

JUN 01 2011

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

DEPT OF INSURANCE
BY ms

In the Matter of:

CARSAFE, LLC

Respondent.

No. 11A-046-INS

**ORDER TO CEASE
AND DESIST**

The Arizona Department of Insurance ("Department") has received evidence that **CarSafe, LLC** has unlawfully offered service contracts in the State of Arizona. Accordingly, the Director of Insurance of the State of Arizona (the "Director") makes the following Findings of Fact and Conclusions of Law and enters the following Order pursuant to A.R.S. §§ 20-1095.09(B).

FINDINGS OF FACT

1. CarSafe, LLC ("Respondent" or "CarSafe") is an Oklahoma limited liability company¹ that is registered in Arizona as a foreign corporation. CarSafe offers service contracts to Arizona residents. CarSafe's addresses are: 1529 S. Old Hwy 94, #110, St. Charles, MO 63303; and c/o Corporation Service Company, 2338 W. Royal Palm Rd., Ste J, Phoenix, AZ 85021 (Statutory Agent).

2. CarSafe does not hold a permit to offer service contracts in the State of Arizona.

3. CarSafe is not exempt from the permit requirement.

4. Sometime prior to May 26, 2011, CarSafe mailed a solicitation offering an extended auto warranty service contract to an Arizona resident.

5. On or about November 8, 2010, the Missouri Attorney General sued CarSafe for selling insurance in Missouri without a state license.

¹ CarSafe's Oklahoma status is listed as inactive.

1 **CONCLUSIONS OF LAW**

2 1. The Director has jurisdiction over this matter.

3 2. Respondent's conduct, as alleged above, constitutes offering service
4 contracts without a permit, within the meaning of A.R.S. § 20-1095.01(A).

5 3. Respondent is not exempt from the permit requirement, within the meaning of
6 A.R.S. § 20-1095.02(A).

7 4. Grounds exist for the Director to order Respondent to cease and desist its
8 violation pursuant to A.R.S. § 20-1095.09(B).

9 **ORDER**

10 IT IS THEREFORE ORDERED:

11 1. Respondent shall immediately cease and desist from offering or soliciting
12 warranty service contract applications, taking or proposing to make any warranty service
13 contract, taking or receiving any application for warranty service contracts, taking or
14 collecting any premium, fees, commission, or any other consideration for any warranty
15 service contract, issuing or delivering warranty service contracts to residents of this state,
16 or otherwise offering or issuing service contracts to Arizona residents.

17 2. Respondent shall pay all valid claims arising out of acts covered by any and
18 all service contract issued by them to Arizona residents for so long as such claims may
19 legally be brought against the contract holders.

20 3. This Order shall become effective immediately and shall remain in full force
21 and effect until otherwise stayed, modified, vacated or set aside.

22 **NOTICE OF OPPORTUNITY FOR HEARING**

23 Pursuant to Title 20 of the Arizona Revised Statutes, Respondents are hereby
24 notified that they may request a hearing pursuant to A.R.S. § 20-161 to contest the order to
25
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1 cease and desist. Such a request must be in writing and received at the following address
2 within thirty (30) days from the date hereof:

3 Arizona Department of Insurance
4 2910 North 44th Street, Suite 210
5 Phoenix, Arizona 85012
6 ATTN: Director's Office

7 Upon receipt of a timely written request for hearing, the Director will issue an order
8 setting the time and place of the hearing.

9 DATED AND EFFECTIVE this 31st day of May, 2011.

10 
11 CHRISTINA URIAS, Director
12 Arizona Department of Insurance

13 COPY of the foregoing mailed this
14 1st day of June, 2011 to:

15 Lynette Evans
16 Assistant Attorney General
17 1275 West Washington
18 Phoenix, Arizona 85007
19 Attorney for the Department

20 CarSafe, LLC
21 1529 S. Old Hwy 94, #110
22 St. Charles, MO 63303
23 Respondent

24 CarSafe, LLC
25 c/o Corporation Service Company
26 2338 W. Royal Palm Rd., Ste J
Phoenix, AZ 85021
Statutory Agent for Respondent

Gerrie Marks, Deputy Director
Mary E. Kosinski, Exec. Assistant for Reg. Affairs
Catherine M. O'Neil, Consumer Legal Affairs Officer
Jack Sneathen, Property and Casualty Division
Charles Gregory, Investigations Supervisor
Arnold Sniegowski, Investigator
Department of Insurance

1 2910 North 44th Street, Suite 210
2 Phoenix, Arizona 85018

3 ~~Maidene Scheiner~~ for
4 Curvey Walters Burton

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