

JAN 18 2001

DEPT. OF INSURANCE
BY EB

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

1 In the Matter of:)

2)
3 **U.S. HOME WARRANTY, L.L.C.,**)

4)
5 Respondent.)
6 _____)

No. 00A-188-INS

CONSENT ORDER

7 An Order Summarily Suspending Permit and Notice of Hearing (the "Notice") was issued by
8 the Director of the Arizona Department of Insurance (the "Department") on December 7, 2000,
9 concerning the suspension of the service company permit held by U.S. Home Warranty, L.L.C.
10 ("Respondent") to transact business as a service company in Arizona. Respondent received a copy of
11 this Notice. Respondent has been advised of its right to a hearing in this matter, which it waives.
12 Respondent admits the following Findings of Fact are true and consents to entry of the following
13 Conclusions of Law and Order.

14 **FINDINGS OF FACT**

15 1. U.S. Home Warranty, L.L.C. ("Respondent") is currently, and has at all material times
16 held a service company permit, which permit expires December 31, 2000.

17 2. Pedro Resendes ("Resendes") is the sole owner of U.S. Home Warranty, L.L.C.

18 3. Respondent had the obligation to file with the Director and while licensed to maintain
19 a cash deposit or a bond in the sum of one hundred thousand dollars (\$100,000.00) executed by a
20 surety insurer authorized to do business in this state, pursuant to A.R.S. §20-1095.04. On or about
21 March 14, 2000, Respondent filed Bond Number LP757268, in the amount of \$100,000.00, executed
22 by Capitol Indemnity Corporation ("Capitol"), to satisfy this obligation.


23 4. On or about November 6, 2000, the Director received notice from Capitol that the bond
24 filed by Respondent with the Department would be canceled as of December 6, 2000. The Notice of
25 Bond Cancellation from Capitol states that it canceled the bond due to a lack of response by
26 Respondent to requests for underwriting information.

1 **ORDER**

2 IT IS ORDERED:

- 3 1. Revoking the service company permit Respondent holds.
- 4 2. Respondent shall cease and desist from conducting service company business in
- 5 Arizona.
- 6 3. Respondent shall make restitution as specified in Exhibit A to this Consent Order.
- 7 4. The hearing in this matter, currently set for January 17, 2001, shall be vacated.

8 DATED AND EFFECTIVE this 17th day of January, 2001.

9 

10 CHARLES R. COHEN, Director

11 Arizona Department of Insurance

12 **CONSENT TO ORDER**

- 13 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law and
- 14 Order.
- 15 2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona, and
- 16 admits the foregoing Findings of Fact and consents to the entry of the foregoing Conclusions of Law
- 17 and Order.
- 18 3. Respondent is aware of its right to notice and a hearing at which it may be represented
- 19 by counsel, present evidence and cross-examine witnesses. Respondent irrevocably waives its right
- 20 to such notice and hearing and to any court appeals relating to this Consent Order.
- 21 4. Respondent states that no promise of any kind or nature whatsoever, except as expressly
- 22 contained in this Consent Order, was made to it to induce it to enter into this Consent Order and that
- 23 it has entered in this Consent Order voluntarily.
- 24 5. Respondent acknowledges that the acceptance of this Consent Order by the Director
- 25 is solely to settle this matter against it and does not preclude any other agency, officer or subdivision
- 26

1 of this state from instituting civil or criminal proceedings as may be appropriate now or in the future.

2
3 JANUARY 13/2001
4 Date

U.S. Home Warranty

5 By 
6 Pedro Resendes

7 Its OWNER

8
9 COPY of the foregoing mailed this
10 18th day of January, 2001, to:

11 Daniel Martin, Administrative Law Judge
12 Office of Administrative Hearings
13 1400 West Washington, Suite 101
14 Phoenix, Arizona 85007

15 U.S. Home Warranty, L.L.C.
16 PMB 256
17 7055 E. Thomas Road
18 Scottsdale, Arizona 85251
19 Respondent

20 U.S. Home Warranty, L.L.C.
21 c/o Donald Heck
22 6615 N. Scottsdale Road
23 Scottsdale, Arizona 85250
24 Statutory Agent for Respondent

25 Pedro Resendes
26 8529 Harwell Drive
San Diego, CA 92119

Capitol Indemnity Corporation
P. O. Box 5900
Madison, WI 53705-0900

Shelby Cuevas
Assistant Attorney General
1275 West Washington
Phoenix, Arizona 85007
Attorneys for the Department

...

1 Sara M. Begley, Deputy Director
Gerrie L. Marks, Executive Assistant for Regulatory Affairs
2 Mary M. Butterfield, Assistant Director
Deloris E. Williamson, Assistant Director
3 Catherine M. O'Neil, Consumer Legal Affairs Officer
Arnold V. Sniegowski, Supervisor
4 Department of Insurance
2910 North 44th Street, Suite 210
5 Phoenix, Arizona 85018

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7 Curvey Walters Burton
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Wednesday, January 03, 2001

Shelby L. Cuevas

Assistant Attorney General
Consumer Protection & Advocacy Section
1275 W. Washington Street
Phoenix, AZ, 85007 - 2926

Consumer Protection &
Advocacy Section

JAN 08 2001

RECEIVED

Re: In the matter of U.S. Home Warranty L.L.C.

Acceptance of Consent Order

As per your telephone conversation with my nephew on January 02, 2001, regarding the present situation of this matter and also the resolution I have Agreed to refund in a pro-rata basis, as it was my initial intention to all the contract holders in effect by U.S. Home Warranty L.L.C.

Attached is a list of all our contracts sold by U.S. Home Warranty L.L.C. during all of it's 8 months of operation, as well as a detailed list of their names and addresses, as well as their contract amount and refund sum.

Also, due to the my current financial situation it is not possible to refund 100% of the total refund amount at one time, due to all the expenses that the star of this business brought fourth, as well as other expenses such as travel, legal, and office equipment and rent, etc.

Please understand my situation, but you can rest assured that I will pay back all the 32 or so customers by 2 or 3 at a time, and I guarantee to pay the entire amount back on or before January 15, 2002. And also I will keep you informed to date of all the refunds that I issue as well as a statement month by month.

As you can see in the attached list of customers some are marked as **SETTLED** and this is due to the cancellation of their contract or due to the monthly charges on their credit cards or checking accounts have immediately stopped.

EXHIBIT A

Thank you very much for your comprehension.

Sincerely

A handwritten signature in black ink, appearing to be 'Pedro Resendes', written over the word 'Sincerely'.

Pedro Resendes

Owner of U.S. Home Warranty L.L.C.

Contract#	Name	Address	Contract Date	Contract Amt	Monthly Cost	Used Mo.	Credit Mo.	REFUND
5010	Zimmerman, Mike and Mary	4733 E. Grandview, Phx, 85032	6-19-00	\$350.00	\$29.17	5	7	\$204.17
5005	Noalene Strauss	14021 N. 47th Way, Phx, 85032	7-05-00	\$400.00	\$33.33	4	8	\$266.67
5004	Valentine K. Bongiorno	15022 N. 49th Street, Scottsdale, 85254	6-11-00	\$510.00	SETTLED			SETTLED
5009	Stanley & Bonnie Wills	6737 E. Rockaway Hills, Cave Creek	7-23-00	\$580.00	SETTLED			SETTLED
5006	Linda Jo Kretchman	13827 N. 41st St, Phx, 85032	6-24-00	\$390.00	\$32.50	5	7	\$227.50
5007	Debbie Casa	14642 N. 48th Pl, Scottsdale, 85254	7-01-00	\$350.00	SETTLED			SETTLED
5002	Carl DeRego	4702 E. Cholla St, Phx, 85028	8-27-00	\$395.00	\$32.92	3	9	\$296.25
5008	Geraldine M. Meyers	15407 N. 39th St, Phoenix, 85032	7-12-00	\$445.00	SETTLED			SETTLED
5003	Stanley & Bonnie Wills	4926 E. Hearn Rd, Scottsdale, 85254	7-13-00	\$665.00	SETTLED			SETTLED
5012	Damion Darron	13338 N. 38th Place, Phx, 85032	7-20-00	\$465.00	\$38.75			\$0.00
5018	Damian Barron & Deborah Keahn	3708 E. Colombine, Phx, 85032	9-29-00	\$520.00	\$43.33	2	10	\$433.33
5014	Robert Pirmann	4525 E. Mercer Lane, Phx, 85028	7-26-00	\$315.00	\$26.25	4	8	\$210.00
5011	Susan Chacon	4015 E. Earll, Phoenix, 85018	7-28-00	\$520.00	SETTLED			SETTLED
5015	Donald Hopper	6315 E. Kelton, Scottsdale, 85254	8-23-00	\$435.00	\$36.25	3	9	\$326.25
5013	Robert and Phyllis Weinstein	5001 E. Wethersfield, Scottsdale 85254	8-04-00	\$390.00	SETTLED			SETTLED
5001	Terrance K. Urban	4031 E. Cherry Lynn Rd, Phoenix, 85018	7-31-00	\$390.00	SETTLED			SETTLED
5016	Ira Cahn and Florine Cahn	12809 N. 50th Street, Scottsdale, 85254	8-01-00	\$350.00	SETTLED			SETTLED
5017	Lawrence & Denise Catalano	10131 E. Meadow Hill Dr., Scottsdale 85260	8-02-00	\$350.00	\$29.17	3	9	\$262.50
5019	Theodore DuBois	5910 E. Hillary Dr. Scottsdale, 85254	8-09-00	\$350.00	\$29.17	3	9	\$262.50
5020	Donald A. Werner	8526 E. Montecito Ave, Scottsdale, AZ 85251	8-11-00	\$390.00	\$32.50	3	9	\$292.50
5021	Kevin & Annemary Baker	4030 E Captain Dreyfus Ave, Phoenix, AZ, 85032	8-11-00	\$390.00	SETTLED			SETTLED
5022	Jon & Kelly Lewis	2500 N. Cholla St. Chandler, AZ, 85224	8-12-00	\$520.00	SETTLED			SETTLED
5023	Knut A. Nerheim	6722 E. Camino de los Ranchos, Scottsdale, AZ 85254	8-30-00	\$350.00	\$29.17	3	9	\$262.50
5024	Karen Cahn	5704 E. Aire Libre # 1027, Scottsdale, AZ, 85254	8-30-00	\$365.00	SETTLED			SETTLED
5025	Alexis Cottman	1211 N. 49th Place Scottsdale, AZ, 85254	8-30-00	\$605.00	SETTLED			SETTLED
5026	Kenneth Hillman	5107 E. Colombine, Scottsdale, AZ 85254	8-30-00	\$350.00	SETTLED			SETTLED
5027	Jerome A. Froio	8338 E. Mariposa Dr. Scottsdale, AZ, 85251	8-30-00	\$435.00	SETTLED			SETTLED
5028	Stanley & Judy Klopfenstein	2505 W. Pampa Ave, Mesa, AZ, 85202	11-01-00	\$315.00	\$26.25		2	\$52.50
5029	Anisha Pirani	13174 N. 100th. Place, Scottsdale, AZ, 85260	9-24-00	\$505.00	\$42.08	2	10	\$420.83
5030	Joseph Pennington	8820 Altadena Ave. Scottsdale, AZ, 85260	8-15-00	\$500.00	\$41.67	3	9	\$375.00
5031	Denis Medeiros	5601 E. Sweetwater, Scottsdale AZ, 85254	8-16-00	\$495.00	\$41.25	3	9	\$371.25
5032	Marvin Goldstein	15221 N. 45 Place, Phoenix, AZ, 85032	9-10-00	\$585.00	\$48.75	2	10	\$487.50
5033	Susan Jacobson	8234 E. Chaparral, Scottsdale, AZ, 85250	9-11-00	\$390.00	\$32.50	2	10	\$325.00
5034	Anne Richards	3532 N. 83rd. Street, Scottsdale, AZ, 85251	CANCELED	CANCELED	SETTLED			SETTLED
5035	Suzanne Kettel	1608 W. Barrow Dr., Chandler, AZ, 85224	9-29-00	\$540.00	\$45.00	2	10	\$450.00
5036	Dorothy Johns	8638 E. Montecito Ave., Scottsdale, AZ, 85251	8-20-00	\$560.00	\$46.67	3	9	\$420.00
5037	Rochelle Gresham	4115 N. 87th Way, Scottsdale, AZ, 85254	9-16-00	\$435.00	\$36.25	2	10	\$362.50
5038	Scott & Jennifer Williams	15838 N. 62nd. Place, Scottsdale, AZ, 85254	9-19-00	\$390.00	\$32.50	2	10	\$325.00
5039	Larry Rand	2544 W. Mesquite St., Chandler, AZ, 85224	10-25-00	\$424.00	\$35.33	1	11	\$388.67
5040	Derek Brown	1501 W. Canyon Shadows Lane, Oro Valley, AZ, 85737	10-01-00	\$500.00	\$41.67	1	11	\$458.33
5041	Murray I. Malin	6327 E. Claire, Scottsdale, AZ, 85224	10-28-00	\$390.00	SETTLED			SETTLED
5042	Greg Roth	9432 E. Voltaire Dr. Scottsdale, AZ, 85260	10-7-00	\$508.50	\$42.38	1	11	\$466.13
5043	Donna Rand	2254 E. Arabian Dr., Gilbert, AZ, 85296	10-12-00	\$435.00	\$36.25	1	11	\$398.75
5044	Janise McGoldirsh	6620 N. 78th St., Scottsdale, AZ, 85250	NO START	\$435.00	\$36.25	1	12	\$435.00
5045	Chris V. Duthie	5017 E. Lemarche Ave., Scottsdale, 85254	10-02-00	\$560.00	\$46.67	1	11	\$513.33
5046	Curtis G. Ewing	50950 Rock Harbor Dr, Gilbert, AZ, 85233	NO START	\$350.00	\$29.17			\$350.00
5047	Jamie & Ann Cothron	726 E. Weldon Ave., Phoenix, AZ, 85014	10-19-00	\$395.00	\$32.92	1	11	\$362.08
5048	Jamie & Julie Spada	1114 W. Palo Verde, Chandler, AZ, 85224	10-19-00	\$520.00	\$43.33	1	11	\$476.67
5049	Thomas W. Bauch	23071 N. 89th Pl., Scottsdale, AZ, 85255	10-26-00	\$435.00	\$36.25	1	11	\$398.75
							TOTAL	\$10,881.46