

STATE OF ARIZONA  
Department of Insurance and Financial Institutions  
FILED March 16, 2023 by AS

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STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of Unlicensed Activity of:

No. 23A-012-INS

**ADVANCED RESOURCES LLC DBA  
PATRIOT WARRANTY**

**ORDER TO CEASE AND DESIST**

Respondent.

The Arizona Department of Insurance and Financial Institutions (“Department”) received evidence that **Advanced Resources LLC dba Patriot Warranty (“Respondent”)** has unlawfully offered or issued service contract(s) in the state of Arizona without obtaining a service company permit. Accordingly, the Director of the Department (“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. Respondent, Advanced Resources LLC dba Patriot Warranty, was a South Dakota domiciled Limited Liability Company, until December 16, 2020, when the South Dakota Secretary of State dissolved Advanced Resources LLC (DL014581) for lack of compliance.
2. Respondent does not currently hold nor, at any material time, held a license or permit issued by the Department.

1           3.       Respondent is not registered with the Arizona Corporation Commission under  
2 “Patriot Warranty” or “Advanced Resources LLC.”

3           4.       On or about September 29, 2022, the Department received a complaint from  
4 an Arizona consumer B.B. alleging that Patriot failed to refund their premium after B.B.  
5 sent a written cancellation notice for a vehicle service contract initiated on January 22,  
6 2020. B.B stated that Respondent failed to respond to correspondence and to refund the  
7 remaining service contract premium.

8           5.       On or about February 23, 2023, the Department received a complaint from  
9 another Arizona consumer S.A. alleging that Respondent failed to respond to multiple  
10 claims for coverage under a service contract with Respondent, while S.A.’s vehicle has been  
11 in a “repair facility with major damage.” S.A.’s purchased the vehicle service contract from  
12 Respondent on or about September 2, 2021.

13           6.       The Department initiated an investigation into this matter. The Department’s  
14 investigation concluded the following:

- 15           • Respondent sold Vehicle Service Contracts in Arizona without being  
16 authorized to do so. S.A.’s contract lists Patriot Warranty as the issuing entity  
17 and states the following: “Congratulations on YOUR purchase of a VEHICLE  
18 SERVICE CONTRACTs [sic] from Patriot Warranty.” The contract  
19 references Patriot Warranty as the entity handling, reviewing and reimbursing  
20 all consumer claims.

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- A review of Respondent’s website<sup>1</sup> revealed that Respondent continues to offer “extended auto warranty in Arizona.”
- On May 12, 2022, the California Department of Insurance issued a Cease and Desist Order against Advanced Resources, LLC, doing business as Patriot Warranty directing the entity to immediately cease and desist from soliciting, negotiating, issuing or renewing any vehicle service contracts in California.

7. On March 15 and 16, 2023 the Department called Respondent’s telephone number (per website) but failed to reach anyone at the company. On March 15, 2023, the Department sent a written request for response via email address listed on Respondent’s website. Respondent has failed to contact the Department at the time of this Order.

**CONCLUSIONS OF LAW**

8. The Director has jurisdiction over this matter.
9. Respondent’s conduct, as described above, constitutes offering and issuing service contracts without a permit. A.R.S. § 20-1095.01(A).
10. Respondent is not exempt from the permit requirement. A.R.S. § 20-1095.02(A)
11. Service company contracts issued by Respondent are enforceable and valid contracts. A.R.S. § 20-1095.05
12. Respondent’s conduct, as described above, constitutes violations of the provisions of Title 20, Chapter 4, Article 11.
13. Grounds exist for the Director to order Respondent to cease and desist from

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<sup>1</sup> <https://patriotwarranty.com/> (visited March 16, 2023).

1 offering and issuing service contracts without a permit. A.R.S. § 20-1095.09(B).

2 **ORDER**

3 **IT IS HEREBY ORDERED THAT:**

4 1. Respondent shall immediately cease and desist from offering or issuing  
5 service contracts in Arizona without a permit.

6 2. Respondent shall continue to investigate and pay all claims arising out of acts  
7 covered by Respondent’s service contracts issued to Arizona residents for so long as such  
8 claims may legally be brought against the contract holders.

9 3. Respondent shall, within forty-five (45) days of receipt of this Order, furnish  
10 the Department with a complete listing, to include contact information, of all Arizona  
11 residents and business who have purchased service contracts sold by Respondent and that  
12 Respondent reports to the Department all premiums collected or charged for policies sold  
13 covering Arizona risks.

14 **NOTICE OF OPPORTUNITY FOR HEARING**

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

19 Arizona Department of Insurance and Financial Institutions  
20 Attn: Gio Espinosa, Regulatory Legal Affairs Officer  
21 100 North 15<sup>th</sup> Avenue, Suite 261  
22 Phoenix, Arizona 85007-2630

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

Effective this 16th day of March, 2023.

Barbara Richardson  
Barbara D. Richardson, Director  
Arizona Department of Insurance and  
Financial Institutions

1 **COPY** of the foregoing mailed by U.S. First Class and  
2 Certified Mail, Delivery Receipt requested,  
3 this 17<sup>th</sup> day of **March**, 2023, to:

3 Advanced Resource LLC dba  
4 Patriot Warranty  
5 5519 W. 22<sup>nd</sup> St. Ste. 100  
6 Sioux Falls, SD 57105 9489 0090 0027 6486 6716 31

6 Advanced Resource LLC dba  
7 Patriot Warranty  
8 1712 Pioneer Ave., Ste 7000  
9 Cheyenne, WY 82001 9489 0090 0027 6486 6716 24

8 Patriot Warranty  
9 101 S. Reid Street  
10 Sioux Falls, SD 57103 9489 0090 0027 6486 6716 17

10 **COPY** of the foregoing delivered/mailed same date, to:

11 Deian Ousounov, Assistant Director  
12 Gio Espinosa, Regulatory Legal Affairs Officer  
13 Ana Starcevic, Paralegal Project Specialist  
14 Catherine O'Neil, Consumer Legal Affairs Officer  
15 Steven Fromholtz, Licensing Manager  
16 Linda Lutz, Legal Assistant  
17 Kyle Tapia, Investigator  
18 Arizona Department of Insurance and Financial Institutions  
19 100 North 15th Avenue, Suite 261  
20 Phoenix, Arizona 85007-2630

21 Ana Starcevic

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