



REPRESENTING
ALEX SINK
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

FILED

JUN 17 2009

Docketed by BBJ

IN THE MATTER OF:

CRUISE OPTIONS, INC.

CASE NO.: 104212-09-AG

CONSENT ORDER

THIS CAUSE came on for consideration and final agency action. Upon consideration of the record, including the Settlement Stipulation for Consent Order dated June 12, 2009, and being otherwise fully advised of the premises, the Deputy Chief Financial Officer hereby finds:

1. The Chief Financial Officer, as head of the Department of Financial Services, has jurisdiction over the subject matter of this case and parties hereto.
2. The entry of this Consent Order and compliance herewith by, CRUISE OPTIONS, INC., shall conclude the administrative proceeding of Case No. 104212-09-AG before the Department of Financial Services.

IT IS THEREFORE ORDERED:

- (a) The Settlement Stipulation for Consent Order dated June 12, 2009, is hereby approved and fully incorporated herein by reference as Exhibit "AA".
- (b) Respondent shall immediately CEASE AND DESIST representing Prime Travel Protection, Inc., and any other unauthorized insurer;
- (c) Within fifteen (15) days of entry of this Consent Order, Respondent shall apply for a Section 626.321(1)(c), Florida Statutes, resident travel firm (2-41) license.

Respondent shall not transact the business of insurance until either Respondent or an individual within Respondent's travel firm is licensed pursuant to Section 626.321(1)(c), Florida Statutes. If such an individual within Respondent's firm is already licensed and appointed, Respondent may continue to transact insurance so long as Respondent also applies for a resident travel firm (2-41) license within fifteen (15) days of the entry of the Consent Order;

(d) As to any client that previously purchased travel insurance through the Respondent from an unauthorized insurer and whose travel is prospective, Respondent shall, within sixty (60) days following the issuance of this Consent Order, at the client's option either:

1) Refund the premium paid by the client for the unauthorized travel insurance; or

2) Subject to either Respondent or an individual within Respondent's travel firm having a travel insurance (2-41) license, transfer any client that is still insured through an unauthorized insurer to an authorized insurer with any additional costs associated with the foregoing borne by the Respondent. Respondent shall provide the Department with proof of the refund of premium or transfer to an authorized carrier within ten (10) business days thereafter;

(e) Whether known to the Department or presently known just to Respondent, as to those clients whose travel departure date has passed and who have an outstanding travel insurance claim, Respondent shall, within sixty (60) days following the issuance of the Consent Order in this case, make complete financial restitution regarding all unpaid valid travel insurance claims resulting from Respondent having placed clients with an unauthorized insurer. Those clients that are known to the Department at this time are identified on the attached list, marked as Exhibit "A", which is fully incorporated herein. Respondent shall provide the Department with proof of making such payments within ten (10) business days thereafter;

(f) Separate and apart from the insurance claim(s) identified in the attached Exhibit "A" or otherwise presently known just to Respondent, Respondent shall be responsible for satisfying any new or previously unknown and unpaid valid travel insurance claims for any clients which Respondent placed with an unauthorized insurer. Respondent shall, within sixty (60) days of Respondent's knowledge of any new or previously unknown claim, make complete financial restitution regarding all unpaid valid travel insurance claims resulting from Respondent having placed clients with an unauthorized insurer. Respondent shall provide the Department with proof of making such payments within ten (10) business days thereafter;

(g) Respondent shall be responsible for and ensure that all employees who sell insurance are only selling the insurance for which the Respondent is licensed and appointed to sell, and that the employees only sell said insurance pursuant to the direction or control of the Respondent;

(h) Respondent's complete financial restitution shall not be duplicative of any insurance claim payment previously paid by the unauthorized insurer or made by any other source;

(i) Failure of the Respondent to comply, in whole or in part, with paragraphs (a) through (g) above, shall constitute a material breach of this Consent Order. Such failure shall result in the denial of Respondent's application for licensure or immediate suspension of Respondent's license(s) and eligibility for licensure and appointment(s) in this state without further proceedings for a period of sixty (60) calendar days. If licensed, Respondent's license(s) shall not thereafter be reinstated except upon Respondent filing an application for reinstatement. Reinstatement shall be conditioned upon Respondent's compliance with all terms of this Consent Order, including making complete financial restitution. If Respondent is not licensed as a

resident travel firm, it shall immediately CEASE AND DESIST placing any travel insurance for its clients even if an individual within Respondent's firm has an individual resident travel license;

(j) Respondent shall pay an administrative penalty in the amount of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00) within thirty (30) calendar days of the entry of this Consent Order. Failure of Respondent to pay the administrative penalty within the specified limit shall result in the denial of Respondent's application for licensure or the immediate suspension of Respondent's license and eligibility for licensure in this state without further proceedings for a period of sixty (60) calendar days, whichever is applicable. If Respondent's application for licensure is denied, the Department may initiate enforcement proceedings against Respondent should Respondent fail to pay the administrative penalty within the specified time. Respondent hereby agrees to reimburse the Department for any and all costs and attorneys fees associated with such enforcement proceedings. If Respondent's license is suspended, Respondent's license shall not thereafter be reinstated except upon Respondent filing an application for reinstatement. Reinstatement shall be conditioned upon Respondent's compliance with all terms of this Consent Order, including payment of the administrative penalty, and upon compliance with the terms of suspension;

(k) Upon issuance of the resident travel firm (2-41) license, Respondent shall be placed on probation, pursuant to Section 626.691, Florida Statutes, for a period of two (2) years. As a condition of probation, Respondent shall comply with all the terms and conditions of this Consent Order and shall strictly adhere to all provisions of the Florida Insurance Code and Rules of the Department. As a specific condition of probation and in order to determine compliance with this Consent Order, Respondent shall give the Department, upon the

Department's request, full and immediate access to all books and records relating to Respondent's insurance business;

(l) If, during the period of probation, the Department has good cause to believe that Respondent has violated the terms or conditions of this probation, it shall initiate administrative action to suspend or revoke Respondent's license and appointments, or it may seek to enforce the Consent Order in Circuit Court, or take any other action permitted by law;

(m) Pursuant to Section 626.321(1)(c), Florida Statutes, Respondent shall ensure that all employees who are authorized by Respondent to sell travel insurance are trained, prior to selling the travel insurance, by an authorized insurer or a general lines agent authorized to transact insurance pursuant to the Florida Insurance Code. Respondent shall maintain on file copies of all the materials used in the training of Respondent's employees and the identity of the authorized insurer or general lines agent who conducted the training;

(n) If the Department discovers that the Respondent, subsequent to this Consent Order, has directly or indirectly aided or represented any other unauthorized insurer, the Respondent acknowledges that such aiding or representing would be willful and knowing, given that the Respondent now understands the laws with respect to aiding or representing unauthorized insurers. Respondent shall not directly or indirectly transact insurance in or from this state except on behalf of an authorized insurer holding a valid certificate of authority issued by the Office of Insurance Regulation, or on behalf of a surplus lines insurer in compliance with the Florida surplus lines law;

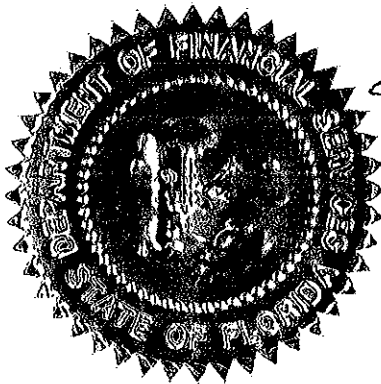
(o) If Respondent has any doubt as to whether an insurer is properly authorized or admitted, the Respondent shall obtain written confirmation from the Office of

Insurance Regulation that the insurer is authorized, admitted, approved, or registered before proceeding to transact insurance for that insurer;

(p) Respondent shall fully cooperate with the Department and any other regulatory or law enforcement agencies with respect to the providing of documentation, truthful and candid information, and testimony upon request in any investigation or proceeding concerning or related to Prime Travel Protection, Inc., including its predecessors or successors, their officers, directors, and agents, and as to all other persons or entities known to the Respondent who may have marketed, solicited, sold, or serviced unauthorized travel insurance;

(q) Any person who knowingly transacts insurance or otherwise engages in insurance activities in this state without a license, or while the license(s) is suspended or revoked, commits a felony of the third degree.

DONE and ORDERED this 17th day of June, 2009.




TAMMY TESTON
Deputy Chief Financial Officer

Copies Furnished To:

CRUISE OPTIONS, INC.
Sheryl Coopersmith
10131 NW 10th Street
Plantation, FL 33322

PHILIP M. FOUNTAIN, ASSISTANT DIRECTOR
Division of Agent & Agency Services
200 East Gaines Street
Tallahassee, Florida 32399-0320

PHILIP PAYNE
Division of Legal Services
200 East Gaines Street
Tallahassee, Florida 32399-0333

INVOICE

ADMINISTRATIVE PENALTY IMPOSED BY CONSENT ORDER

In order to ensure that your payment is received and properly credited, please make your check payable to:

Department of Financial Services
Division of Legal Services
Revenue Processing Section
Post Office Box 6100
Tallahassee, FL 32399-6100

REFERENCE

NAME CRUISE OPTIONS, INC.
Sheryl Coopersmith
ADDRESS: Cruise Options, Inc., 10131 NW 10th Street
CITY, STATE, ZIP: Plantation, FL 33322
SS# or AGENT#:
Case #: 104212-09-AG
Attorney: Philip Payne
Source: Agent and Agency Investigations

Fine Due: \$.00
Cost Due: \$ 2500.00
Total Amount Due: \$ 2500.00
Amount remitted: \$

OFFICIAL USE ONLY - PLEASE, DO NOT MARK BELOW THIS LINE

B/T T/C F/T INV AMT (inserted by operator)
M 1106 J



REPRESENTING
ALEX SINK
CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

RECEIVED
DEPT OF FINANCIAL SERVICES
DIV OF LEGAL SERVICES
09 JUN 12 AM 10:25

IN THE MATTER OF:

CRUISE OPTIONS, INC.

DFS Case No.: 104212-09-AG

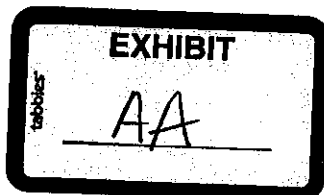
SETTLEMENT STIPULATION FOR CONSENT ORDER

IT IS AGREED and STIPULATED by and between CRUISE OPTIONS, INC., ("Respondent"), and the Department of Financial Services ("Department"), that:

1. Respondent is not currently licensed as a resident travel firm (2-41) pursuant to Section 626.321(1)(c), Florida Statutes (2008). At all times relevant to the dates and occurrences referred to herein, Respondent was not licensed pursuant to the Florida Insurance Code in this state.

2. Pursuant to Chapter 626, Florida Statutes, the Department has jurisdiction over the Respondent's eligibility for licensure and appointment as a resident travel firm in this state and the subject matter of this proceeding.

3. The Department conducted an investigation of the Respondent's insurance activities in Florida. In lieu of the Department filing an administrative action against Respondent that alleges Respondent, directly or indirectly, represented or aided one or more unauthorized insurers including, but not limited to Prime Travel Protection, Inc., in violation of Section 626.901(1), Florida Statutes, Respondent voluntarily enters into this Settlement Stipulation for Consent Order.



4. Respondent voluntarily waives the right to a hearing in this matter and voluntarily enters into this Settlement Stipulation for Consent Order.

5. By entering into this Settlement Stipulation for Consent Order, the filing of a Consent Order in this case, and satisfying the administrative sanctions set forth therein, Respondent and the Department intend to and do resolve all issues pertaining to this administrative matter as outlined in paragraph three (3) above.

6. Respondent hereby affirms the entity or entities which are referenced in paragraph three (3) above, are the only unauthorized entities Respondent represented in any way and that Respondent has not transacted insurance for any other unauthorized insurer except as has been disclosed to the Department in writing by Respondent in connection with the execution of this Settlement Stipulation.

7. No party will appeal this Settlement Stipulation for Consent Order or the Consent Order to be issued in this case, and the parties specifically waive notice of the right to appeal as required by Section 120.569(1), Florida Statutes.

8. This document, and the resulting Consent Order, are public records and contain information that is routinely published and disclosed by the Department.

9. Each party to this proceeding shall bear its own costs and attorney's fees.

10. The Settlement Stipulation and subsequent Consent Order does not resolve issues between Respondent and any other party, nor does it release any liability that the Respondent may have to other parties including the clients or the estates of the unauthorized insurer(s) formerly represented by Respondent. The Respondent should seek independent counsel with respect to any such claims or potential claims, or losses, or potential losses.

11. This Settlement Stipulation for Consent Order is subject to the approval of the Chief Financial Officer or her designee. If the Chief Financial Officer or her designee does not approve of this Settlement, no Consent Order will be issued, and this Settlement Stipulation shall be null and void as if it were never executed. Upon the approval of the Chief Financial Officer or her designee, and without further notice, the Chief Financial Officer or her designee may issue a Consent Order providing for the following administrative sanctions:

(a) Incorporation by reference of all of the terms and conditions of this Settlement Stipulation for Consent Order;

(b) Respondent shall immediately CEASE AND DESIST representing Prime Travel Protection, Inc., and any other unauthorized insurer;

(c) Within fifteen (15) days of entry of the Consent Order to be issued in this case, Respondent shall apply for a Section 626.321(1)(c), Florida Statutes, resident travel firm (2-41) license. Respondent shall not transact the business of insurance until either Respondent or an individual within Respondent's travel firm is licensed pursuant to Section 626.321(1)(c), Florida Statutes. If such an individual within Respondent's firm is already licensed and appointed, Respondent may continue to transact insurance so long as Respondent also applies for a resident travel firm (2-41) license within fifteen (15) days of the entry of the Consent Order;

(d) As to any client that previously purchased travel insurance through the Respondent from an unauthorized insurer and whose travel is prospective, Respondent shall, within sixty (60) days following the issuance of the Consent Order in this case, at the client's option either:

1) Refund the premium paid by the client for the unauthorized travel insurance; or

2) Subject to either Respondent or an individual within Respondent's travel firm having a travel insurance (2-41) license, transfer any client that is still insured through an unauthorized insurer to an authorized insurer with any additional costs associated with the foregoing borne by the Respondent. Respondent shall provide the Department with proof of the refund of premium or transfer to an authorized carrier within ten (10) business days thereafter;

(e) Whether known to the Department or presently known just to Respondent, as to those clients whose travel departure date has passed and who have an outstanding travel insurance claim, Respondent shall, within sixty (60) days following the issuance of the Consent Order in this case, make complete financial restitution regarding all unpaid valid travel insurance claims resulting from Respondent having placed clients with an unauthorized insurer. Those clients that are known to the Department at this time are identified on the attached list, marked as Exhibit A, which is fully incorporated herein. Respondent shall provide the Department with proof of making such payments within ten (10) business days thereafter;

(f) Separate and apart from the insurance claim(s) identified in the attached Exhibit A or otherwise presently known just to Respondent, Respondent shall be responsible for satisfying any new or previously unknown and unpaid valid travel insurance claims for any clients which Respondent placed with an unauthorized insurer. Respondent shall, within sixty (60) days of Respondent's knowledge of any new or previously unknown claim, make complete financial restitution regarding all unpaid valid travel insurance claims resulting from Respondent having placed clients with an

unauthorized insurer. Respondent shall provide the Department with proof of making such payments within ten (10) business days thereafter;

(g) Respondent shall be responsible for and ensure that all employees who sell insurance are only selling the insurance for which the Respondent is licensed and appointed to sell, and that the employees only sell said insurance pursuant to the direction or control of the Respondent;

(h) Respondent's complete financial restitution shall not be duplicative of any insurance claim payment previously paid by the unauthorized insurer or made by any other source;

(i) Failure of the Respondent to comply, in whole or in part, with paragraphs 11(a) through 11(g) above, shall constitute a material breach of this Settlement Stipulation and the resulting Consent Order. Such failure shall result in the denial of Respondent's application for licensure or immediate suspension of Respondent's license(s) and eligibility for licensure and appointment(s) in this state without further proceedings for a period of sixty (60) calendar days. If licensed, Respondent's license(s) shall not thereafter be reinstated except upon Respondent filing an application for reinstatement. Reinstatement shall be conditioned upon Respondent's compliance with all terms of this Settlement Stipulation for Consent Order and the Consent Order to be entered in this cause, including making complete financial restitution. If Respondent is not licensed as a resident travel firm, it shall immediately CEASE AND DESIST placing any travel insurance for its clients even if an individual within Respondent's firm has an individual resident travel license;

(j) Respondent shall pay an administrative penalty in the amount of TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00) within thirty (30) calendar days

of the entry of the Consent Order to be issued in this case. Failure of Respondent to pay the administrative penalty within the specified limit shall result in the denial of Respondent's application for licensure or the immediate suspension of Respondent's license and eligibility for licensure in this state without further proceedings for a period of sixty (60) calendar days, whichever is applicable. If Respondent's application for licensure is denied, the Department may initiate enforcement proceedings against Respondent should Respondent fail to pay the administrative penalty within the specified time. Respondent hereby agrees to reimburse the Department for any and all costs and attorneys fees associated with such enforcement proceedings. If Respondent's license is suspended, Respondent's license shall not thereafter be reinstated except upon Respondent filing an application for reinstatement. Reinstatement shall be conditioned upon Respondent's compliance with all terms of this Settlement Stipulation for Consent Order and the Consent Order to be entered in this cause, including payment of the administrative penalty, and upon compliance with the terms of suspension;

(k) Upon issuance of the resident travel firm (2-41) license, Respondent shall be placed on probation, pursuant to Section 626.691, Florida Statutes, for a period of two (2) years. As a condition of probation, Respondent shall comply with all the terms and conditions of this Settlement Stipulation and resulting Consent Order and shall strictly adhere to all provisions of the Florida Insurance Code and Rules of the Department. As a specific condition of probation and in order to determine compliance with this Settlement Stipulation and the resulting Consent Order, Respondent shall give the Department, upon the Department's request, full and immediate access to all books and records relating to Respondent's insurance business;

(l) If, during the period of probation, the Department has good cause to believe that Respondent has violated the terms or conditions of this probation, it shall initiate administrative action to suspend or revoke Respondent's license and appointments, or it may seek to enforce the Consent Order in Circuit Court, or take any other action permitted by law;

(m) Pursuant to Section 626.321(1)(c), Florida Statutes, Respondent shall ensure that all employees who are authorized by Respondent to sell travel insurance are trained, prior to selling the travel insurance, by an authorized insurer or a general lines agent authorized to transact insurance pursuant to the Florida Insurance Code. Respondent shall maintain on file copies of all the materials used in the training of Respondent's employees and the identity of the authorized insurer or general lines agent who conducted the training;

(n) If the Department discovers that the Respondent, subsequent to this Settlement Stipulation and Consent Order, has directly or indirectly aided or represented any other unauthorized insurer, the Respondent acknowledges that such aiding or representing would be willful and knowing, given that the Respondent now understands the laws with respect to aiding or representing unauthorized insurers. Respondent shall not directly or indirectly transact insurance in or from this state except on behalf of an authorized insurer holding a valid certificate of authority issued by the Office of Insurance Regulation, or on behalf of a surplus lines insurer in compliance with the Florida surplus lines law;

(o) If Respondent has any doubt as to whether an insurer is properly authorized or admitted, the Respondent shall obtain written confirmation from the Office

of Insurance Regulation that the insurer is authorized, admitted, approved, or registered before proceeding to transact insurance for that insurer;

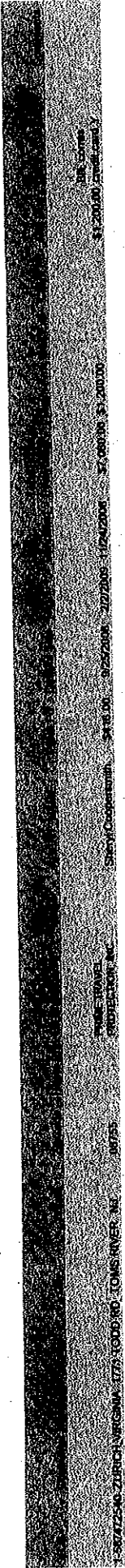
(p) Respondent shall fully cooperate with the Department and any other regulatory or law enforcement agencies with respect to the providing of documentation, truthful and candid information, and testimony upon request in any investigation or proceeding concerning or related to Prime Travel Protection, Inc., including its predecessors or successors, their officers, directors, and agents, and as to all other persons or entities known to the Respondent who may have marketed, solicited, sold, or serviced unauthorized travel insurance;

(q) Any person who knowingly transacts insurance or otherwise engages in insurance activities in this state without a license, or while the license(s) is suspended or revoked, commits a felony of the third degree.

12. Respondent certifies that the address following its authorized representative's signature below is a valid address at which Respondent will receive the Consent Order when mailed to that address. Respondent agrees to notify the Department immediately of any change of address in the future as required by law.

<u>Sheryl Coopersmith, President</u>	<u>6/8/09</u>	<u>P. M. Payne</u>	<u>6/12/09</u>
Sheryl Coopersmith, President	Date	Philip M. Payne, Esquire	Date
Cruise Options, Inc.		Robert Alan Fox, Esquire	
10131 NW 10 th Street		Division of Legal Services	
Plantation, Florida 33322		200 East Gaines Street	
		Larson Building, Suite 624	
		Tallahassee, Florida 32399-0333	
Authorized Representative for Respondent		Attorney(s) for the Department	

Cruise Options Inc.



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Revised 5/21/09

