

OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 130891-13

COLONIAL WARRANTY GROUP, INC.
d/b/a COLONIAL HOME WARRANTY

CONSENT ORDER

THIS CAUSE came on for consideration upon agreement between COLONIAL WARRANTY GROUP, INC d/b/a COLONIAL HOME WARRANTY (hereinafter referred to as "COLONIAL") and the OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE"). Based on the representations made by the company and a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter of, and parties to, this proceeding.
2. COLONIAL is a registered Delaware corporation. It is not registered to do business in the state of Florida.
3. COLONIAL does not hold a certificate of authority from the OFFICE in any capacity.

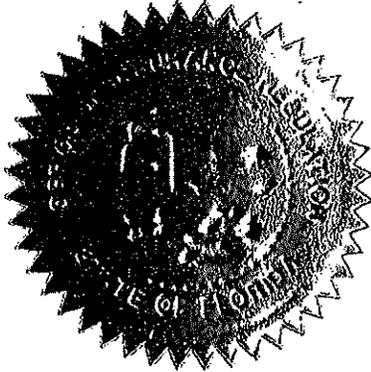
4. The OFFICE has conducted an investigation of COLONIAL pursuant to Sections 634.302 and 634.337, Florida Statutes. As a result of such investigation, the OFFICE finds that COLONIAL has violated Section 634.303(1), Florida Statutes, by providing and/or offering to provide home warranties in the state of Florida without a license.
5. COLONIAL expressly waives a hearing in this matter and the making of Findings of Fact and Conclusions of Law by the OFFICE, and all further and other proceedings herein to which the parties may be entitled by law or rules of the OFFICE. COLONIAL hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order, in any forum now or in the future available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.
6. COLONIAL agrees that upon the execution of this Consent Order, it shall be subject to the following terms and conditions:
 - a. COLONIAL shall cease and desist from engaging in the activities of a home warranty company in the state of Florida, including but not limited to issuing new policies or renewing in-force policies, until such time as it becomes duly licensed and appointed to conduct such activity.
 - b. Regardless of the prohibition against providing and/or offering to provide home warranties in the state of Florida, COLONIAL shall pay any and all valid claims or otherwise fully service any and all home warranties executed in the state of Florida or issued to any Florida consumer.

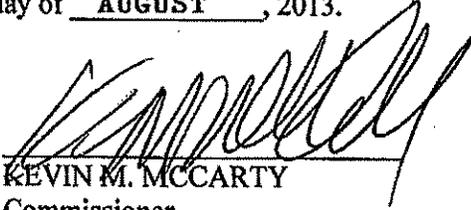
- c. COLONIAL shall notify its Florida consumers that policies will not be renewed after the current policy period has ended.
 - d. COLONIAL shall pay an administrative penalty of five thousand dollars (\$5,000) and administrative costs of three thousand dollars (\$3,000.00) within thirty (30) days of the execution of this Consent Order.
 - e. COLONIAL shall, within thirty (30) days of the execution of this Consent Order, certify by an officer of the company that it has complied with the conditions of this Consent Order. The certification shall identify the date at which the last Florida policy will end.
 - f. COLONIAL shall notify the OFFICE, in writing, prior to any assignments of its obligations under the Florida contracts. Any assignment must be made to an entity authorized under a license issued by the OFFICE.
7. COLONIAL is hereby placed on notice of the requirements of the above referenced sections of law and agree that any future violations of these sections may be deemed willful and subject to appropriate penalties.
8. COLONIAL agrees that failure to adhere to one or more of the above terms and conditions of this Consent Order shall constitute a violation of a lawful order of the OFFICE, and shall subject it to such administrative action as the OFFICE may deem appropriate.
9. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

WHEREFORE, the agreement between COLONIAL and the OFFICE, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions above are hereby ORDERED.

DONE AND ORDERED this 29TH day of AUGUST, 2013.





KEVIN M. MCCARTY
Commissioner
Office of Insurance Regulation

By execution hereof, COLONIAL WARRANTY GROUP, INC. d/b/a COLONIAL HOME WARRANTY consents to entry of this Consent Order, agree without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind COLONIAL WARRANTY GROUP, INC. d/b/a COLONIAL HOME WARRANTY to the terms and conditions of this Consent Order.

COLONIAL WARRANTY GROUP, INC.
d/b/a COLONIAL HOME WARRANTY

By: 

Print Name: Alan Safdieh

Title: President

Date: 8/22/2013

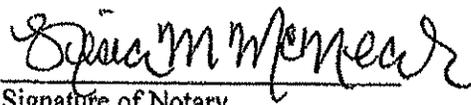
Corporate Seal

STATE OF New Jersey
COUNTY OF Essex

The foregoing instrument was acknowledged before me this 22 day of Aug 2013, by Alan h Safdieh, who is personally known to me or has produced the following identification NJ Driver license.



[Notarial Seal]


Signature of Notary

Lesia M McNear
Print or Type Name

My Commission Expires: 10/1/2014

COPIES FURNISHED TO:

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