



REPRESENTING  
**ALEX SINK**  
CHIEF FINANCIAL OFFICER  
STATE OF FLORIDA

**FILED**

FEB 22 2010

Docketed by SS

IN THE MATTER OF:

CASE NO.: 104469-09-AG

SANDRA DEMORE, INDIVIDUALLY AND  
SANDRA DEMORE, D/B/A CRUISEWITHSANDY  
\_\_\_\_\_ /

NOTICE OF INTENT TO ISSUE CEASE AND DESIST ORDER

TO: Sandra Demore  
1202 Harbour Point Road  
Port Orange, FL 32127

You, SANDRA DEMORE, license I.D. #P186284, individually and doing business as CruiseWithSandy (collectively referred to as "SANDRA DEMORE"), are hereby notified that the Chief Financial Officer of the State of Florida has caused to be made an investigation of your activities while licensed as a travel insurance agent in this state, as a result of which it is alleged:

GENERAL ALLEGATIONS

1. Pursuant to Chapter 626, Florida Statutes, you, SANDRA DEMORE, are currently licensed in this state as a resident travel agent and as a resident motor vehicle rental agent.
2. You, SANDRA DEMORE, were not licensed in this state as a resident travel agent and as a resident motor vehicle rental agent until January 21, 2009.

3. At all times pertinent to the dates and occurrences referenced herein, you, SANDRA DEMORE, did not hold a license issued under or pursuant to the Florida Insurance Code, or hold an appointment under the Florida Insurance Code.

4. Section 624.401, Florida Statutes, provides that no person shall act as an insurer, and no insurer or its agents, attorneys, subscribers, or representatives shall directly or indirectly transact insurance in this state except as authorized by a subsisting Certificate of Authority issued to the insurer by the Florida Office of Insurance Regulation (“OIR”).

5. Section 624.04, Florida Statutes, defines “person” and includes “company”, “corporation”, and “every legal entity” in the definition.

6. Section 624.09, Florida Statutes, provides that an “unauthorized insurer” is an insurer which is not duly authorized by a subsisting certificate of authority issued by OIR to transact insurance in this state.

7. Section 624.10, Florida Statutes, provides that transacting insurance includes any of the following, in addition to other applicable provisions of this code: 1) solicitation or inducement; 2) preliminary negotiations; 3) effectuation of a contract of insurance; and 4) transaction of matters subsequent to effectuation of a contract of insurance and arising out of it.

8. At all times pertinent to the dates and occurrences referenced herein, Vacation Protection Services, Inc., Traveler Protection Services, Inc., Smart Travel Insurance, Prime Travel Protection, Inc., and Universal Assurance Group, Ltd. did not hold a license or Certificate of Authority to transact insurance in Florida.

9. Vacation Protection Services, Inc., Traveler Protection Services, Inc., Smart Travel Insurance, Prime Travel Protection, Inc., and Universal Assurance Group, Ltd. have never held a license or Certificate of Authority to transact insurance in Florida.

10. At least three states, Oklahoma, Colorado and Florida, have ordered Prime Travel Protection Services, Inc. to cease and desist from selling insurance without a license.

11. In fact, on March 20, 2009, the Florida Office of Insurance Regulation ("OIR") entered an Order to Cease and Desist against Prime Travel Protection Services, Inc., Universal Assurance Group, Ltd., Traveler Protection Services, Inc., Vacation Protection Services, Inc., and Jerry Watson.

12. Pursuant to Chapter 626, Florida Statutes, the Florida Department of Financial Services has jurisdiction over your insurance licenses and appointments.

#### COUNT I

13. The above general allegations are hereby realleged and fully incorporated herein by reference.

14. You, SANDRA DEMORE, from March of 2005 through May of 2008, directly or indirectly acted as an agent for or otherwise represented or aided one or more unauthorized insurers, including but not limited to Vacation Protection Services, Inc., Traveler Protection Services, Inc., Smart Travel Insurance, Prime Travel Protection, Inc., and Universal Assurance Group, Ltd., by, including but not limited to, soliciting, negotiating, procuring, or effectuating insurance contracts, or renewals thereof; disseminating information as to coverage or rates; forwarding applications; delivering policies or contracts and/or collecting or forwarding premiums; or in any other manner representing or assisting such an insurer in the transaction of insurance.

15. From March of 2005 through May of 2008, you, SANDRA DEMORE, sold over 125 travel insurance policies for unauthorized insurers, including but not limited to Vacation Protection Services, Inc., Traveler Protection Services, Inc., Smart Travel Insurance, Prime Travel Protection, Inc., and Universal Assurance Group, Ltd.

IT IS THEREFORE CHARGED that you, SANDRA DEMORE, have violated or are accountable under one or more of the following provisions of the Florida Statutes or Florida Administrative Code, which constitutes grounds for the imposition of a cease and desist order and fines:

(a) No person shall transact insurance in this state, or relative to a subject of insurance resident, located, or to be performed in this state, without complying with the applicable provisions of this code. [Section 624.11(1), Florida Statutes];

(b) No person may be, act as, or advertise or hold himself or herself out to be an insurance agent, insurance adjuster, or customer representative unless he or she is currently licensed by the Department and appointed by an appropriate appointing entity or person [Section 626.112(1)(a), Florida Statutes];

(c) Demonstrated lack of fitness or trustworthiness to engage in the business of insurance. [Section 626.611(7), Florida Statutes];

(d) Demonstrated lack of reasonably adequate knowledge and technical competence to engage in the transactions authorized by the license or appointment. [Section 626.611(8), Florida Statutes];

(e) Any cause for which issuance of the license or appointment could have been refused had it then existed and been known to the department. [Section 626.621(1), Florida Statutes];

(f) Violation of any provision of this code or of any other law applicable to the business of insurance in the course of dealing under the license or appointment. [Section 626.621(2), Florida Statutes];

(g) No person shall, from offices or by personnel or facilities located in this state, or in any other state or country, directly or indirectly act as agent for, or otherwise represent or aid on behalf of another, any insurer not then authorized to transact such insurance in this state in: (1) the solicitation, negotiation, procurement, or effectuation of insurance or annuity contracts, or renewals thereof; (2) the dissemination of information as to coverage or rates; (3) the forwarding of applications; (4) the delivery of policies or contracts; (5) the inspection of risks; (6) the fixing of rates; (7) the investigation or adjustment of claims or losses; or (8) the collection or forwarding of premiums; or in any other manner represent or assist such an insurer in the transaction of insurance with respect to subjects of insurance resident, located, or to be performed in this state. If the property or risk is located in any other state, then, subject to the provisions of subsection Section 626.901(4), Florida Statutes, insurance may only be written with or placed in an insurer authorized to do such business in such state or in an insurer with which a licensed insurance broker of such state may lawfully place such insurance.

[Section 626.901(1), Florida Statutes];

(h) If an unauthorized insurer fails to pay in full or in part any claim or loss within the provisions of any insurance contract which is entered into in violation of this section, any person who knew or reasonably should have known that such contract was entered into in violation of this section and who solicited, negotiated, took application for, or effectuated such insurance contract is liable to the insured for the full amount of the claim or loss not paid. [Section 626.901(2), Florida Statutes];

(i) Engaging in the business of insurance without being properly licensed. [Sections 626.9571(1), Florida Statutes]; and

(j) Engaging in the unlawful transaction of insurance. [Sections 626.9581, Florida Statutes].

## COUNT II

16. The above general allegations are hereby realleged and fully incorporated herein by reference.

17. On or about March 9, 2005, you, SANDRA DEMORE, entered into a Preferred Travel Agency Agreement with Vacation Protection Services, Inc.

18. You, SANDRA DEMORE, agreed to accept a commission of 35% for base travel insurance policies sold to your customers and a commission of 30% for the optional "cancel for any reason" policy.

19. From March 2005 through May of 2008, you, SANDRA DEMORE, sold over 125 travel insurance policies for unauthorized insurers, including but not limited to Vacation Protection Services, Inc., Traveler Protection Services, Inc., Smart Travel Insurance, Prime Travel Protection, Inc., and Universal Assurance Group, Ltd., and were paid commissions in excess of \$18,600.00.

20. On March 23, 2009, you, SANDRA DEMORE, told Judd Dando, a Department investigator, that you had not earned any commission for selling the travel insurance policies.

21. You, SANDRA DEMORE, knew that you earned a commission for selling the travel insurance policies.

IT IS THEREFORE CHARGED that you, SANDRA DEMORE, have violated or are accountable under one or more of the following provisions of the Florida Statutes or Florida

Administrative Code, which constitutes grounds for the imposition of a cease and desist order and fines:

(a) Demonstrated lack of fitness or trustworthiness to engage in the business of insurance. [Section 626.611(7), Florida Statutes];

(b) Demonstrated lack of reasonably adequate knowledge and technical competence to engage in the transactions authorized by the license or appointment. [Section 626.611(8), Florida Statutes];

(c) Violation of any provision of this code or of any other law applicable to the business of insurance in the course of dealing under the license or appointment. [Section 626.621(2), Florida Statutes];

(d) In the conduct of business under the license or appointment, engaging in unfair methods of competition or in unfair or deceptive acts or practices, as prohibited under part IX of this chapter, or having otherwise shown himself or herself to be a source of injury or loss to the public. [Section 626.621(6), Florida Statutes]; and

(e) Knowingly causing, directly or indirectly, to be made, published, disseminated, circulated, delivered to any person, or placed before the public, any false material statement. [Section 626.9541(1)(e)1e, Florida Statutes].

### COUNT III

22. The above general allegations are hereby realleged and fully incorporated herein by reference.

23. In April 2008, Richard Bucy ("R.B.") and Judith Milton ("J.M.") of Ormond Beach, FL, purchased a cruise package and travel insurance through you, SANDRA DEMORE.

24. The travel insurance that you, SANDRA DEMORE, sold to or booked for R.B. and J.M., in April 2008, was with Prime Travel Protection, Inc. and/or Traveler Protection Services, Inc.

25. R.B. had to cancel the trip. R.B. died in December, 2008.

26. Prior to his death, R.B. filed a claim with Prime Travel Protection, Inc., Traveler Protection Services, Inc. and/or Universal Assurance Group, Ltd.

27. Prime Travel Protection, Inc., Traveler Protection Services, Inc. and/or Universal Assurance Group, Ltd. neither denied nor paid R.B.'s claim.

28. R.B.'s estate presently has a monetary loss of approximately \$4,999 in relation to the cancelled trip.

29. You, SANDRA DEMORE, directly or indirectly acted as an agent for or otherwise represented or aided one or more unauthorized insurers, including but not limited to Smart Travel Insurance and Prime Travel Protection, Inc., by, including but not limited to, soliciting, negotiating, procuring, or effectuating insurance contracts, or renewals thereof; disseminating information as to coverage or rates; forwarding applications; delivering policies or contracts and/or collecting or forwarding premiums; or in any other manner representing or assisting such an insurer in the transaction of insurance.

IT IS THEREFORE CHARGED that you, SANDRA DEMORE, have violated or are accountable under one or more of the following provisions of the Florida Statutes or Florida Administrative Code, which constitutes grounds for the imposition of a cease and desist order



and fines:

(a) No person shall transact insurance in this state, or relative to a subject of insurance resident, located, or to be performed in this state, without complying with the applicable provisions of this code. [Section 624.11(1), Florida Statutes];

(b) No person may be, act as, or advertise or hold himself or herself out to be an insurance agent, insurance adjuster, or customer representative unless he or she is currently licensed by the Department and appointed by an appropriate appointing entity or person [Section 626.112(1)(a), Florida Statutes];

(c) Demonstrated lack of fitness or trustworthiness to engage in the business of insurance. [Section 626.611(7), Florida Statutes];

(d) Demonstrated lack of reasonably adequate knowledge and technical competence to engage in the transactions authorized by the license or appointment. [Section 626.611(8), Florida Statutes];

(e) Any cause for which issuance of the license or appointment could have been refused had it then existed and been known to the department. [Section 626.621(1), Florida Statutes];

(f) Violation of any provision of this code or of any other law applicable to the business of insurance in the course of dealing under the license or appointment. [Section 626.621(2), Florida Statutes];

(g) No person shall, from offices or by personnel or facilities located in this state, or in any other state or country, directly or indirectly act as agent for, or otherwise represent or aid on behalf of another, any insurer not then authorized to transact such insurance in this state in:  
(1) the solicitation, negotiation, procurement, or effectuation of insurance or annuity contracts, or

renewals thereof; (2) the dissemination of information as to coverage or rates; (3) the forwarding of applications; (4) the delivery of policies or contracts; (5) the inspection of risks; (6) the fixing of rates; (7) the investigation or adjustment of claims or losses; or (8) the collection or forwarding of premiums; or in any other manner represent or assist such an insurer in the transaction of insurance with respect to subjects of insurance resident, located, or to be performed in this state. If the property or risk is located in any other state, then, subject to the provisions of subsection Section 626.901(4), Florida Statutes, insurance may only be written with or placed in an insurer authorized to do such business in such state or in an insurer with which a licensed insurance broker of such state may lawfully place such insurance.

[Section 626.901(1), Florida Statutes];

(h) If an unauthorized insurer fails to pay in full or in part any claim or loss within the provisions of any insurance contract which is entered into in violation of this section, any person who knew or reasonably should have known that such contract was entered into in violation of this section and who solicited, negotiated, took application for, or effectuated such insurance contract is liable to the insured for the full amount of the claim or loss not paid. [Section 626.901(2), Florida Statutes];

(i) Engaging in the business of insurance without being properly licensed. [Sections 626.9571(1), Florida Statutes]; and

(j) Engaging in the unlawful transaction of insurance. [Sections 626.9581, Florida Statutes].

WHEREFORE, you, SANDRA DEMORE, are hereby notified that the Chief Financial Officer intends to enter an Order requiring you to cease and desist, fining you and imposing other such penalties as may be provided under the provisions of Sections 626.9521, 626.9571,

and 626.9581, Florida Statutes, any referenced sections of the Florida Statutes as set out in this Notice, and under any other applicable section of the Florida Insurance Code.

### NOTICE OF RIGHTS

You have the right to request a proceeding to contest this action by the Department of Financial Services ("Department") pursuant to Sections 120.569 and 120.57, Florida Statutes, and Rule 28-106, Florida Administrative Code. The proceeding request must be in writing, signed by you, and must be filed with the Department within twenty-one (21) days of your receipt of this notice. Completion of the attached Election of Proceeding form and/or a petition for administrative hearing will suffice as a written request. The request must be filed with DFS Agency Clerk, at the Florida Department of Financial Services, 612 Larson Building, 200 East Gaines Street, Tallahassee, Florida 32399-0390. Your written response must be received by the Department no later than 5:00 p.m. on the twenty-first day after your receipt of this notice. Mailing the response on the twenty-first day will not preserve your right to a hearing.

**YOUR FAILURE TO RESPOND IN WRITING WITHIN TWENTY-ONE (21) DAYS OF YOUR RECEIPT OF THIS NOTICE WILL CONSTITUTE A WAIVER OF YOUR RIGHT TO REQUEST A PROCEEDING ON THE MATTERS ALLEGED HEREIN AND A CEASE AND DESIST ORDER WILL BE ENTERED AGAINST YOU. VIOLATION OF THE ORDER TO CEASE AND DESIST WILL SUBJECT YOU TO FINE UP TO \$50,000, PURSUANT TO SECTION 626.9601, FLORIDA STATUTES.**

If you request a proceeding, you must provide information that complies with the requirements of Rule 28-106.2015, Florida Administrative Code. As noted above, completion of the attached Election of Proceeding form conforms to these requirements. Specifically, your response must contain:

a. The name, address, and telephone number, and facsimile number (if any) of the respondent (for the purpose of requesting a hearing in this matter, you are the "respondent").

b. The name, address, telephone number, facsimile number of the attorney or qualified representative of the respondent (if any) upon whom service of pleadings and other papers shall be made.

c. A statement requesting an administrative hearing identifying those material facts that are in dispute. If there are none, the petition must so indicate.

d. A statement of when the respondent received notice of the notice of intent.

e. A statement including the file number to the notice of intent.

If a hearing of any type is requested, you have the right to be represented by counsel or other qualified representative at your expense, to present evidence and argument, to call and cross-examine witnesses, and to compel the attendance of witnesses and the production of documents by subpoena.

If a proceeding is requested and there is no dispute of material fact, the provisions of Section 120.57(2), Florida Statutes, apply. In this regard, you may submit oral or written evidence in opposition to the action taken by the Department or a written statement challenging the grounds upon which the Department has relied. While a hearing is normally not required in the absence of a dispute of fact, if you feel that a hearing is necessary, one will be conducted in Tallahassee, Florida, or by telephonic conference call upon your request.

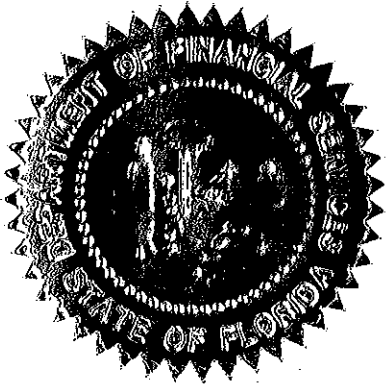
However, if you dispute material facts which are the basis for the Department's action, you must request an adversarial proceeding pursuant to Sections 120.569 and 120.57(1), Florida Statutes. These proceedings are held before a State Administrative Law Judge of the Division of Administrative Hearings. Unless the majority of witnesses are located elsewhere, the Department will request that the hearing be conducted in Tallahassee, Florida.

Failure to follow the procedure outlined with regard to your response to this notice may result in the request being denied. All prior oral communication or correspondence in this matter shall be considered freeform agency action, and no such oral communication or correspondence shall operate as a valid request for an administrative proceeding. Any request for an

administrative proceeding received prior to the date of this notice shall be deemed abandoned unless timely renewed in compliance with the guidelines as set out above.

Mediation of this matter pursuant to Section 120.573, Florida Statutes, is not available. No Department attorney will discuss this matter with you until the response has been received by the Department.

DATED and SIGNED this 22nd day of February, 2010.



Nancy A. Rowell  
NANCY ROWELL, Director  
Division of Agent & Agency Services

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing NOTICE OF INTENT TO ISSUE CEASE AND DESIST ORDER and ELECTION OF PROCEEDING has been furnished by Certified Mail, Restricted Delivery to: Sandra Demore, 1202 Harbour Point Road, Port Orange, FL 32127, on this ~~22nd~~ day *February*, 2010.



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Robert Alan Fox  
Division of Legal Services  
200 East Gaines St.  
612 Larson Building  
Tallahassee, Florida 32399-0333  
Tel: 850-413-4106

STATE OF FLORIDA  
DEPARTMENT OF FINANCIAL SERVICES

IN THE MATTER OF:

CASE NO.: 104469-09-AG

SANDRA DEMORE, INDIVIDUALLY AND  
SANDRA DEMORE, D/B/A CRUISEWITHSANDY

ELECTION OF PROCEEDING

I have received and have read the Notice of Intent to Issue Cease and Desist Order filed by the Florida Department of Financial Services ("Department") against me, including the Notice of Rights contained therein, and I understand my options. I am requesting disposition of this matter as indicated below. **(CHOOSE ONE)**

1.  I do not dispute any of the Department's factual allegations and I do not desire a hearing. I understand that by waiving my right to a hearing, the Department may enter a final order that adopts the Notice of Intent to Issue Cease and Desist Order and imposes the sanctions sought, including suspending or revoking my licenses and appointments as may be appropriate.
2. I do not dispute any of the Department's factual allegations and I hereby elect a proceeding to be conducted in accordance with Section 120.57(2), Florida Statutes. In this regard, I desire to **(CHOOSE ONE)**:
  - Submit a written statement and documentary evidence in lieu of a hearing; or
  - Personally attend a hearing conducted by a department hearing officer in Tallahassee; or
  - Attend that same hearing by way of a telephone conference call.
3.  I do dispute one or more of the Department's factual allegations. I hereby request a hearing pursuant to Section 120.57(1), Florida Statutes, to be held before the Division of Administrative Hearings. I have attached to this election form the information required by Rule 28-106.2015, Florida Administrative Code, as specified in subparagraph (c) of the Notice of Rights. Specifically, I have identified the disputed issues of material fact.

TO PRESERVE YOUR RIGHT TO A HEARING, YOU MUST FILE YOUR RESPONSE WITH THE DEPARTMENT OF FINANCIAL SERVICES WITHIN TWENTY-ONE (21) DAYS OF YOUR RECEIPT OF THE NOTICE OF INTENT TO ISSUE CEASE AND DESIST ORDER. THE RESPONSE MUST BE RECEIVED BY THE DEPARTMENT NO LATER THAN 5:00 P.M. ON THE TWENTY-FIRST DAY AFTER YOUR RECEIPT OF THE NOTICE OF INTENT TO ISSUE CEASE AND DESIST ORDER.

The address for filing is: Tracey Beal, DFS Agency Clerk, Florida Department of Financial Services, 612 Larson Building, 200 East Gaines Street, Tallahassee, Florida 32399-0333.

Signature \_\_\_\_\_

Print Name \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

Date Notice of Intent was  
Received: \_\_\_\_\_

Phone No.: \_\_\_\_\_

**\*If you are represented by an attorney or qualified representative, please attach to this election form their name, address, telephone and fax numbers**

Fax No.: \_\_\_\_\_