

JUN 16 2014

DEPT OF INSURANCE
BY 

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:

SENSIBLE HOME WARRANTY, LLC

Respondent.

No. 14A-066-INS

**ORDER TO CEASE
AND DESIST**

The Arizona Department of Insurance ("Department") has received evidence that **Sensible Home Warranty, LLC** ("Respondent"), has engaged in unfair trade practices. 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. Sensible Home Warranty, LLC ("SHW") is a service contract provider domiciled in the state of Nevada that holds a service contract permit, number 283260, in Arizona.

2. SHW's addresses of record are: 1344 Disc Drive, PMB 221, Sparks, NV 89436 (business) and 1724 East 12th Street, Brooklyn, NY 11229 (mailing)¹.

3. Harrison Gindi ("Gindi") and Elliot Dabah ("Dabah") are managing members of SHW.

4. SHW has been unresponsive to Department inquiries and other attempts to contact them.

¹ The Arizona Corporation Commission lists the following address for SHW: 4675 W. Teco Ave., #240, Las Vegas, NV 89118.

1 5. SHW's website has recently been changed to inform visitors that it has
2 "shuttered its operations".

3 6. SHW did not provide the Department of its intent to cease business
4 operations.

5 7. As of the date of this Order, the Department is aware of Arizona resident
6 contract holders' claims that SHW has failed to pay.

7 **NEVADA ORDER TO IMMEDIATELY SUSPEND CERTIFICATE OF**
8 **REGISTRATION**

9 8. On or about May 28, 2014, the State of Nevada, Department of Business
10 Industry, Division of Insurance ("NDOI"), filed an Order of Immediate Suspension of
11 Certificate of Registration, In the Matter of Sensible Home Warranty, LLC, Docket No.
12 14.0188 ("Nevada Order"). The NDOI sent the Nevada Order to managing members
13 Harrison Gindi and Elliot Dabah. Electronic copies were sent to
14 Harrison@sensiblehomewarranty.com, elliotdabah@sensiblehomewarranty.com,
15 elliotdabah@gmail.com, and assist@sensiblehomewarranty.com.

16 9. The Nevada Order listed Sensible Home Warranty's addresses as: 1344
17 Disc Drive, PMB 221, Sparks, NV 89436 and 1724 East 12th Street, Brooklyn, NY 11229.

18 **ANGULO COMPLAINT**

19 10. On May 23, 2013, Duane Angulo ("Angulo") filed a Complaint with the
20 Department stating that SHW failed to pay for repairs to an air conditioning unit and failed
21 to return calls ("Angulo Complaint"). The Angulo Complaint states that on or about
22 November 7, 2011, SHW issued a two-year home warranty service contract to Angulo.
23 Angulo attempted to file a claim to repair some electrical issues; however, SHW has been
24 unresponsive as of this date.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

BLAKE COMPLAINT

11. On December 4, 2012, Richard Blake ("Blake") filed a Complaint with the Department stating that SHW failed to pay claims on an air conditioning unit ("Blake Complaint"). The Blake Complaint states that on or about August 17, 2011, SHW issued a two year home warranty service contract to Blake. Blake paid \$635.15 for the contract. Blake paid \$2600.00 for repairs to replace the air conditioning unit. Blake is requesting return of his payment of \$635.15 for the contract and \$2600.00 for the repairs.

DHAENENS COMPLAINT

12. On May 13, 2013, Jared Dhaenens ("Dhaenens") filed a Complaint with the Department stating that SHW failed to pay a claim on a hot water heater unit ("Dhaenens Complaint"). The Dhaenens Complaint states that on or about September 4, 2010, SHW issued a three year home warranty service contract to Dhaenens. Dhaenens paid \$1,071.81 for the contract. Dhaenens paid \$1,538.68 for repairs to replace the hot water unit. Dhaenens is requesting return of one year of premium of 357.37 for the contract and \$1,538.68 for the repairs.

ALAMSHAW COMPLAINT

13. On July 20, 2013, John Alamshaw ("Alamshaw") filed a Complaint with the Department stating that SHW failed to pay a claims on built in microwave unit ("Alamshaw Complaint"). The Alamshaw Complaint states that on or about September 24, 2012, SHW issued a one year home warranty service contract to Alamshaw. Alamshaw paid \$431.22 for the contract. Alamshaw paid \$525.00 for repairs to the microwave unit. Alamshaw is requesting return of the \$525.00 for the repairs.

GUO COMPLAINT

14. On April 16, 2014, Yan Guo ("Guo") filed a Complaint with the Department stating that SHW failed to pay a claim on an air conditioning unit ("Guo Complaint"). The Guo Complaint states that on or about May 13, 2013, SHW issued a one year home

1 warranty service contract to Guo. Guo paid \$347.00 for the contract. Guo paid \$609.00 for
2 repairs to replace the air conditioning unit. Guo is requesting return of his payment of
3 \$347.00 for the contract and \$609.00 for the repairs.

4 **VILLA COMPLAINT**

5 15. On April 29, 2014, Doug Villa ("Villa") filed a Complaint with the Department
6 stating that SHW failed to pay a claim on an ice maker unit and failed to return his calls
7 ("Villa Complaint"). The Villa Complaint states that on or about November 28, 2013, SHW
8 issued a two year home warranty service contract to Villa. Villa paid \$784.00 for the
9 contract. Villa is requesting return of his payment of \$784.00 for the contract.

10 **BUSELLATO COMPLAINT**

11 16. On May 1, 2014, Hayley Busellato ("Busellato") filed a Complaint with the
12 Department stating that SHW failed to pay a claim on air conditioning duct work and failed
13 to return calls ("Busellato Complaint"). The Busellato Complaint states that on or about
14 January 24, 2014, SHW issued a one year home warranty service contract to Busellato.
15 Busellato paid 389.67 for the contract. Busellato is requesting return of her payment of
16 \$389.67 for the contract.

17 **CHAK COMPLAINT**

18 17. On May 15, 2014, Javed Chak ("Chak") filed a Complaint with the Department
19 stating that SHW failed to pay a claim on a microwave unit and failed to return calls ("Chak
20 Complaint"). The Chak Complaint states that on or about November 19, 2013 and
21 November 27, 2013, SHW issued a two year home warranty service contract to Chak on
22 three separate properties. Chak paid \$2,009.94 for the contracts. Chak paid \$153.51 for
23 repairs to replace the microwave unit. Chak is requesting return of his payment of
24 \$2,009.94 for the contract and \$153.51 for the repairs.
25
26

1 **COLOZZI COMPLAINT**

2 18. On May 19, 2014, Michael Colozzi ("Colozzi") filed a Complaint with the
3 Department stating that SHW failed to pay claims on an air conditioning unit, refrigerator
4 unit, garage door opener, garbage disposal, and a pool pump and failed to return calls
5 ("Colozzi Complaint"). The Colozzi Complaint states that on or about January 23, 2013,
6 SHW issued a two year home warranty service contract to Colozzi on two separate
7 properties. Colozzi paid \$2,046.00 for the contracts. Colozzi paid \$1,110.39 for repairs to
8 the air conditioning unit, refrigerator unit, garage door opener, garbage disposal, and a pool
9 pump. Colozzi is requesting return of his payment of \$2,046.00 for the contracts and
10 \$1,110.39 for the repairs.

11 **STEPHENS COMPLAINT**

12 19. On May 22, 2014, Tim Stephens ("Stephens") filed a Complaint with the
13 Department stating that SHW failed to pay claims on an air conditioning unit and failed to
14 return calls ("Stephens Complaint"). The Stephens Complaint states that on or about
15 February 15, 2014, SHW issued a one year home warranty service contract to Stephens on
16 seven separate properties. Stephens paid \$2,500.00 for the contracts. Stephens has been
17 unsuccessful in contacting SHW to file any claims. The Stephens Complaint also states
18 that on or about April 7, 2014, SHW advised Stephens he would be receiving a
19 reimbursement of \$730.25 for repairs to an air conditioning unit from the previous years'
20 service contract; however, SHW has failed to communicate with Stephens and has not
21 reimbursed him. Stephens is requesting return of his payment of \$2,500.00 for the current
22 contracts and \$730.25 for the repairs on the previous contract.

23 **HOWARD COMPLAINT**

24 20. On May 23, 2014, Felix Howard ("Howard") filed a Complaint with the
25 Department stating that SHW failed to pay a claim on a plumbing issue and failed to return
26 calls ("Howard Complaint"). The Howard Complaint states that on or about February 1,

1 2014, SHW issued a one year home warranty service contract to Howard. Howard paid
2 \$497.00 for the contract. Howard has been unsuccessful in contacting SHW to obtain
3 reimbursement for the approved claim. The Howard Complaint also states that on or about
4 March 31, 2014, SHW advised Howard he would be receiving a reimbursement of \$455.00
5 for repairs on the plumbing issue; however, SHW has failed to communicate with Howard
6 since that time and has not reimbursed him. Howard is requesting return of his payment of
7 \$497.00 for the current contracts and \$455.00 for the repairs on the plumbing.

8 CONCLUSIONS OF LAW

- 9 1. The Director has jurisdiction over this matter.
- 10 2. Service company contracts issued by Respondent are enforceable and valid
11 contracts, within the meaning of A.R.S. §20-1095.05.
- 12 3. Respondent's conduct, as alleged above, constitutes the failure to perform
13 the services promised under the service contract within a reasonable time and in a
14 competent manner, which is an unfair trade practice within the meaning of A.R.S. § 20-
15 1095.09(A)(4).
- 16 4. Grounds exist for the Director to order Respondent to cease and desist its
17 violations pursuant to A.R.S. § 20-1095.09(B).

18 ORDER

19 IT IS THEREFORE ORDERED:

- 20 1. Respondent shall immediately cease and desist from offering or soliciting any
21 new warranty service contract applications, taking or proposing to make any warranty
22 service contract, taking or receiving any application for warranty service contracts, taking or
23 collecting any payment, fees, commission, or any other consideration for any warranty
24 service contract, issuing or delivering warranty service contracts to residents of this state,
25 or otherwise offering or issuing service contracts to Arizona residents by any means
26 including through an online website.

1 2. Respondent shall immediately contact the Department and provide its current
2 contact information.

3 3. Respondent shall, within forty-five (45) days of receipt of this Order, furnish
4 the Department with a complete listing, to include contact information, of all Arizona
5 residents and business who have purchased policies or service contracts sold by
6 Respondents and that Respondents report to the Department all premiums collected or
7 charged for policies they sold covering Arizona risks.

8 4. Respondent shall immediately contact the Department and provide a list of all
9 current outstanding claims.

10 5. Respondent shall be responsible for continuing to service all currently active
11 service contracts and any claims made by its contract holders in Arizona.

12 6. Respondent shall pay all valid claims arising out of acts covered by any and
13 all service contract issued by it to Arizona residents for so long as such claims may legally
14 be brought against the contract holders including any other heretofore undiscovered
15 victims.

16 7. This Order shall become effective immediately and shall remain in full force
17 and effect until otherwise stayed, modified, vacated or set aside.


NOTICE OF OPPORTUNITY FOR HEARING

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

22 Arizona Department of Insurance
23 2910 North 44th Street, Suite 210
24 Phoenix, Arizona 85012
25 ATTN: Director's Office
26

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

3 DATED AND EFFECTIVE this 13th day of June, 2014.

4
5 
6 GERMAINE L. MARKS
7 Director of Insurance

8 COPY of the foregoing mailed this
9 16th day of June, 2014, to:

10 Lynette Evans
11 Assistant Attorney General
12 1275 West Washington
13 Phoenix, Arizona 85007
14 Attorney for the Department

15 Sensible Home Warranty, LLC
16 c/o Harrison Gindi
17 1344 Disc Drive, PMB 221
18 Sparks, NV 89436
19 Managing Member for Sensible Home Warranty

20 Sensible Home Warranty, LLC
21 c/o Elliot Dabah
22 1344 Disc Drive, PMB 221
23 Sparks, NV 89436
24 Managing Member for Sensible Home Warranty

25 Sensible Home Warranty, LLC
26 c/o Harrison Gindi
1724 East 12th Street
Brooklyn, NY 11229
Managing Member for Sensible Home Warranty

Sensible Home Warranty, LLC
c/o Elliot Dabah
1724 East 12th Street
Brooklyn, NY 11229
Managing Member for Sensible Home Warranty

1 Sensible Home Warranty, LLC
2 4675 W. Teco Ave., #240
3 Las Vegas, NV 89118
4 Respondent

5 Sensible Home Warranty, LLC
6 c/o Vcorp Services, LLC
7 300 W. Clarendon Ave., #230
8 Phoenix, Arizona 85013
9 Statutory Agent for Respondent

10 Darren T. Ellingson, Deputy Director
11 Mary E. Kosinski, Exec. Assistant for Reg. Affairs
12 Maria Ailor, Acting Assistant Director, Consumer Affairs Division
13 Catherine M. O'Neil, Consumer Legal Affairs Officer
14 Erica Bowsher, Property and Casualty Division
15 Charles Gregory, Investigations Supervisor
16 Randy Markham, Investigator
17 Department of Insurance
18 2910 North 44th Street, Suite 210
19 Phoenix, Arizona 85018

20 And, an electronic copy of the foregoing document was e-mailed to:

21 Harrison@sensiblehomewarranty.com
22 elliotdabah@sensiblehomewarranty.com
23 elliotdabah@gmail.com
24 assist@sensiblehomewarranty.com

25 