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Telephone (801) 538-3872

**BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH**

**COMPLAINANT:**

UTAH INSURANCE DEPARTMENT

**RESPONDENTS:**

AIM HEALTH PLANS, Unlicensed  
aka, AIM GUARANTEED ISSUE HEALTH  
INSURANCE

20 Madison Avenue  
Valhalla, NY 10595

3465 South Arlington Rd., #154  
Akron, OH 44312

1106 Smith Ridge Rd.  
New Canaan, CT 86840

P.O. Box 1495  
Toledo, OH 43603

LOUIS DELUCA, Unlicensed  
aka, LOUIS RICHARD DELUCA, III  
20 Madison Avenue  
Valhalla, NY 10595

33465 South Arlington Rd., #154  
Akron, OH 44312

**CEASE AND DESIST  
ORDER**

**Docket No. 2010-046 LC**

**Enf. Case No. 2588**

INSURANCE RESOURCE GROUP, Unlicensed:  
 20 Madison Avenue  
 Valhalla, NY 10595

INTEGRATED INSURANCE  
 MARKETING, INC., Unlicensed  
 1106 Smith Ridge Rd.  
 New Canaan, CT 06840

1618 Boettler Road  
 Uniontown, OH 44685

GARY L. KARNS, JR., License No. 299293  
 1145 Highbrook, #411  
 Akron, OH 44301

3465 South Arlington Road, #154  
 Akron, OH 44312

1618 Boettler Rd.  
 Uniontown, OH 44685

CEO CLUBS, INC., Unlicensed  
 aka, CHIEF EXECUTIVE OFFICERS CLUB  
 15 Broad Street, Ste. 1120  
 New York, NY 10005-1972

VIKING ADMINISTRATORS LLC, Unlicensed:  
 P.O. Box 171  
 Avon Lake, OH 44012

5201 Kingston Pike, Ste. 6-355  
 Knoxville, TN 37919-5074

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COMES NOW, Neal T. Gooch, Acting Insurance Commissioner of the State of Utah,  
 and in support of the following states:

**JURISDICTION**

Neal T. Gooch is the Acting Insurance Commissioner of the State of Utah and is charged with the duty of administering and enforcing all provisions of the Utah Insurance Code, pursuant to Utah Code Annotated, §§ 31A-2-201 and 31A-1-105(2).

Based upon information in the files of the Insurance Department the Commissioner enters the following:

**FINDINGS OF FACT**

1. Respondent AIM Health Plans, aka AIM Guaranteed Health Insurance is an entity with addresses in the states of New York, Ohio and Connecticut and is not registered as a business entity in any state, and does not hold a certificate of authority to engage in the business of insurance in any state or territory of the United States of America and is not licensed as a health discount program or an insurance producer in the State of Utah.

2. Respondent Louis Deluca, aka Louis Richard Deluca, III, is an individual with addresses in the states of New York and Ohio, and is not licensed to do the business of insurance in the State of Utah or in any other state or territory of the United States. Deluca is an owner and principal of Respondents AIM Health Plans, Insurance Resource Group, and Integrated Insurance Marketing, Inc.

3. Respondents Insurance Resource Group is an entity located in the State of New York and is acting as a third party administrator for Respondent AIM Health Plans, and is not licensed to act as such in the State of Utah.

4. Respondent Integrated Insurance Marketing, Inc. is an Ohio corporation with an address in Connecticut acting as an insurance producer but is not licensed to act as such in the State of Utah.

5. Respondent Gary L. Karns, Jr. is a resident of the State of Ohio, and is a non-resident insurance producer license in the State of Utah, license no. 299293, and is an owner and principal of Respondent Integrated Insurance Marketing, Inc.

6. Respondent CEO Clubs, Inc., aka Chief Executive Officers Club is a New York Corporation and is not licensed to do the business of insurance in the State of Utah.

7. Respondent Viking Administrators, LLC, is a limited liability company organized in the State of Tennessee, and is acting as a third-party administrator and is not licensed to act as such in the State of Utah.

8. Prior to July 16, 2009, Respondent Louis Deluca had a block of limited health insurance business that included residents of the State of Utah and was underwritten by insurers authorized to do business in the State of Utah.

9. On about July 16, 2009, Deluca lost the underwriter but continued marketing AIM Health Plans without having an underwriter authorized to do business in the State of Utah through Respondent CEO Clubs, Inc. and with the assistance of Respondents Viking Administrators, LLC, Insurance Resource Group, Integrated Insurance Marketing, Inc., and Gary L. Karns, Jr.

9. The health insurance marketed by respondents beginning at least November 2009, was not underwritten by any insurer authorized to do business in the State of Utah or in any state or territory of the United States.

10. Respondents Deluca, AIM Health Plans and Insurance Resource Group are currently withdrawing funds from the accounts of residents of the State of Utah for premiums.

Having entered his Findings of Fact, the commissioner now enters the following:

**CONCLUSIONS OF LAW**

1. AIM Health Plans constitute insurance under Utah Code Annotated § 31A-1-301(82) and health insurance under Utah Code Annotated § 31A-1-301(74)(a).

2. Respondents are not licensed nor authorized to conduct the business of insurance or market insurance, under the provisions of the Utah Insurance Code in the State of Utah.

3. In doing an insurance business and providing health insurance without obtaining a certificate of authority from the Utah Insurance Department, Respondents are providing unauthorized insurance in violation of Utah Code Annotated §§ 31A-1-104 and 31A-4-106, and/or assisting in the placement of unauthorized insurance in violation of Utah Code Annotated § 31A-15-102.

4. In marketing insurance in the State of Utah, Respondents are acting as insurance producers under Utah Code Annotated § 31A-1-301(87), and in acting as insurance producers when not licensed to do so, Respondents violated Utah Code Annotated § 31A-23a-103.

5. Respondents' actions in providing and marketing unauthorized insurance in the State of Utah constitute an immediate and significant danger to the public welfare and

such threat requires immediate action by the Insurance Department, justifying the issuance of an emergency administrative proceeding requiring Respondents to immediately Cease and Desist any insurance business in the State of Utah under Utah Code Annotated § 63G-4-502.

Having entered his Findings of Fact and Conclusions of Law, the commissioner now enters the following:

**ORDER**

1. Respondents and any persons or entities operating for, in behalf of, or in concert with Respondents shall immediately Cease and Desist doing any insurance business in the State of Utah, including soliciting by any means, making or proposing to make any insurance contract, taking receiving or forwarding any application for insurance, collecting or receiving, in full or in part, any insurance premium or fees, issuing or delivering any insurance policy, certificate of insurance, or other evidence of an insurance contract, publishing or disseminating any advertisement or information for insurance, or representing or assisting any person to do an unauthorized insurance business or to procure insurance from an unauthorized insurer.

2. Respondents shall promptly pay any claims for benefits made from residents of the State of Utah that may reasonably be payable under the terms of the health plans sold by Respondents to said Utah residents.

**NOTIFICATION**

Respondents are hereby notified that failure to abide by the terms of this Order may subject them to further penalties, including additional forfeitures of up to \$5,000.00 per violation, and the filing of an action to enforce this Order in the District Court which may impose penalties of up to \$10,000.00 per day for continued violation.

You are further notified that pursuant to Utah Code Annotated §§ 31A-2-308(10) and 31A-15-102(5), any person who knowingly provides or assists in placing unauthorized insurance in the State of Utah is guilty of a felony.

Respondents are further notified that, pursuant to Utah Code Annotated § 31A-15-105, they are each personally liable to any Utah insured under contracts issued by an unauthorized insurer for the full amount of a claim or loss payable under the contract.

Any person contesting this order may request a hearing, in writing, addressed to the insurance commissioner, within 15 days of the date of this Order.

DATED this 11<sup>th</sup> day of March, 2010.

NEAL T. GOOCH  
ACTING INSURANCE COMMISSIONER



MARK E. KLEINFELD  
Presiding Officer  
Utah Insurance Department  
State Office Building, Room 3110  
Salt Lake City, UT 84114  
Telephone (801)538-3800

CERTIFICATE OF MAILING

I do hereby certify that on this date, I mailed by regular mail & certified mail; postage prepaid a true and correct copy of the attached:

**EMERGENCY PROCEEDING**  
**CEASE & DESIST**

**AIM HEALTH PLANS Unlicensed**  
**aka AIM GUARANTEED ISSUE HEALTH**  
**INSURANCE**

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**INTEGRATED INSURANCE MARKETING,**  
**INC. Unlicensed**

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New Canaan, CT 06840

1618 Boettler Road  
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**GARY L. KARNs. JR. License No. 299293**

1145 Highbrook, # 411  
Akron, OH 44301

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Uniontown, OH 44685

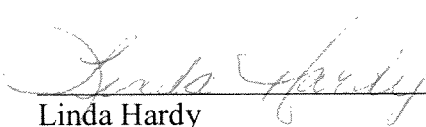
**VIKING ADMINISTRATORS LLC**  
**Unlicensed**

P.O. Box 171  
Avon Lake, OH 1005-1972

**CEO CLUBS, INC. Unlicensed aka CHIEF**  
**EXECUTIVE OFFICERS CLUB**

15 Broad Street  
Suite 1120  
New York, NY 10005-1972

DATED this 15<sup>Th</sup> day of March 2010

  
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Linda Hardy

Market Conduct Division  
Utah Insurance Department  
Suite 3110 State Office Building  
Salt Lake City UT 84114-6901