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INSURANCE REGULATION
Docketed by: ADG

OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 301878-22-CO

Application for the Direct Acquisition of
HOME WARRANTY ADMINISTRATOR OF FLORIDA, INC.
by CHW GROUP, INC.

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing by CHW GROUP, INC. (“APPLICANT”), with the FLORIDA OFFICE OF INSURANCE REGULATION (“OFFICE”) of an application for the direct acquisition of 100% of the issued and outstanding voting securities of HOME WARRANTY ADMINISTRATOR OF FLORIDA, INC. (“HOME WARRANTY”), pursuant to Section 628.4615, Florida Statutes (“Application”). Following 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 and the parties herein.
2. APPLICANT has applied for and, subject to the present and continuing satisfaction of the requirements, terms, and conditions established herein, has satisfactorily met all the conditions precedent to the granting of approval by the OFFICE for the proposed direct acquisition of HOME WARRANTY, pursuant to the requirements of the Florida Insurance Code.
3. HOME WARRANTY is a Florida corporation licensed to transact home warranty contracts through a subsisting License issued by the OFFICE, pursuant to Chapter 634, Part II, Florida Statutes.

4. HOME WARRANTY is owned 100% by VICTOR MANDALAWI (“SELLER”), an individual.

5. APPLICANT is a New Jersey corporation that is owned 100% by RELY HOME, INC. (“RELY HOME”), a New Jersey corporation whose ownership is as detailed in the Application.

6. Pursuant to the terms of the Option and Stock Purchase Agreement dated June 28, 2021, APPLICANT proposes to acquire 100% of the issued and outstanding voting securities of HOME WARRANTY from SELLER for a purchase price detailed in the Application (“Transaction”).

7. If the OFFICE determines that any individual for whom APPLICANT is required to submit background information as part of this Application is unacceptable under the Florida Insurance Code, APPLICANT, RELY HOME, or HOME WARRANTY will remove said person within 30 days of notice from the OFFICE and replace them with a person or persons acceptable to the OFFICE or shall undertake such other corrective action as directed by the OFFICE. Failure to act would constitute an immediate serious danger to the public and the OFFICE may take administrative action as it deems appropriate upon the License of HOME WARRANTY without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

8. APPLICANT and RELY HOME represent that, except as described in the Application, there are no present plans or proposals to make any substantive changes to HOME WARRANTY, including liquidating it, selling any of its assets (except for transactions such as investment portfolio transactions in the ordinary course of business), merging or consolidating it with any person or persons, or making any other major change in its business operations, management, or corporate structure.

9. APPLICANT, SELLER, and RELY HOME represent that there are no agreements, written or oral, related to the Application and the Transaction that have not been provided to the OFFICE.

10. Any material changes to the information submitted in the Application filing shall be reported to the OFFICE for its review prior to the closing date. APPLICANT, SELLER, HOME WARRANTY, and RELY HOME acknowledge that if the OFFICE determines that any of these reported changes would have a material negative impact to the financial condition or operation of HOME WARRANTY, the OFFICE may rescind its approval as granted in the Consent Order by written notice to APPLICANT, SELLER, HOME WARRANTY, or RELY HOME.

11. Within 10 business days after the Transaction is completed, APPLICANT shall submit, or cause to be submitted, to the OFFICE all documents evidencing completion of the Transaction not already provided to the OFFICE. Further, APPLICANT, SELLER, HOME WARRANTY, or RELY HOME shall notify the OFFICE within 3 business days of a final determination that the Transaction will not occur.

12. All parties to this Consent Order acknowledge that completion of the Transaction is subject to obtaining any other requisite regulatory or governmental approvals and that this Consent Order shall be deemed null and void if the Transaction is not completed within 60 days of the execution of this Consent Order. Accordingly, if APPLICANT fails to receive any other requisite approvals, or the Transaction is not completed timely, the provisions of this Consent Order shall terminate automatically and have no effect.

13. Any prior orders, consent orders, or corrective action plans that HOME WARRANTY has entered into with the OFFICE prior to the execution of this Consent Order shall apply and remain in full force and effect for HOME WARRANTY, except where

provisions of such orders, consent orders, or corrective action plans have expired; have been superseded by subsequent orders, consent orders, or corrective action plans; or are inconsistent with this Consent Order.

14. APPLICANT, SELLER, HOME WARRANTY, and RELY HOME affirm that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with this Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions, agreements, ownership structures, understandings, and control with regard to the acquisition and future operations of HOME WARRANTY. APPLICANT, HOME WARRANTY, SELLER, and RELY HOME further agree and affirm that said information, explanations, representations, statements, and documents, including all attachments and supplements thereto, are material to the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into this Consent Order.

15. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Such approval must be requested in writing prior to any proposed deviation from the terms of this Consent Order.

16. APPLICANT, SELLER, HOME WARRANTY, and RELY HOME affirm that all requirements set forth herein are material to the issuance of this Consent Order.

17. APPLICANT, SELLER, HOME WARRANTY, and RELY HOME expressly waive a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which they may be entitled by law or rules of the OFFICE. APPLICANT, SELLER, HOME WARRANTY, and RELY HOME hereby knowingly and voluntarily waive all rights to challenge or to contest this Consent Order

in any forum available to them, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

18. Each party to this action shall bear its own costs and fees.

19. APPLICANT, SELLER, HOME WARRANTY, and RELY HOME agree that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon the License of HOME WARRANTY in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

20. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the notarized signatures of the individuals or authorized representatives of APPLICANT, SELLER, HOME WARRANTY, and RELY HOME.

WHEREFORE, subject to the terms and conditions of which are set forth above, the Application for the direct acquisition of HOME WARRANTY ADMINISTRATOR OF FLORIDA, INC., by CHW GROUP, INC., pursuant to Section 628.4615, Florida Statutes, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 2nd day of November 2022.



David Altmaier

David Altmaier, Commissioner
Office of Insurance Regulation

By execution hereof, HOME WARRANTY ADMINISTRATOR OF FLORIDA, INC., consents to entry this Consent Order, agrees without reservation to all the above terms and conditions and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind HOME WARRANTY ADMINISTRATOR OF FLORIDA, INC., to the terms and conditions of this Consent Order.

HOME WARRANTY ADMINISTRATOR OF FLORIDA, INC.

By: [Signature]

[Corporate Seal]

Print Name: JAMES E. MOSTOFI

Title: CEO

Date: 10/27/2022

STATE OF New Jersey
COUNTY OF Middlesex

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 27th day of October 2022, by James E. Mostofi

(name of person)

as CEO
(type of authority; e.g., officer, trustee, attorney in fact)

for Home Warranty Administrator of Florida
(company name)

[Signature]

(Signature of the Notary)

Brian S. Trotter

(Print, Type or Stamp Commissioned Name of Notary)

an attorney admitted to practice in New Jersey
Bar No. 00501-2012

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires _____

By execution hereof, CHW GROUP, INC., consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind CHW GROUP, INC., to the terms and conditions of this Consent Order.

CHW GROUP, INC.

By:

[Signature]

[Corporate Seal]

Print Name:

JAMES E. MOSTOFI

Title:

CEO

Date:

10/17/2022

STATE OF New Jersey
COUNTY OF Middlesex

The foregoing instrument was acknowledged before me by means of physical presence or
 online notarization, this 17th day of October 2022, by James E. Mostofi
(name of person)

as CEO for CHW Group
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

[Signature]
(Signature of the Notary)

Brian S Trotter
(Print, Type or Stamp Commissioned Name of Notary)
an attorney admitted to practice in New Jersey
Bar No. 06501-2012

Personally Known OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires _____

By execution hereof, RELY HOME, INC., consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind RELY HOME, INC., to the terms and conditions of this Consent Order.

RELY HOME/ INC.

By: [Signature]

Print Name: JAMES E. MOSTOFI

Title: CEO

Date: 10/27/2022

[Corporate Seal]

STATE OF New Jersey
COUNTY OF Middlesex

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 27th day of October 2022, by James E. Mostofi
(name of person)

as CEO for Rely Home, Inc.
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

[Signature]
(Signature of the Notary)

Brian S. Trotter
(Print, Type or Stamp Commissioned Name of Notary)
an attorney admitted to practice in New Jersey
Bar No. 00501-2012

Personally Known _____ OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires _____

By execution hereof, VICTOR MANDALAWI consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions and shall be bound by all provisions herein.

[Signature]
VICTOR MANDALAWI

Date: 11/01/22

STATE OF New Jersey
COUNTY OF Middlesex

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 1st day of November 2022, by Victor Mandalawi

as shareholder for Home by County Administrator of Florida
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

[Signature]
(Signature of the Notary)

Brian Trotter
(Print, Type or Stamp Commissioned Name of Notary)

an attorney admitted to practice in the State of NJ Bar No. 00501-2012

Personally Known OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires _____

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