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

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| In the Matter of:<br><br>SHANE M. HILLIER and ROHILLCO INSURANCE SERVICES, LLC;<br><br>Respondents. | Case No. INS-24-0074<br><br>FINAL ORDER TO CEASE AND DESIST AND FINAL ORDER ASSESSING CIVIL PENALTIES, ENTERED BY DEFAULT |

On April 3, 2025, the Director of the Department of Consumer and Business Services for the State of Oregon (the “Director”), through the Division of Financial Regulation (the “Division”) and pursuant to Oregon Revised Statutes (“ORS”) chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748, and 750 and the rules promulgated thereunder (collectively, the “Insurance Code”), properly served Respondents Shane M. Hillier (“Hillier”) and RoHillCo Insurance Services, LLC (“RoHillCo”) an Order to Cease and Desist, Proposed Order Assessing Civil Penalties, and Notice of Right to a Hearing (“Notice Order”) via certified and regular United States mail at Hillier’s mailing address of record.[1] The Notice order was also sent to Hillier’s email address of record.

The Notice Order offered Respondents an opportunity for a hearing, if requested in writing within 20 days of service. The Notice Order further informed Respondents that if a hearing was not conducted because they did not timely request a hearing or otherwise defaulted, then the designated portion of the Division’s file, which includes materials Respondents submitted, would automatically become part of the contested case record to prove a prima facie case. Hillier acknowledged receipt of the Notice Order, but Respondents have not made a written request for a contested hearing, and the time to do so has expired.

[1] After the Notice Order issued, RoHillCo changed its mailing address of record to the same one as Hillier’s.

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After considering the relevant portions of the Division's file in this matter, the Director finds that the record proves a prima facie case.

Now, therefore, the Director makes the following Findings of Fact and Conclusions of Law and issues the following Orders.

**FINDINGS OF FACT**

The Director FINDS that:

**Respondents**

1. Hillier is an Oregon resident insurance producer licensed in the state since July 6, 2010. His National Producer Number is 15787677.

2. RoHillCo is an Oregon resident business entity insurance producer licensed in the state since January 13, 2013. RoHillCo's National Producer Number is 16874544.

3. Hillier is the owner and Designated Responsible Licensed Producer ("DRLP) of RoHillCo.

**Refund of Premium Payments**

4. In or around June 2023, BM, an Oregon consumer, renewed a professional liability insurance policy (the "Policy") for her company through RoHillCo. RoHillCo, in turn, obtained the Policy via a managing general agent ("MGA").

5. BM sent RoHillco the premium payment of $2,825[2] through a third-party payment processor. Initially, it seemed as if the premium payment did not go through, so BM paid the premium a second time. It turned out that both payments were processed, and a total of $5,650 was debited from BM's bank account.

6. BM did not receive a copy of the Policy.

7. BM subsequently received a "Direct Notice of Cancellation" of the Policy, dated July 31, 2023, from the MGA due to nonpayment of premium. Per the notice, the cancellation would be processed on August 13, 2023, but the cancellation would be

[2] This included a $5 fee.

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effective on June 27, 2023.

8. On August 4, 2023, BM informed RoHillCo via email that the Policy was being cancelled. RoHillCo assured BM that it would look into the matter. However, despite several months of email communications between BM and RoHillCo, the latter never provided BM a copy of the Policy and failed to refund the two premium payments within 30 days of the date the Policy's cancellation was processed.

**Communications with the Division**

9. On December 6, 2023, BM filed a complaint with the Division against RoHillCo, seeking a refund of the two premium payments. The Division received the complaint in the mail on December 12, 2023.

10. Shortly after, the Division contacted Hillier regarding the complaint. It took the Division months of back-and-forth communications with Hillier to obtain documents, information, and a refund of the premium payments. The protracted process was caused mainly by Hillier's failure to respond, or delayed, incomplete, or misleading responses, to the Division's inquiries, described in detail below.

11. On December 13, 2023, a Division Consumer Advocate mailed an inquiry letter to RoHillCo's mailing address of record, requesting a response to BM's complaint within 21 days of receipt of the letter. The inquiry letter required the response ("Formal Response") to be in a format that could be forwarded to BM. However, because Respondents did not update RoHillCo's mailing address of record, the letter was returned to the Division, undelivered.

12. On January 17, 2024, the Consumer Advocate resent the inquiry letter to Hillier's email address of record. Hillier replied to the email, and the Consumer Advocate told him that he needed to update his address or mail location because the inquiry letter the Division sent by mail was returned. The Consumer Advocate also set the deadline for Hillier's Formal Response for January 26, 2024. Despite agreeing to the date, Hillier

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missed the deadline.

13. On February 2, 2024, having received no communication from Hillier, the Consumer Advocate emailed Hillier to follow up on his Formal Response. Hillier replied that he was out because a relative had an emergency medical procedure. He also claimed that he was awaiting a few pieces of information. He promised to respond by February 5, 2024.

14. On February 5, 2024, however, Hillier told the Consumer Advocate that his response would be delayed due to inclement weather.

15. On February 8, 2024, Hillier emailed the Consumer Advocate a description of his office's efforts to address the complaint, but he did not provide a Formal Response as required by the inquiry letter. The next day, the Consumer Advocate asked Hillier to send his Formal Response by February 20, 2024. Hillier failed to provide a Formal Response by the deadline.

16. On March 12, 2024, the Consumer Advocate and a Division Investigator asked Hillier for his Formal Response. Hillier replied that he was out of the office because certain family members were sick. He requested another day to provide a Formal Response.

17. On March 13, 2024, Hillier finally provided a Formal Response to the complaint. According to the Formal Response, RoHillCo sent BM's premium payments to the MGA by mailing two separate checks. The MGA claimed that it did not receive the checks, which were never cashed or returned to RoHillCo. The Consumer Advocate then asked Hillier clarifying questions, including when he would be able to refund the premium payments. Hillier gave additional information and stated that he was happy to do whatever was needed to make the consumer whole. He did not specify a date for refunding the premium payments.

18. On Friday, March 15, 2024, the Consumer Advocate, in response to an email from Hillier, reiterated that the refunds needed to be released as soon as possible. Hillier

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replied that a refund check would be mailed the following week.

19. On March 18, 2024, the Consumer Advocate asked Hillier to provide proof of the refund by March 22, 2024. She also sent Hillier a set of questions. Hillier replied to the questions on March 19, 2024, but he did not provide proof of the refund by the deadline.

20. On March 26, 2024, the Consumer Advocate again asked Hillier to provide proof of the refund, along with other documents. She also requested additional information. The deadline for Hillier to provide the documents and information was March 29, 2024. Hillier said that he was out of town but that he would let her know the next day if he was able to obtain the information remotely.

21. On April 1, 2024, the Consumer Advocate sent Hillier a follow-up email. Hillier responded that he would not have access to any information until he returned on April 3, 2024. He also stated that "the check went out last week".

22. On April 17, 2024, the Consumer Advocate asked Hillier to provide proof of the refund and other documents by the next day. Hillier responded that he had already sent her proof "a week or so ago[.]" He also stated that the check was sent by regular mail. The next day, the Consumer Advocate told him that she did not receive an email from him and that BM did not receive the refund. Hillier then emailed her a copy of the refund check but did not include the other documents she had requested. Moreover, the check was dated April 1, 2024, even though he claimed that it was mailed in March.

23. On June 3, 2024, the Consumer Advocate informed Hillier that the April refund check never reached BM. She instructed Hillier to reissue the check and send it by certified mail. She also asked him provide daily email updates showing his progress in providing the refunds.

24. On June 4, 2024, Hillier told the Consumer Advocate that a new check would be mailed that day. He provided a copy of the check dated June 4, 2024, and a copy of the stamped envelope addressed to BM. The Consumer Advocate acknowledged receipt and

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reminded him to provide the other documents she had requested. Hillier agreed to send the rest of the information the next day, but he did not do so.

25. On June 7, 2024, a Division Investigator informed Hillier that the Division had opened an investigation into the complaint filed by BM. The Investigator noted that Hillier still had not given BM a full refund or provided the Division the information and documents the Consumer Advocate had requested. The Investigator asked Hillier to provide the information and documents by 5:00 pm that day.

26. Hillier responded to the Investigator that same day and provided a copy of the stop payment request for the April refund check. He also stated that he would not be able to provide certain documents by the deadline. The Investigator extended the due date to June 10, 2024.

27. On June 10, 2024, Hillier informed the Investigator that his office manager did not send the June refund check by certified mail, as the Division had instructed, and proposed that they wait and see if the check would reach BM. He also offered to send the money by wire transfer.

28. On June 26, 2024, the Investigator informed Hillier that the consumer did not receive the refund check. He instructed Hillier to request a stop payment on the June 4 refund check, reissue the refund check and send it via certified mail, and provide documentation that he had done so by June 28, 2024.

29. On June 28, 2024, Hillier provided the Investigator with copies of the new refund check dated June 28, 2024, the stamped certified letter that was going to be mailed that day, and the stop payment request for the June 4 refund check.

30. On August 7, 2024, the Investigator informed Hillier that BM received the refund check on July 1, 2024. This was almost a full year after the date of Notice of Cancellation of the Policy, which was July 31, 2023.

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## Renewal of License

31. On September 14, 2024, the Division sent Hillier a letter at his email address of record, notifying him that his Oregon insurance producer license ("License") was going to expire on September 30, 2024, and that he needed to renew his License to engage in insurance business in Oregon.

32. On September 30, 2024, Hillier's License expired. He did not renew it until January 11, 2025. Thus, between October 1, 2024 and January 10, 2025, RoHillCo had no DRLP.

## RoHillCo's Mailing Address of Record

33. At the time the Notice Order was issued, Respondents had not updated RoHillCo's mailing address of record.

## CONCLUSIONS OF LAW

The Director CONCLUDES that:

34. The Director has jurisdiction over Respondents' business activities under ORS 731.236.

35. Under ORS 744.059(2)(b), Hillier, as the DRLP for RoHillCo, was responsible for RoHillCo's compliance with the Insurance Code.

## Refund of Premium Payments

36. On August 4, 2023, RoHillCo became aware that the Policy was going to be cancelled. Under Oregon Administrative Rule ("OAR") 836-074-0025(1), RoHillCo had 30 days from the date the Policy's cancellation was going to be processed to refund BM her two premium payments for the Policy, but it failed to do so, in violation of the rule. Hillier, as RoHillCo's DRLP, failed to ensure that RoHillCo complied with OAR 836-074-0025(1).

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## Communications with the Division

37. By failing to respond, or providing delayed, incomplete, or misleading responses, to the Division's inquiries, as described in paragraphs 9 to 30 of this Order, Hillier violated ORS 731.296 and ORS 731.260 in no less than six instances.

## Renewal of License

38. ORS 744.059(2)(b) requires business entity insurance producers to have a DRLP to be licensed. By having no DRLP between October 1, 2024 and January 10, 2025, RoHillCo violated this statute.

39. By failing to timely renew his License, Hillier failed to ensure RoHillCo's compliance with the Insurance Code's licensing requirement, in violation of ORS 744.059(2)(b).

## RoHillCo's Mailing Address of Record

40. By failing to notify the Division of the change in RoHillCo's mailing address of record within 30 days of the change, Respondents violated ORS 744.068(4)(a).

41. Because the Director has reason to believe that Respondents violated OAR 836-074-0025(1), ORS 731.296, ORS 731.260, ORS 744.059(2)(b), and ORS 744.068(4)(a) the Director may, under ORS 731.252(1), order Respondents to cease and desist from violating that rule and those statutes.

42. ORS 731.988(1) authorizes the Director to assess a civil penalty of up to $1,000 per violation of the Insurance Code against an individual insurance producer and up to $10,000 per violation of the Insurance Code against a business entity insurance producer.

## ORDERS

Now, therefore, the Director issues the following Orders:

43. As authorized by ORS 731.252(1), the Director ORDERS Respondents to CEASE AND DESIST from violating OAR 836-074-0025(1), ORS 731.296, ORS 731.260, ORS 744.059(2)(b), and ORS 744.068(4)(a).

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44. As authorized by ORS 731.988(1), the Director ORDERS Respondents to pay, jointly and severally, $5,500 in CIVIL PENALTIES, allocated as follows:

A. $1,000 for violating OAR 836-074-0025(1);

B. $3,000 for violating ORS 731.296 and 731.260;

C. $1,000 for violating ORS 744.059(2)(b); and

D. $500 for violating ORS 744.068(4)(a).

45. This is a “Final Order” under ORS 183.310(6)(b). Subject to this provision, The entry of this Order does not limit further remedies available to the Director under Oregon law.

SO ORDERED this 8th day of May, 2025.

ANDREW R. STOLFI, Director
Department of Consumer and Business Services

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

**NOTICE OF RIGHT TO JUDICIAL APPEAL**

Judicial review of final orders in contested cases is governed by ORS 183.482. Respondents may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days of the date this Order is served.

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