

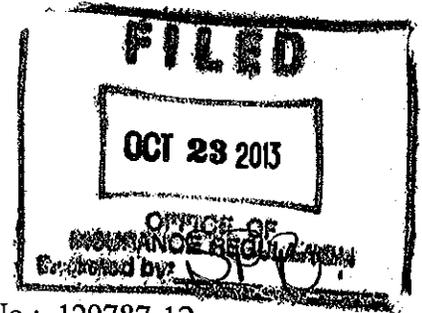


OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY  
COMMISSIONER

IN THE MATTER OF:

ARKIDUS HOME PROTECTION, INC.



Case No.: 129787-12

FINAL ORDER TO CEASE AND DESIST

THIS MATTER came on before the undersigned Insurance Commissioner of the State of Florida for consideration and final agency action, who having considered the record in this case and being fully advised of the premises, finds and orders as follows:

1. On January 11, 2013, an Order to Cease and Desist (hereinafter the "Order") was issued by the OFFICE OF INSURANCE REGULATION (hereinafter "OFFICE") notifying ARKIDUS HOME PROTECTION, INC. (hereinafter "AHP") that it was transacting home warranty business in the State of Florida without a license, in violation of the Florida Insurance Code.
2. Service of the Order was attempted by U.S. Certified Mail to AHP's last known address and to its Registered Agent as listed on its most recent annual report filed with the Florida Department of State. All certified mail notices were returned undelivered.
3. Pursuant to Section 120.60(5), Florida Statutes, notice was published in the county of AHP's last known address once each week for four consecutive weeks.
4. There has been no request for a proceeding to challenge or contest the action taken by the Office.

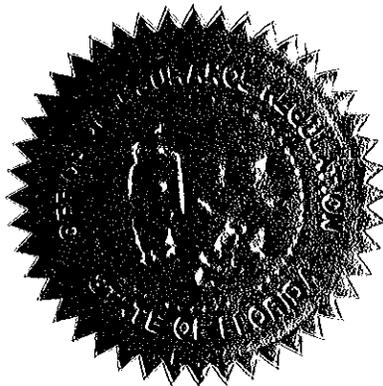
5. The Office has jurisdiction over AHP for purposes of this action.

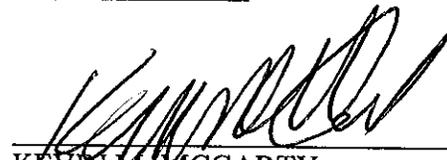
**IT IS HEREBY ORDERED:**

6. The findings of fact and conclusions of law contained in the January 11, 2013 Order are hereby **ADOPTED** and **INCORPORATED** into this Final Order to Cease and Desist.

7. AHP, whether acting in the State of Florida as a provider of home and/or service warranty business, or otherwise engaging in providing or offering to provide home and/or service warranties, either directly or indirectly through named or unnamed persons, successor companies, entities or agents, shall forthwith **CEASE AND DESIST** from the transaction of providing and/or offering to provide home and/or service warranties in the State of Florida or with Florida consumers, including individuals, businesses, and state or local government agencies. However, regardless of the ongoing prohibition against providing and/or offering to provide home and/or service warranties in the State of Florida, AHP shall pay any and all valid claims or otherwise fully service any and all home and/or service warranty policies executed in the State of Florida or issued to any Florida consumer.

**DONE AND ORDERED** this 23RD day of OCTOBER, 2013.



  
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KEVIN M. MCCARTY  
Commissioner  
Office of Insurance Regulation

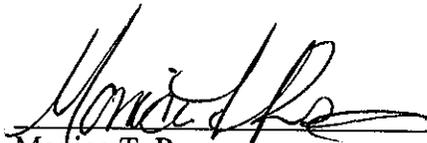
NOTICE OF RIGHTS

Any party to these proceedings adversely affected by this Order is entitled to seek review of this Order pursuant to Section 120.68, Florida Statutes, and Rule 9.110, Fla. R. App. P. Review proceedings must be instituted by filing a petition or notice of appeal with the General Counsel, for the Office of Insurance Regulation, acting as the Agency Clerk, at 612 Larson Building, Tallahassee, Florida, 32399 and filing a copy of the same with the appropriate District Court of Appeal within thirty (30) days of rendition of this Order.

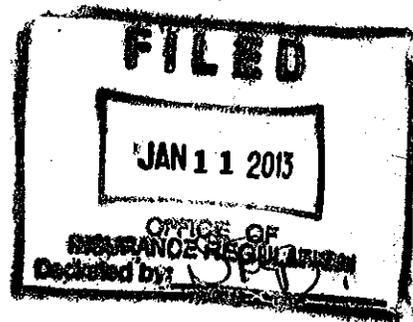
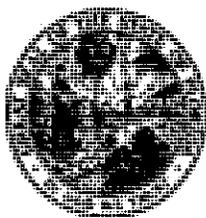
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Final Order to Cease and Desist has been sent by Certified Mail this 23<sup>rd</sup> day of October, 2013, to:

Arkidus Home Protection, Inc.  
6715 Kendall Drive #714  
Miami, FL 33156



Monica T. Ross  
Fla. Bar No.: 56988  
Assistant General Counsel  
Office of Insurance Regulation  
200 East Gaines Street  
Tallahassee, Florida 32399-4206  
Telephone: 850-413-4159  
Fax: 850-922-2543



OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 129787-12

**ARKIDUS HOME PROTECTION, INC.**

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CEASE AND DESIST ORDER

TO:

**Arkidus Home Protection, Inc.**  
10300 SW 72<sup>nd</sup> Street, Suite #384  
Miami, Fl 33173

YOU ARE HEREBY NOTIFIED that pursuant to the Florida Insurance Code, the STATE OF FLORIDA OFFICE OF INSURANCE REGULATION (the "OFFICE") has caused an investigation to be made of the warranty-related activities of ARKIDUS HOME PROTECTION, INC. (hereinafter "AHP"). Pursuant to Sections 634.302 and 634.339, Florida Statutes, the OFFICE intends to enter a Final Order requiring AHP to cease and desist from engaging in the unauthorized and unlicensed business of a home warranty association in the state of Florida. As grounds therefore, the OFFICE alleges that:

1. The OFFICE has jurisdiction over the subject matter hereof and parties to this proceeding.
2. AHP is registered as a corporation with the Florida Department of State. Its principal place of business is listed as 10300 SW 72<sup>nd</sup> Street, Suite #384, Miami, Fl 33173. AHP holds a home warranty (0251) agency license from the Department of Financial Services.

3. Reinaldo A. Berges ("Berges") is listed as president of AHP. Berges holds an automobile warranty (0253) agents license from the Department of Financial Services, however does not have any active appointments.

4. AHP offers its plans via its website, <http://theahp.net>. The plan offers coverage for common household appliances and systems.

5. AHP has never been granted a certificate of authority to transact insurance or a license to transact home warranties in any capacity in the state of Florida.

6. Section 634.303(1), Florida Statutes, provides that "[n]o person in this state shall provide or offer to provide home warranties unless authorized therefor under a subsisting license issued by the office."

7. Section 634.301(2), Florida Statutes, provides, in relevant part:

"Home warranty" or "warranty" means any contract or agreement whereby a person undertakes to indemnify the warranty holder against the cost of repair or replacement, or actually furnishes repair or replacement, of any structural component or appliance of a home, necessitated by wear and tear or an inherent defect of any such structural component or appliance or necessitated by the failure of an inspection to detect the likelihood of any such loss.

WHEREFORE, because AHP offers home warranties in the state of Florida, it is in violation of Section 634.303, Florida Statutes, and the OFFICE intends to issue an Order requiring the AHP to cease and desist from engaging in the unlawful transaction of home warranties in the state of Florida.

**DONE AND ORDERED** this 11TH day of JANUARY, 2013.





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KEVIN M. MCCARTY  
Commissioner  
Office of Insurance Regulation

### NOTICE OF RIGHTS

Pursuant to Sections 120.569 and 120.57, Florida Statutes and Rule Chapter 28-106, Florida Administrative Code (F.A.C.), you may have a right to request a proceeding to contest this action by the Office of Insurance Regulation (hereinafter the "Office"). You may request a proceeding by filing a Petition. Your Petition for a proceeding must be in writing and must be filed with the General Counsel acting as the Agency Clerk, Office of Insurance Regulation. If served by U.S. Mail the Petition should be addressed to the Florida Office of Insurance Regulation at 612 Larson Building, Tallahassee, Florida 32399-4206. If Express Mail or hand-delivery is utilized, the Petition should be delivered to 612 Larson Building, 200 East Gaines Street, Tallahassee, Florida 32399-0300. The written Petition must be received by, and filed in the Office no later than 5:00 p.m. on the twenty-first (21) day after your receipt of this notice. Unless your Petition challenging this action is received by the Office within twenty-one (21) days from the date of the receipt of this notice, the right to a proceeding shall be deemed waived. Mailing the response on the twenty-first day will not preserve your right to a hearing.

If a proceeding is requested and there is no dispute of material fact the provisions of Section 120.57(2), Florida Statutes may apply. In this regard you may submit oral or written evidence in opposition to the action taken by this agency or a written statement challenging the grounds upon which the agency has relied. While a hearing is normally not required in the absence of a dispute of fact, if you feel that a hearing is necessary one may be conducted in Tallahassee, Florida or by telephonic conference call upon your request.

If you dispute material facts which are the basis for this agency's action you may request a formal adversarial proceeding pursuant to Sections 120.569 and 120.57(1), Florida Statutes. If you request this type of proceeding, the request must comply with all of the requirements of Rule Chapter 28-106.2015, F.A.C., including but not limited to:

- a) A statement requesting an administrative hearing identifying those material facts that are in dispute. If there are none, the petition must so state; and
- b) A statement of when the respondent received notice of the agency's action.

These proceedings are held before a State Administrative Law Judge of the Division of Administrative Hearings. Unless the majority of witnesses are located elsewhere, the Office will request that the hearing be conducted in Tallahassee.

In some instances, you may have additional statutory rights than the ones described herein.

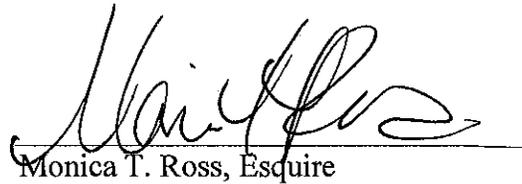
Failure to follow the procedure outlined with regard to your response to this notice may result in the request being denied. Any request for administrative proceeding received prior to the date of this notice shall be deemed abandoned unless timely renewed in compliance with the guidelines as set out above.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Cease and Desist Order has been furnished by electronic mail and U.S. Certified Mail this 11 day of January, 2013 to:

Arkidus Home Protection, Inc.  
10300 SW 72<sup>nd</sup> Street, Suite #384  
Miami, FL 33173

Ray Berges, President  
Arkidus Home Protection, Inc.  
Rayb@theahp.net



Monica T. Ross, Esquire  
Assistant General Counsel  
Fla Bar No.: 0056988  
Office of Insurance Regulation  
612 Larson Building  
200 East Gaines Street  
Tallahassee, Florida 32399-4206  
(850) 413-4159