The State of New Hampshire
Insurance Department
21 South Fruit Street, Suite 14
Concord, NH 03301
(603) 271-2261 Fax (603) 271-1406
TDD Access: Relay NH 1-800-735-2964

Christopher R. Nicolopoulos
Commissioner

David J. Bettencourt
Deputy Commissioner

State of New Hampshire
Insurance Department

In re: Harmony Home Warranty, LLC

Docket No.: 21-055-EP

FINAL DECISION and ORDER

Pursuant to the provisions of Ins 207.04, the Proposed Decision and Order issued on October 25, 2021, by Hearing Officer Steven M. Notinger is hereby ACCEPTED as a FINAL DECISION and ORDER, with the following MODIFICATIONS:

1. In the Summary (Section 1) at the end of page 1 of the Proposed Decision and Order, the sentence that begins "Harmony is not licensed or Contract") from Harmony to protect . . .", is not adopted and shall be omitted from that paragraph, which ends on the top of page 2. In addition, the reference to "NH RSA-415" at the end of that paragraph is not adopted and is replaced with: NH RSA 415-C.
2. In the last sentence of the Summary (Section 1) of the second paragraph, that begins "Harmony shall cease and desist" the term

"damages" within that sentence is not adopted. As such, that sentence is modified and replaced, as follows:

Harmony shall cease and desist from selling Guaranty Contracts or similar products in New Hampshire and pay penalties and restitution.

3. In the second sentence of the Procedural and Jurisdictional Background (Section 2), that begins "The NHID has the authority" that sentence is modified and replaced, as follows:

   The NHID has the authority to pursue the Complaint pursuant to NH RSA 400-A:16; NH RSA 415-C; NH RSA 541-A:31; and Ins 200 et seq.

4. On page 3 of the Proposed Decision and Order, within the Procedural and Jurisdictional Background, (Section 2), the Exhibit that is labeled in the exhibit list as Exhibit "4" (identified as the December 10, 2020 email quote from Harmony Home Warranty, LLC) is modified, such that its label will be replaced with Exhibit number "4B".[6] In addition, the exhibit labeled as Exhibit 12 and identified as "Cease & Desist, California, May 10, 2020" is modified to correct the date, such that it will be identified in that list, as follows: Cease & Desist, California, May 10, 2021.

5. In the second to last sentence of the Findings of Fact (Section 4), that begins "According to the testimony of Tracey Russo . . " the

[6] Any reference to "Exhibit 4"within the Proposed Decision and Order is hereby replaced with "Exhibit 4B." References to "Exhibit 4A" in the Proposed Order Decision and Order remain the same in this Final Decision and Order.

reference at the end of that sentence "NH RSA §415" is modified to reflect, as follows: NH RSA 415-C:3.

6. Within The NHID's Claims (Section 5) all five references in that section to "damages" are not adopted. Rather, the term "damages" is replaced with the term "penalties" in that section. In addition, the reference to NH RSA 415:10 in number 6 of that section is modified such that it is replaced with "NH RSA 415-C:10".
7. In the Analysis (Section 6) the reference to "RSA 400-A: 29," (within the recitation of RSA 415-C:3 (I)(a)) is modified such that the reference is replaced with "RSA 400-A:29, VIII-a(a)".
8. Within the last section of the Proposed Decision and Order, Damages and Penalties, all four references in that section to "liable" are not adopted. Rather, the term "liable" is replaced with "in violation of New Hampshire law" in that section.
9. Lastly, the final two sentences of the Proposed Decision and Order that begin "This shall be paid to" are not adopted and are replaced with the following:

   Harmony shall pay W.S. $800 in restitution. All other requests for penalties are denied.

This is the final action of the Department. You have the right to appeal by requesting reconsideration of this final action within 30 days in accordance with RSA 541.

SO ORDERED.

1/14/2022
Date

Christopher Nicolopoulos, Commissioner

STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT

In re: Harmony Home Warranty, LLC

Docket No. 21-055-EP

PROPOSED DECISION AND ORDER

Appearance for Petitioner:

Joshua Hilliard, Esq.

Enforcement Counsel NH Insurance Department (the "NHID")

Appearance for Respondent:

Harmony Home Warranty, LLC ("Harmony")

No appearance.

Hearings Officer appointed by Commissioner:

Steven M. Notinger, Esq.

1. Summary

Wilson Schreiber ("W.S." or "Buyer") purchased a home, 1 Waterman Ave., West Lebanon, New Hampshire on or about January 7, 2021. (The "House"). As part of the purchase of the House and to cover any problems with the major appliances and other systems in the House (the "Consumer Equipment") the seller purchased a two year "total care" plan ("Guaranty Contract") from Harmony to protect the Consumer Equipment should it need repair and replacement during the two year period. Harmony is not licensed or

Contract") from Harmony to protect the Consumer Equipment should it need repair and replacement during the two year period. Harmony is not licensed or vetted financially in the State of New Hampshire as required by NH RSA- 415.

The beneficiary of the Guaranty Contract is W.S. W.S. made two claims with Harmony for a damaged water heater and for the malfunctioning thermostats to the heating system. After many phone calls, mostly unanswered, the water heater claim was denied without any technician coming to the Home. Similarly, after repeated unreturned phone calls over weeks, Harmony failed to respond to the claim regarding the thermostats, and to date has not addressed the claim. The NHID intervened and after many phone calls and several letters received no response. A show cause hearing was convened. Harmony did not attend the hearing. The NHID submitted sufficient evidence that Harmony violated NH RSA §415-C: 3, 4, and 415-C: I 7(f). The NHID also submitted sufficient evidence that Harmony violated NH RSA 400-A: 16. Harmony shall cease and desist from selling Guaranty Contracts or similar products in New Hampshire and pay penalties and damages. See NH RSA 415-C: 10.

2. Procedural and Jurisdictional Background.

The NHID brought this action after receiving a complaint from W.S. on June 30, 2021. (The "Complaint"). The NHID has the authority to pursue the Complaint pursuant to NH RSA 400-A: 16 and NH RSA 415, 541-A: 33 and Ins. 200 et seq. Harmony did not appear at the hearing, but the NHID has the burden of proof and went forth with presentation of the case. Ins. 206.03(b) (2). The NHID may revoke or suspend Harmony from further "consumer guaranty contract

operations", impose penalties and order restitution should there be a basis to do so. NH RSA 415-C: 10.

An evidentiary hearing was held on October 19, 2021. The NHID appeared with several witnesses. Harmony did not appear. Harmony was given adequate notice of the hearing at two known addresses[1] by both certified and regular mail and by e-mail. See Exhibit 2 and 13 below.

The following exhibits were admitted into evidence at the hearing:

Ex no.	
1.	Order to Show Cause and Notice of Hearing
2.	Service of Notice Information
3.	NHID Consumer Guaranty Contract Registration Form
4.	December 10, 2020 email quote from Harmony Home Warranty, LLC
4A.	Purchase and Sale Agreement, page 2
5.	Warranty Agreement
6.	NHID Consumer Services complaint form
7.	NHID Consumer Services CSO to W.S
8.	July 13, 2021 NHID Request
9.	July 28, 2021 NHID Request
10.	Cease & Desist, Arizona, December 2, 2020
11.	Cease & Desist, South Carolina, December 10, 2020
12.	Cease & Desist, California, May 10, 2020
13.	Affidavit of Sarah Prescott

During the hearing, Respondent presented the testimony of the following witnesses:

Tracy Russo, financial records auditor for the NHID
Keith Nyhan, Consumer Services Director for the NHID
Sarah Prescott, Enforcement Paralegal for the NHID
W.S., the home owner

3. Standard of Review.

[1] And one other name and address, which proved to be wrong.

The NHID has the burden of proof on all issues in this matter by a preponderance of the evidence. Ins. 206.05.

4. Findings of Fact.

W.S., a consumer, purchased the Home at 1 Waterman Drive, West Lebanon New Hampshire on or about January, 2021. W.S. wanted some assurances that the major systems and appliances in the house would continue to operate (defined as the "Consumer Equipment") without further expense or replacement cost. W.S. and the seller agreed that the seller would purchase a guaranty contract from Harmony for a two year period to cover any breakdown in the Consumer Equipment. See Exhibit 4A. This was memorialized in an Addendum to the purchase agreement. Id. Paragraph 5 of the Addendum specifically refers to the "Water Heater" and "Heating System (2 units)" as items to be covered by the guaranty agreement. Apparently, the seller purchased a Guaranty Contract from Harmony as evidenced by an e mail from Harmony "welcoming Wilson", providing the contract start date of 01/07/2021, listing Wilson Schreiber as the customer and identifying the Home with its New Hampshire address as the property covered. See Exhibit 4. The "Water Heater" and "Heating System (2 units)" were listed as covered property. W.S. was given customer portal information to access his "account." See Exhibit 4. The NHID did not produce a signed contract either between the seller and Harmony or W.S. and Harmony. The NHID did produce a form contract downloaded from Harmony's website, but it is not specific to this case and has no signatures. See Exhibit 5.

Shortly after closing on the Home, in the winter, 2021, problems with the water heater developed in the form of brown water discharge. W.S. filed a claim with Harmony for repairs in March, 2021. There was no response. W.S. finally got through to Harmony and they told him there were "technical problems" with his claim. W.S. continued to try to contact Harmony in the following days, but received no response. He testified he called 3-5 times. He then finally got in touch with Harmony again and they told him the water heater was not covered and the damage was caused by not maintaining the property correctly. Harmony never sent a maintenance man to view the property. See Testimony of W.S.

Subsequently, issues arose with the thermostat and heating system. W.S. again contacted Harmony repeatedly. He testified he contacted Harmony several times a week, perhaps even every day, for at least a month. At some point, he learned the phone number and website had changed. He testified he has never heard back from Harmony on this claim after attempting to contact them repeatedly for months. See Testimony of W.S.

W.S. filed a complaint against Harmony with the NHID on June 30, 2021. See Exhibit 6. The NHID then contacted Harmony on July 13, 2021 (Exhibit 8) and July 28, 2021 (Exhibits 8 and 9) to request information to determine if Harmony was complying with New Hampshire law. The NHID also called Harmony many times. The NHID received no response to any of its inquiries and had received no response to date. An Order to Show Cause and Notice of Hearing was sent to Harmony by e mail, first class mail and certified mail, with no

responses what-so-ever. See Exhibits 1 and 2 and 13. Harmony did not appear at the hearing.

According to the testimony of Tracey Russo, Financial Records Auditor for the NHID, Harmony has not registered as a consumer guaranty contract seller as required by New Hampshire law. NH RSA §415.

The record also contains similar allegations and findings by the insurance departments of South Carolina, Arizona and California[2]. See Exhibits 10, 11 and 12.

5. The NHID's Claims.

The NHID raises 6 claims:

1. Violation of NH RSA §415-C:3—for selling consumer Guaranty Contracts in New Hampshire without registering with the Commissioner. ($1,000 in damages);

2. Violation of NH RSA §415-C: 4—by failing to provide "proof of financial responsibility" as required by NH RSA §415-C: 4. ($1,000 in damages);

3. Violation of NH RSA 415-C: 7, I (f) — willfully failing to act promptly upon communications with respect to claims arising under a consumer guaranty contract. ($10,000 in damages);

4. Violation of NH RSA 415-C, 7, II (a) willfully failing to perform the services promised under the contract in a timely, competent and workmanlike manner. ($10,000 in damages);

[2] In each state Harmony operated without a license and in South Carolina the order specifically states that Harmony did not respond after several attempts to communicate by the insurance department.

5. Violation of NH RSA 400-A: 16 II—failure to respond to two document requests on July 13, 2021 and July 28, 2021 (Exhibits 8 and 9). ($2,500 for each violation); and

6. Restitution of $800 under NH RSA 415:10.

The NHID seeks monetary damages of $27,000, restitution of $800 for W.S. and a cease and desist order prohibiting Harmony from doing business in this state.

6. Analysis

(a) Is there an enforceable contract?

As a preliminary matter, since there is no signed written contract among the parties[3], the Hearing Officer needs to examine whether there is an enforceable contract among the parties. The New Hampshire Supreme Court has said that:

> "Offer, acceptance, and consideration are essential to contract formation." [**710] Behrens v. S.P. Constr. Co., 153 N.H. 498, 501, 904 A.2d 676 (2006). "A valid offer may propose the exchange of a promise for a performance. An offer may be accepted by commencement of performance. Consideration is present if there is either a benefit to the promisor or a detriment to the promisee. In addition, there must be a meeting of the minds in order to form a valid contract." Chisholm v. Ultima Nashua Indus. Corp., 150 N.H. 141, 144-45, 834 A.2d 221 (2003) [***7] (citations, quotation, and ellipsis omitted). "For a meeting of the minds to occur, the parties must assent to the same [*108] contractual terms. That is, the parties must have the same understanding of the terms of the contract and must manifest an intention, supported by adequate consideration, to be bound by the contract." Durgin v. Pillsbury Lake Water Dist., 153 N.H. 818, 821, 903 A.2d 1003 (2006) (citation, quotation, and brackets omitted).

[3] And W.S. may be a third party beneficiary of the contract.

Bel Air Assocs. v. N.H. Dep't of Health & Human Servs., 158 N.H. 104, 107-108, 960 A.2d 707, 709-710, (NH 2008). In the instant case, there was an offer and acceptance. W.S. was looking for a guaranty of repair for the consumer items in the Home he was buying. This is manifested in the Addendum to the Purchase and Sale agreement, which requires the seller to obtain a third party guaranty for the Consumer Equipment. See Exhibit 4A. The seller did obtain the guaranty from Harmony who wrote to W.S. by e mail, welcomed him to "Harmony Home Warranty," gave him a password, and listed the equipment as "covered". Exhibit 4. The same equipment was listed in the Addendum to the Purchase and Sale Agreement. Exhibits 4 and 4A. The issue is whether there was a meeting of the minds on the express terms of the ultimate written contract. W.S. produced a written contract from Harmony's website that is 9 pages long and includes a lot of examples of consumer goods and exceptions to coverage. Exhibit 5. The Hearings Officer assumes this contract is (1) an adhesion contract; and (2) is acceptable to W.S. since he introduced it as an Exhibit. Id. Overall, it is clear the parties intended to and did have an agreement on the terms of the down-loadable contract[4] and the contract was performed a little by Harmony, albeit poorly. $800 was paid to Harmony for the coverage. At no time, according to W.S.'s testimony, did Harmony tell him he was denied coverage because he was not a customer of Harmony with a valid contract. The evidence suggests the parties agreed to the terms of the Guaranty Contract. It is on Harmony's website and the Department introduced it as the contract. Bel Air at 107-8 ("the parties must have

[4] Defined as the Guaranty Contract in this Order.

the same understanding of the terms of the contract and must manifest an intention, supported by adequate consideration, to be bound by the contract").

(b) Harmony did not comply with New Hampshire law.

Harmony's conduct is precisely what New Hampshire statutes are intended to prohibit.

415-C: 3 Obligor Registration. –

I. No obligor shall offer, administer, sell, solicit, negotiate, or act under a consumer guaranty contract in this state unless:

(a) The obligor registers with the commissioner on a form prescribed by the commissioner and pays the registration fee required by RSA 400-A: 29,

Harmony is not registered to do business in this state[5], yet it has done business in this state without complying with state law. Harmony was well aware the Home it was insuring was in New Hampshire since its own e-mail lists the address of the property as "1 Waterman Ave, West Lebanon, New Hampshire." See Exhibit 4. Harmony knew it was selling a consumer guaranty contract, its e mail lists in detail the consumer products it insures under the Guaranty Contract. See Exhibit 4 and 4A and 5. (Each provide a description of the consumer goods covered by the contract.) There is no willfulness requirement in the statute. If you do not comply, you are in violation of the statute. It is hard to believe Harmony does not know of these requirements, it has been sanctioned in other states for conducting business without a license. See Exhibits 10-12 Harmony operated without a license in California, Arizona and South Carolina, and it has had ample

[5] Testimony of Tracey Russo, Financial Records Auditor, NHID, who testified there is no registration on file for Harmony in New Hampshire.

opportunity to respond to the NHID and determine what the state law requirements are in New Hampshire, but has ignored the State's effort to contact it. See Exhibits 2, 13. Mistake of law is no defense. Harmony has violated NH RSA 415-C: 3. Id.

NH RSA 415-C: 4 states Harmony is supposed to provide the NHID with financial information, post a bond or provide re-insurance to operate in this state as part of the registration process. Harmony has met none of these requirements. It did not respond to the state's inquiries at all. See Testimony of Keith Nyhan, Sarah Prescott and Tracey Russo. Harmony is also in violation of NH RSA 415-C: 4.

(c) Harmony's failure to act promptly dealing with W.S.'s claims violated New Hampshire law and was Willful.

NH RSA 415-C: 10 imposes a penalty of up to $10,000.00 for each violation the "commissioner finds to be willful." NH RSA 415-C: 7, I (f) prohibits the failure to "act promptly upon communications with respect to claims arising under a consumer guaranty contract."

The record is overwhelming establishing the fact that Harmony did violate 415-C: 7, I (f) in a systemic way by repeatedly failing to respond to claims arising under the Guaranty Contract. W.S. first brought a claim for repair to his water heater. W.S. testified he made many calls to Harmony to follow up and finally someone told him that his claim was filed wrong. Then he made several more calls over several days or weeks and he was told his claim was denied because he did not maintain the water heater properly. See Testimony of W.S. There is no evidence Harmony ever inspected the water heater.

Similarly, W.S. made a claim for repair of the thermostats to the heating system. To this claim, he received no response. He testified he called multiple times over several weeks and months, with no response. He also called the realtor, who could not help. The NHID also called Harmony many times and wrote them at least twice, with no response at all. Harmony did not appear at the hearing. See Exhibit 1, 2 and 13 and testimony of Keith Nyhan and Sarah Prescott.

Willful conduct is deliberate conduct. "... [D]eliberate" is a synonym for "willful," which means "deliberate, voluntary or intentional," RANDOM HOUSE 130 N.H. 659, *662; 547 A.2d 241, **243; 1988 N.H. LEXIS 69, ***6 DICTIONARY OF THE ENGLISH LANGUAGE (unabridged) 1634 (1966). Willful is further defined as: "voluntary, as distinguished from accidental . . . [,] [i]intentional or deliberate, yet not necessarily [***11] with an evil purpose in mind." Appeal of NH Sweepstakes Department, 130 N.H. 656, 664 (NH 1988).

Harmony's conduct is the essence of willful. Disregarding claims and ducking phone calls and official mail to avoid the consequences that: (1) you are not allowed to do business in New Hampshire; and (2) you do not want to pay claims or even investigate them, is exactly what Harmony has done. Harmony has willfully violated NH RSA 415-C: 7 I (f) by failing not only to act promptly on communications, and with regard to the thermostat claim, failure to act at all. See Testimony of W.S.

(d) There is insufficient evidence to find Harmony failed to perform the services required by the Guaranty Contract or is committing fraud within the meaning and intention of NH RSA 415-C:7, II (a) and (b).

NHID wants the Hearings Officer to find that Harmony violated RSA 415-C: 7, II, and that it did so willfully. There is insufficient evidence in the record that Harmony violated RSA 415-C: 7, II. RSA 415-C: 7, II is violated if (a) there is a failure to perform services promised under the contract on time and properly; or (b) there is fraud. No services were performed in this case. In fact, the record does not contain any information regarding the repairs that needed to be made and whether those repairs are covered by the Guaranty Contract or excluded. Upon review of the Guaranty Contract provided by the Department, and looking at just the Water Heater provisions, they say:

> G. Water Heater
>
> COVERED: All components and parts for gas and/or electric hot water heaters, including circulating pumps, except:
> NOT COVERED: Auxiliary and secondary holding/storage tanks; main, holding or storage tanks; expansion tanks; base pans; drain pans and drain lines; line restrictions; pressure reducing valve; sediment build-up; mineral and/or calcium build-up; rust and corrosion; combustion shutdown; color or purity of water; flues; vent pipes/lines; insulation and insulation blankets; heat recovery units; low boy and/or squat water heaters; solar water heaters including all solar components and parts; any noise without a related mechanical failure; racks; straps; timers; energy management systems; commercial grade equipment and units exceeding 75 gallons. We will pay no more than $1500 per contract term for access, diagnosis, repair and/or replacement.
>
> Emphasis Added.

There are many items not covered in the Guaranty Contract, including the "color and purity of water", which was a complaint of W.S. See Testimony of W.S. The heating system provision has many exclusions as well. There is no evidence in the record that any of the claims of W.S. would be covered by the policy. The evidence is focused

on the inability to get answers from Harmony, not the ultimate coverage of the claim under the Guaranty Contract. Therefore, there is no evidence Harmony failed to perform or delayed services on a covered claim. It is true Harmony never sent a repairman to survey the claims, but maybe they are excluded. Plus, the water heater claim was denied on the merits according to W.S. As for the thermostats, there is the same issue. There is no evidence W.S. had a covered claim that was not serviced. The Guaranty Contract has similar exclusions for coverage of the heating system. The Hearings Officer cannot say that services were not timely or defective without some evidence the claim is covered and that repairs were required and delayed, not made or made defectively. See NH RSA 415-C 7, II.

Similarly, there is insufficient evidence of fraud. No evidence was presented with regard Harmony's fraudulent intent to deny W.S.'s claims or that Harmony is a fraudulent enterprise. In fact, the denial of the water heater claim may be legitimate. Harmony may be a fraudulent enterprise, especially in light of the rulings from other states, but those rulings were based on failing to register or the poor handling of claims, not fraud. Therefore, NHID has not met its burden of proof with regard to failure to service the consumer goods or fraud. NH RSA 415-C: 7, II and ins. 206.05, and this count is disallowed.

(e) Violation of 400-A: 16 II—failure to respond to two document requests on July 13, 2021 and July 28, 2021 (Exhibits 8 and 9).

Section 400-A: 16, II requires anyone who is subject to the authority of the commissioner provide the commissioner documents he requests within 10 working days of the request. NH RSA 400-A: 16, II. The commissioner can enforce this provision through 400-A: 15, III, which states:

> "Any person who knowingly violates any statute, rule, regulation, or order of the commissioner may, upon hearing, except where other penalty is expressly provided[6], be subject to such suspension or revocation of certificate of authority or license, or administrative fine not to exceed $2,500 per violation, as may be applicable under this title for violation of the statute or the provision to which the rule, regulation, or order relates.

There is no question that Harmony violated 400-A:16, II by twice failing to comply with written requests (and phone calls) to produce information regarding its business in the state, why it has not registered, and its financial condition. See Exhibits 8, 9. As stated above, Harmony was served at three addresses, by first class and certified mail and by e mail, and failed to respond and has continued to fail to respond. See Exhibits 2, 13. Some of the mail came back, and some of it did not. The Hearing Officer believes Harmony has been properly served and that its conduct avoiding licensure and financial rules is an intentional, deliberate and knowing violation. See discussion, supra at 10. See United States v. Lange, 528 F.2d 1280, 1287-89 (5th Cir. 1976). (To commit an act "knowingly" is to do so with knowledge or awareness of the facts or situation, and not because of mistake, accident or some other innocent reason.) As further

[6] There is no other penalty expressly provided for failure to respond to document requests by the NHID.

evidence of knowing conduct, Harmony has operated in other states, namely South Carolina,[7] without responding to insurance department requests. See Exhibits 10-12. The preponderance of the evidence in this case demonstrates the failure to respond to the NHID's inquiry did not happen by accident or innocence. Lange at 1287-89.

Damages and Penalties.

The Penalties are as follows:

1. Pursuant to NH RSA 415-C: 10, II, Harmony shall cease and desist from selling guaranty contracts in the State of New Hampshire. This order shall be sent to the New Hampshire society of realtors in addition to the normal channels.

2. Pursuant to NH RSA §415-C:3, 10 —Harmony is liable for selling consumer Guaranty Contracts in New Hampshire without registering with the Commissioner. The Commissioner assesses a **1,000 fine**;

3. Pursuant to NH RSA §415-C: 4, 10—Harmony is liable by failing to provide "proof of financial responsibility" as required by NH RSA §415-C: 4. The Commissioner assesses a **$1,000 fine;**

4. Pursuant to NH RSA § 415-C: 7, I (f)— Harmony is liable by willfully failing to act promptly upon communications with respect to claims arising under a consumer guaranty contract. The Commissioner assesses a **$10,000 fine**;

[7] In South Carolina Harmony operated without a license and the order specifically states that Harmony did not respond after several attempts to communicate by the insurance department. See Exhibit 11.

5. Pursuant to NH RSA 400-A: 15, 16 II— Harmony is liable for failure to respond to two document requests on July 13, 2021 and July 28, 2021 (Exhibits 8 and 9). $2,500 fine for each violation. The Commissioner assesses two $2,500 fines **totaling $5,000**.

6. The Department also seeks restitution of $800 for W.S. W.S. relied to his detriment on Harmony's willingness to honor its commitment to faithfully and timely perform the Guaranty Contract. See Exhibit 4A (purchase of Guaranty Contract was required in the purchase agreement). Harmony did not perform its obligations under the Guaranty Contract and state law. The premium under the Guaranty Contract was $800. This shall be paid to W.S. as restitution. Judgment for W.S. for **$800**.

All other requests for damages are denied.

10/25/21

Steven M. Notinger, Hearings Officer, NHID