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

In the Matter of: MATTHEW MINAHAN, an Individual, and COMPASS INSURANCE SERVICES LLC, an Oregon Limited Liability Company, Respondent.	Case No. INS-24-0046 ORDER TO CEASE AND DESIST, ORDER SUSPENDING LICENSES, 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 Matthew Minahan ("Minahan") and Compass Insurance Services LLC ("Compass") (collectively, "Respondents") and determined that Respondents engaged in activities constituting violations of the Insurance Code.

Respondents 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.

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Salem, OR 97301-3881
Telephone: (503) 378-4387

FINDINGS OF FACT

The Director FINDS that:

1. On July 23, 2009, Minahan was issued an Oregon resident insurance producer license. His National Producer Number ("NPN") is 14306603.

2. On October 13, 2010, Compass was issued an Oregon business entity insurance producer license. Compass's NPN is 15974871.

3. Minahan is Compass's sole owner and designated responsible licensed

producer ("DRLP"). At all relevant times he acted on Compass's behalf.

4. Respondents' principal place of business is 13660 SW Blue Spruce Ct, Tigard, OR 97224.

Failure to Secure Policies, Inputting False Information, and Mishandling of Funds

5. Respondents are responsible for securing general liability insurance policies for their clients in the construction business. Construction contractors are required to maintain these policies and the Oregon Construction Contractors Board ("CCB") maintains a searchable database accessible to the general public to review whether contractors have active policies in good standing, among other items. The database also includes information – carrier, policy number, effective dates – that facilitates consumers' ability to file claims on those policies.

6. Insurance agents have the ability to input, update, and/or alter policy information on the CCB database.

NCI

7. Respondents were responsible for renewing the general liability policy of "NCI,"[1] whose policy was set to expire on October 10, 2020. Respondents requested that the policy be renewed but never submitted payment for it, and the policy was cancelled on December 3, 2020. Respondents were notified of the cancellation.

8. Following the policy's cancellation, Respondents accessed the CCB database to falsely input that NCI had an active policy from October 10, 2020 through October 10, 2021. In fact, NCI had no general liability coverage during this period.[2]

DKC

9. Respondents were responsible for renewing the general liability policy of "DKC," whose policy was set to expire on September 26, 2021. Respondents requested

[1] To protect their identities, Respondents' clients are identified by acronyms throughout this order.
[2] These actions led to the termination of Respondents' appointment with Building Insurance Services.

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that the policy be renewed but failed to submit all required documentation to bind it, and the policy expired. Respondents were notified of the expiration.

10. Following the policy's expiration, Respondents accessed the CCB database to falsely input that DKC had an active policy from September 26, 2021 through September 26, 2022. In fact, DKC had no general liability coverage during this period.

AR

11. Respondents were responsible for renewing the general liability policy of "AR," whose policy was set to expire on October 28, 2021. The policy was not renewed and Respondents were notified of the expiration.

12. Following the policy's expiration, Respondents accessed the CCB database to falsely input that AR's prior policy, through AIX Specialty Insurance Company, had been renewed and was active from October 30, 2021 through October 30, 2022.

13. Respondents falsely attributed a second fictitious policy to AR on the CCB database. The policy was purportedly through Kinsale Insurance Company ("Kinsale"), with effective dates from November 11, 2021 through November 11, 2022. Kinsale has no record of working with Respondents and/or AR.

14. AR had no general liability coverage from October 29, 2021 through October 13, 2022.

MHC

15. Respondents were responsible for maintaining the general liability policy of "MHC." On or around November 5, 2020, MHC's policy was cancelled due to non-payment of premiums. Respondents were notified of the cancellation but failed to inform MHC that the policy had been cancelled.

16. Respondents failed to update the CCB database to reflect the cancellation of MHC's policy, which had been issued through Western World Insurance Company, Inc ("Western"). In addition, Respondents accessed the CCB database to falsely input that

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MHC's Western policy had been renewed and was active from March 8, 2021 through March 8, 2022.

17. On or around February 23, 2021, MHC submitted a payment to Respondents to renew the Western policy he was unaware had been cancelled.[3] Respondents maintained possession of those funds until in or around March 2022, when they applied them to the renewal cost of a replacement policy that had been issued on or around May 19, 2021.

18. MHC was without general liability coverage from November 5, 2020 through May 18, 2021.

HI

19. Respondents were responsible for renewing the general liability policy of "HI," whose policy was set to expire on July 15, 2021. Respondents requested that the policy be renewed but failed to submit all required documentation to bind it, and the policy expired. Respondents were notified of the expiration.

20. On or around August 26, 2021, the underwriter for HI's policy refunded the initial policy payment to Respondents.[4] Respondents maintained possession of those funds until on or around December 10, 2021, when they applied them to a new policy for HI

21. HI was without general liability coverage from July 15, 2021 through December 10, 2021.

DS

22. Respondents were responsible for obtaining general liability coverage for an apartment building owned by "DS." In or around 2021, Respondents submitted a policy application but failed to submit all required documentation to bind it, delaying the acquisition of coverage.

23. DS worked with premium finance company M&M Agency LLC ("M&M") in

[3] The payment totaled $1,762.80.
[4] The payment totaled $1,536.90.

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connection with his general liability policy. In or around February 2021, M&M directed $4,520.99 to Respondents, a portion of which was to fund DS's policy. Respondents paid $1,515.76 to a wholesale broker to fund a separate DS policy and kept the remaining $3,005.19 in their accounts, further delaying the acquisition of DS's general liability coverage.

24. On or around January 27, 2023, after being questioned by the Division regarding this matter, Respondents refunded $3,005.19 to DS.

Additional Inaccuracies Inputted onto CCB Database

25. As noted, the information on the CCB database empowers consumers to confirm their contractors are properly insured, identify applicable insurers and policies, and contact those insurers in the event they need to file a claim. Providing false information negatively impacts consumers' ability to evaluate contractors and make necessary insurance claims.

26. Respondents inputted the following inaccurate entries for their clients' general liability policies on the CCB database:

A. An incorrect policy number for NCI's 2022-2023 policy;

B. Incorrect policy numbers for DKC's 2019-2020 and 2020-2021 policies;

C. An incorrect policy number and incorrect effective dates for DKC's 2022-2023 policy;

D. Incorrect policy numbers and incorrect effective dates for AR's 2019-2020, 2020-2021, and 2022-2023 policies;

E. An incorrect policy number for HI's 2019-2020 policy;

F. An incorrect policy number and incorrect insurer for HI's 2020-2021 policy;

G. An incorrect policy number and incorrect effective dates for "DJP"'s

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2019-2020 policy;

H. An incorrect policy number for "MPC"'s 2021-2022 policy; and

I. An incorrect policy number and incorrect effective dates for "JJW"'s 2021-2022 policy.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

27. By making false entries on the CCB database to give the false impression that NCI, DKC, AR, and/or MHC had active general liability policies, as set forth in Paragraphs (8), (10), (12) - (13), and (16), Respondents used fraudulent and dishonest practices, in violation of ORS 744.074(1)(h).

28. By failing to refund premium payment funds to MHC, HI, and/or DS within 30 days, as set forth in Paragraphs (17), (20), and (23) – (24), Respondents demonstrated financial irresponsibility, in violation of ORS 744.074(1)(h).

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

A. Engaging in the conduct set forth in Paragraphs (27) – (28);

B. Failing to ensure NCI, DKC, AR, MHC, and/or HI maintained active general liability policies, as set forth in Paragraphs (7) – (16) and (18) – (21); and

C. Repeatedly making inaccurate entries on the CCB database regarding the policy numbers, effective dates, and insurers of their clients' general liability policies, as set forth in Paragraph (26).

30. Because Respondents engaged in the foregoing violations of ORS 744.074(1)(h), the Director may suspend their insurance producer licenses.

31. By engaging in the conduct set forth in Paragraph (28), Respondents violated OAR 836-074-0025 and the Director may suspend their insurer producer licenses, under ORS 744.074(1)(b).

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32. 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).

33. 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.

ORDERS

Now therefore, the Director issues the following Orders:

34. As authorized by ORS 731.252(1), the Director ORDERS Respondents to CEASE AND DESIST from violating ORS 744.074(1)(h) and OAR 836-074-0025.

35. As authorized by ORS 731.988(1), the Director hereby ORDERS that Respondents be jointly and severally subject to a CIVIL PENALTY of $30,000 as follows:

A. $15,000 for violating ORS 744.074(1)(h) in connection with NCI, DKC, AR, MHC, and HI; and

B. $15,000 for violating OAR 836-074-0025 in three instances.

36. The Director hereby suspends payment of $20,000 of the CIVIL PENALTY for a period of three years, provided Respondents comply with the terms of this Order.

37. The non-suspended CIVIL PENALTY ($10,000) is due and payable on the following terms:

A. $833.37 at the time this Order is returned to the Director; and

B. $9,166.63 to be paid in 11 installment payments of $833.33 due by the following dates:

(a) February 3, 2025;

(b) March 3, 2025;

(c) April 1, 2025;

(d) May 1, 2025;

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(e) June 2, 2025;

(f) July 1; 2025;

(g) August 1, 2025;

(h) September 1, 2025;

(i) October 1, 2025;

(j) November 3, 2025; and

(k) December 1, 2025.

38. As authorized by ORS 744.074(1)(b) and (h), the Director hereby SUSPENDS Respondents' insurance producer licenses for NINE MONTHS, effective January 15, 2025.

39. Minahan will notify Respondents' clients to contact their policy carriers regarding insurance-related matters while Respondents' insurance producer licenses are suspended.

40. During the suspension period, Respondents shall perform the actions required to maintain their insurance producer licenses, including satisfying any applicable fee, filing, or continuing education requirements.

41. Minahan shall complete four hours of continuing education ethics training. This shall be in addition to any ethics-based continuing education training required to maintain his insurance producer license. Any ethics-based continuing education training that would fulfill Minahan's license obligations is eligible to satisfy this condition. Minahan shall submit proof of completion within one year of the date this Order is fully executed. Proof shall be submitted to the Division at 350 Winter St NE, Room 410, Salem OR 97301 or DFR.ReportEnforcement@Oregon.gov.

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

43. 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

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Director under Oregon law.

SO ORDERED this 16th day of January, 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, Matthew Minahan, state that I am an officer of Compass 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. Compass 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. Compass 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. Compass will fully comply with the terms and conditions stated herein.

Compass understands that this Consent Order is a public document.

Signature: /s/ Matt Minahan

Position Held: Owner/Agent

State of Oregon

County of Clackamas

Signed or attested before me on this 11th day of January, 2025 by Matthew Minahan.

/s/ Charles Green
Notary Public

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CONSENT TO ENTRY OF ORDER

I, Matthew Minahan, 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/ Matt Minahan

State of Oregon

County of Clackamas

Signed or attested before me on this 11th day of January, 2025 by Matthew Minahan.

/s/ Charles Green
Notary Public

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