A. $10,000 for violating ORS 744.074(1)(e) and ORS 746.100;

B. $10,000 for violating ORS 744.074(1)(h);

C. $10,000 for violating ORS 744.068(3);

D. $10,000 for violating ORS 731.296;

E. $10,000 for violating OAR 836-071-0260; and

F. $10,000 for violating OAR 836-071-0277(2).

50. As authorized by ORS 731.988(2),the Director ORDERS that Respondents be jointly and severally subject to a CIVIL PENALTY of $1,410, the amount of excessive and unidentified fees they collected from the insurance transactions identified in Paragraph (30)(B) and (C).

51. The Director hereby suspends payment of $57,820 of the CIVIL PENALTY assessed in Paragraphs (49) – (50) for a period of three years, provided Respondents comply with the terms of this Order.

52. The non-suspended CIVIL PENALTIES assessed in Paragraphs (49) – (50) ($3,590) are due and payable at the time Respondents return this signed Order to the Director.

53. Respondents shall issue the following refund payments within thirty (30) days from the effective date of this Order and provide the Division with documentation of such payments within that timeframe:

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

A. $900 to NRK; and

B. $510 to FSRE.

54. As authorized by ORS 744.074(1)(b), (e), and (h), the Director hereby REVOKES Respondents' non-resident insurance producer licenses.

55. Respondents hereby agree to PERMANENTLY REFRAIN from any and all attempts to seek licensure under the Oregon Insurance Code. This extends to any and all entities for whom Monteton is a partner, member, manager, officer or director, occupies a similar status, performs similar functions and/or exercises management or control.

56. Respondents' failure to satisfy any term(s) of this Order will render all suspended and non-suspended penalties immediately due and owing.

57. This Order is binding upon Respondents' successors and assigns.

SO ORDERED this 15th day of September, 2026.

SEAN E. O'DAY, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

[The remainder of this page intentionally left blank.]

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

CONSENT TO ENTRY OF ORDER

I, Thomas Monteton, state that I am an officer of AJMC and I am authorized to act on its behalf. I have read the foregoing Consent Order, and I know and fully understand the contents hereof. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. Without admitting or denying the Director's Findings of Fact or Conclusions of Law, AJMC voluntarily and without any force or duress consents to the entry of this Consent Order expressly waiving any right to a hearing in this matter in this jurisdiction. AJMC understands that the Director reserves the right to take further actions to enforce this Consent Order or to take appropriate action upon discovery of other violations of the Insurance Code. AJMC will fully comply with the terms and conditions stated herein.

AJMC understands that this Consent Order is a public document.

Signature: /s/ Thomas Monteton

Position Held: Broker of Record

State of California

County of Sacramento

Signed or attested before me on this 4th day of September, 2026 by Thomas Monteton.

/s/ Cody Cammack
Notary Public

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

CONSENT TO ENTRY OF ORDER

I, Thomas Monteton, have read the foregoing Consent Order, and I know and fully understand the contents hereof. I have been advised of my right to a hearing and of the right to be represented by counsel in this matter. Without admitting or denying the Director's Findings of Fact or Conclusions of Law, I voluntarily and without any force or duress consent to the entry of this Consent Order expressly waiving any right to a hearing in this matter in this jurisdiction. I understand that the Director reserves the right to take further actions to enforce this Consent Order or to take appropriate action upon discovery of other violations of the Insurance Code. I will fully comply with the terms and conditions stated herein.

I understand that this Consent Order is a public document.

Signature: /s/ Thomas Monteton

State of California

County of Sacramento

Signed or attested before me on this 4th day of September, 2026 by Thomas Monteton.

/s/ Cody Cammack
Notary Public

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