

FILED

OCT 28 2014

OFFICE OF
INSURANCE REGULATION

Docketed by: SAAB



OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER

IN THE MATTER OF:

STANLEY WARRANTY, LLC
a/k/a STANLEY SAFE CLUB

CASE NO.: 161321-14

CEASE AND DESIST ORDER

TO:

Stanley Warranty, LLC
a/k/a **Stanley Safe Club**
560 Sylvan Avenue: Suite 302
Englewood Cliffs, NJ 07632

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 business activities of STANLEY WARRANTY, LLC a/k/a STANLEY SAFE CLUB (hereinafter "STANLEY"). Pursuant to Sections 624.307, 626.901, 634.302 and 634.339, Florida Statutes, the OFFICE intends to enter a Final Order requiring STANLEY to cease and desist from engaging in the 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. STANLEY is registered as a limited liability company with the New Jersey Division of Revenue and Enterprise Services. It is not registered to do business in Florida.

3. STANLEY's business address is 560 Sylvan Avenue, Suite 302, Englewood Cliffs, New Jersey 07632.

4. STANLEY has been granted a license to act as a motor vehicle service agreement salesperson (Class 0253) and a home warranty sales representative (Class 0251) by the Florida Department of Financial Services. STANLEY currently has no active appointments by a licensed home warranty association.

5. STANLEY has never been granted a license to act as a home warranty association, or a certificate of authority to transact insurance in any capacity, in the state of Florida.

6. STANLEY offers contracts covering repair and/or replacement costs of home appliances and air conditioning systems via its website, www.stanleywarranty.com.

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.

8. Section 634.301(3), Florida Statutes, provides that “[h]ome warranty association” means any corporation or any other organization, other than an authorized insurer, issuing home warranties.”

9. Section 634.303(1), Florida Statutes, provides, in relevant part, 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.”

10. Despite being put on notice by the OFFICE that its activities require a license, STANLEY has failed to seek licensure and continues to offer its product to Florida consumers.

WHEREFORE, because STANLEY offers home warranties to Florida consumers, it is in violation of Sections 634.301 and 634.303, Florida Statutes, and the OFFICE intends to issue an Order requiring STANLEY to cease and desist from engaging in the unlawful transaction of home warranties in the state of Florida.

DONE AND ORDERED this 28th day of October, 2014.





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.

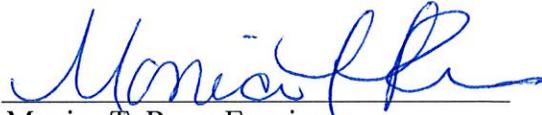
In some instances, you may have additional statutory rights than the ones described herein.

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 U.S. Certified Mail this 29 day of October, 2014 to:

Stanley Warranty, LLC
a/k/a Stanley Safe Club
560 Sylvan Avenue: Suite 302
Englewood Cliffs, NJ 07632



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