

STATE OF NEVADA  
DEPARTMENT OF BUSINESS AND INDUSTRY  
DIVISION OF INSURANCE

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IN THE MATTER OF CAUSE NO. 14.0359  
**SENSIBLE HOME WARRANTY, ORDER SETTING LIQUIDATION  
LLC., PROCEDURES**  
**Respondent.** \_\_\_\_\_/

WHEREAS SENSIBLE HOME WARRANTY (“Sensible”) is a service contract provider domiciled in the State of Nevada, certificate of registration number 113841;

WHEREAS the State of Nevada, Department of Business and Industry, Division of Insurance (“Division”) received an excessive number of consumer complaints against Sensible and, as a result, on March 17, 2014, the Division required Sensible to submit a proposed confidential corrective action plan for approval to resolve the consumer complaints;

WHEREAS, on April 23, 2014, Sensible submitted a proposed corrective action plan as required by the Division, but its content was insufficient to receive final approval by the Division, and the Division continued to receive consumer complaints about Sensible;

WHEREAS, on May 5, 2014, the Division informed Sensible that its proposed corrective action plan was not approved, that the Division would contact Sensible to discuss the deficiencies in said plan, and that the Division continued to receive complaints against Sensible;

WHEREAS Sensible became completely unresponsive in resolving outstanding consumer complaints, in providing other pertinent information requested by the Division, and in responding to Division inquiries regarding Sensible’s proposed corrective action plan or status;

WHEREAS Sensible changed the information on its website to indicate that it had gone out of business;

WHEREAS, on May 28, 2014, the Division suspended Sensible’s certificate of registration number 113841;

WHEREAS there are numerous consumers who currently have service contracts with Sensible, some with claims that Sensible has failed to pay;

WHEREAS the Commissioner of Insurance (“Commissioner”) has the authority to

1 WHEREAS the Commissioner of Insurance ("Commissioner") has the authority to  
2 regulate service contract providers pursuant to NRS 679B.120 and NRS 690C.120;


3 WHEREAS the Commissioner has an obligation to protect those consumers who have  
4 purchased service contracts pursuant to NRS 679A.140; and

5 WHEREAS there is good cause in the premises.

6 NOW, THEREFORE, THE FOLLOWING IS HEREBY ORDERED:

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- 8 1. The Division shall execute against the bond, held on behalf of the people of the State of  
9 Nevada and hold its proceeds in trust for the payment of claims filed against Sensible by  
10 consumers who have purchased service contracts and vendors who have provided  
11 services and/or repairs pursuant to the service contracts (referred to collectively herein  
12 as "aggrieved parties").
  - 13 2. The Division shall prepare a "Proof of Claim Form" for aggrieved parties seeking  
14 payment of claim(s) to fill out and file with the Division by the deadline established in  
15 this Order. The Division shall also prepare a "Proof of Claim Form Instructions" to aid  
16 aggrieved parties in filling out and filing a Proof of Claim Form with the Division.
  - 17 3. The Division shall provide written notice of this Order, the Proof of Claim Form and the  
18 Proof of Claim Form Instructions to any aggrieved party who has filed a complaint with  
19 the Division against Sensible.
  - 20 4. The Division shall provide notice of the existence of this Order, the Proof of Claim  
21 Form and the Proof of Claim Form Instructions by publication in each county of the  
22 State of Nevada in the manner prescribed by NRCP 4(e)(1).
  - 23 5. The deadline for an aggrieved party to file a Proof of Claim Form is six (6) months from  
24 the date of this Order. A completed Proof of Claim Form must include supporting  
25 documentation.
  - 26 6. After the deadline for filing a Proof of Claim Form, the Division shall evaluate all Proof  
27 of Claim Forms received to determine if the individual alleged claims are legitimate,  
28 verified, and timely. At the conclusion of its evaluation of the claims, the Division shall  
submit a written request for disbursement to the Commissioner of Insurance identifying  
the claims to be granted, denied, or modified, along with documentation to support the  
Division's position of the individual claims.
  7. In the event that the dollar amount of the legitimate, verified, and timely claims exceeds  
the amount of the funds held by the Division in trust to pay such claims, the Division  
shall file a motion requesting the Commissioner of Insurance to provide a priority of  
claims for payment.

DATED this 27<sup>th</sup> day of September, 2014.

  
SCOTT J. KIPPER  
Commissioner of Insurance