

**STATE OF NEW HAMPSHIRE  
INSURANCE DEPARTMENT**

**In Re: Absolute Warranty, Inc., Shari Smith, & Scott J. Smith  
Docket No.: Ins. No. 24-005-EP**

**CONSENT ORDER**

This Consent Order is made between the New Hampshire Insurance Department ("NHID") and Absolute Warranty, Inc. d/b/a Vehicle Assurance, Shari Smith, and Scott J. Smith ("Respondents"), the terms of which are as follows:

**FINDINGS OF FACT**

1. Respondent Absolute Warranty, Inc. is a Missouri based company with an address of 3902 S Old Highway 94, Saint Charles, MO. It markets consumer guaranty contracts via direct mail to consumers.
2. Respondents Shari Smith and Scott J. Smith are President and Vice President of Respondent Absolute Warranty, Inc.
3. In 2023, Respondent Absolute Warranty issued over 32,000 mailers to NH residents.
4. Those mailers included language indicating there will be an increase in cost for an extended vehicle service plan for the consumer, and that after "that date we will not be able to honor the service contract quote designed specifically for your vehicle" even though no such quote exists.
5. Those mailers also state that the "program is limited" and that "at this time; no inspection is required." The products these mailers advertise are not limited and there is no inspection requirement to purchase the product.
6. Lastly, the letters purport to be signed by a "Dale Stevens, Sr., Program Manager" though such person does not exist.

7. Respondents have been cooperative throughout the underlying investigation.

### **CONCLUSIONS OF LAW**

Based on the foregoing Findings of Fact and the applicable provisions of law, the NHID concludes and finds the following Conclusions of Law:

- a. Respondents are subject to the jurisdiction of the NHID.
- b. Respondents violated NH RSA 415-C:7(I)(a) by issuing mailers which included statements that were false or misleading.
- c. Respondents violated NH RSA 415-C:7(I)(b) by misleading through "the omission of a material statement that under the circumstances should have been made in order to make the statements that were made not misleading."
- d. Each identified violation could result in a penalty not to exceed \$1,000.

### **ORDER**

WHEREFORE, the NHID orders and Respondent consents to the following:

- a. The Respondents waive all rights to a formal administrative hearing in this matter and agree that this Consent Order shall have the full force and effect of an Order fully entered in accordance with the adjudicatory procedure provided for in NH RSA Chapter 541-A and Ins Part 200.
- b. For the purposes of resolving this matter without a formal administrative hearing, Respondents agree to the following:
  - i. Respondents shall cease and desist from marketing any consumer guaranty contracts in New Hampshire but may continue to service the contracts already sold in the state.
  - ii. An administrative penalty of \$32,000 with all \$32,000 of that suspended for a period of three years. The suspended \$32,000 only becomes due should the New


Hampshire Insurance Department find that Respondents violated an Insurance Law or Rule within 3 years of the execution of this Order.

- c. In the event that Respondents fail to meet any of the terms set forth in this section, the NHID may institute further administrative proceedings under the authority of RSA 400-A:15, III, RSA 415-C:10, or any other applicable law, including the imposition of the suspended \$32,000 fine.
- d. By entering into this Consent Order, the NHID and the Respondents intend to fully resolve all issues relating to the above-mentioned matters. This Consent Order shall be deemed a complete settlement and full and final resolution and is in lieu of any other action(s) that has and could have been brought by the NHID relating to these matters. Provided however, notwithstanding the foregoing, the NHID may take any and all appropriate actions should the Respondents violate any provision of the State's insurance laws in the future.
- e. This Consent Order shall be fully enforceable in any Superior Court in the State of New Hampshire, and any actions to enforce this Consent Order shall be governed by the laws of the State of New Hampshire.
- f. This Consent Order is considered a public regulatory action and will be reported to the National Association of Insurance Commissioners. The Respondents must, in the future, answer "YES" to any question which asks "have you ever been named or involved as party in an administrative proceeding" or any substantially similar question.

**IT IS SO ORDERED.**

**NEW HAMPSHIRE INSURANCE DEPARTMENT**

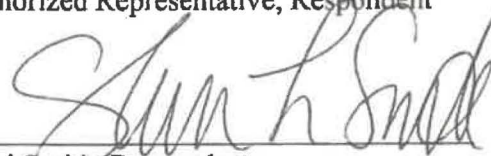
Date: 2/13/24

  
David J. Bettencourt, Commissioner


Date: 2/12/2024

  
Absolute Warranty, Inc.  
Authorized Representative, Respondent

Date: 2/12/2024

  
Shari Smith, Respondent

Date: 2/12/2024

  
Scott J. Smith, Respondent