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

In the Matter of: PAUL GRAHAM, an Individual Respondent.	Case No. INS-25-0019 ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTY, AND CONSENT TO ENTRY OF 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"), conducted an investigation into the activities of Paul Graham ("Respondent") and determined that Respondent engaged in activities constituting violations of the Insurance Code.

Respondent wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signatures subscribed on this Order, Respondent hereby CONSENTS 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 July 16, 2008, Respondent was issued an Oregon non-resident insurance producer license. His National Producer Number ("NPN") is 2714302.

2. Respondent's business address is 1596 Wildrose Dr., Minden, NV 87423.

3. Respondent acts as a wholesale broker on behalf of retail insurance producers, serving as an intermediary between them and insurers.

4. In or around April 2022, Oregon resident "JS" obtained a quote for a general

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liability insurance policy for his business from retail insurance producer Compass Insurance Services LLC ("Compass").

5. On or around July 22, 2022, JS signed an application for the quoted policy and paid Compass a portion of the policy premium.[1] Shortly thereafter, Compass provided the application to Respondent to pass along to the insurer.

6. Respondent mismanaged JS's application and failed to request that the policy be bound. Consequently, no policy was issued.[2]

7. In 2023, JS attempted to file a claim on the general liability policy he mistakenly believed he held. When the insurer failed to respond to his communications, JS filed a complaint with the Director.

8. Upon learning of his error, Respondent reported JS's claim under his errors and omissions professional liability insurance policy. Respondent also refunded JS the entirety of the general liability policy premium.[3]

CONCLUSIONS OF LAW

The Director CONCLUDES that:

9. By mismanaging JS's application, and failing to request that JS's policy be bound, Respondent demonstrated incompetence, in violation of ORS 744.074(1)(h).

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

11. 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.

[1] The remaining premium was financed through a premium finance company.
[2] JS was unaware the policy had not been issued.
[3] Respondent cooperated with the Director's investigation. The Director did not find that Respondent acted with the intent to harm JS.

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ORDERS

Now therefore, the Director issues the following Orders:

12. As authorized by ORS 731.252(1), the Director ORDERS Respondent to CEASE AND DESIST from violating ORS 744.074(1)(h).

13. As authorized by ORS 731.988(1), the Director hereby ORDERS that Respondent be subject to a CIVIL PENALTY of $1,000 for violating ORS 744.074(1)(h).

14. This Order is binding upon Respondent's successors and assigns.

15. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

SO ORDERED this 3rd day of June, 2025.

ANDREW STOLFI, Director
Department of Consumer and Business Services

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

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CONSENT TO ENTRY OF ORDER

I, Paul Graham, 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. 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/ Paul Graham

State of California

County of Shasta

Signed or attested before me on this 15th day of May, 2025

by /s/ Katrinah Bering.

Notary Public

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