



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

IN THE MATTER OF:)
)
GOLF MARKETING WORLDWIDE, LLC,) **Docket No. MC 08-111**
HOLE-IN-WON WORLDWIDE, and)
KEVIN KOLENDA)

COMPLAINT

The Insurance Commissioner of the State of Connecticut having reason to believe that Golf Marketing Worldwide, LLC, Hole-in-Won Worldwide a/k/a Hole-in-Won.com and Kevin Kolenda, engaged in acts of conduct as set forth herein and which, if true, would violate Sections 38a-17, 38a-41, 38a-272 and 38a-815 et seq. of the Connecticut General Statutes and would constitute cause under Sections 38a-17, 38a-278, 38a-817 and 38a-818 of the Connecticut General Statutes for the imposition of a fine, and it appearing to the Insurance Commissioner that a proceeding in respect thereof would be in the public interest, hereby issues this Complaint alleging the charges in that regard as follows:

COUNT I

1. Golf Marketing Worldwide, LLC (“GMW”) is or was a Connecticut entity with its principal office at 1 Timberline Road, Norwalk, Connecticut, 06854. Hole-in-Won Worldwide a/k/a Hole-in-Won Worldwide.com (hereinafter “HIW”) is an entity that offers whole-in one insurance through the internet and purportedly maintains offices located at 222 Purchase Street, #291, Rye, NY 10580 and 409 Washington Street, #397, Hoboken, NJ 07030. Kevin Kolenda is or was GMW’s and HIW’s president and marketing representative (GMW, HIW and Kevin Kolenda are hereinafter collectively referred to as “Respondents”).

2. Respondents have engaged, and are currently engaging, in an insurance business and have acted as an insurer in Connecticut by operating a prize indemnification business in our state and by providing hole-in-one insurance and prize coverage for various other sport events as well as providing prize coverage for other advertising promotions.

3. At all times relevant hereto Respondents’ business consisted in entering into contracts with residents of Connecticut or persons authorized to do business in Connecticut, usually sponsors of contests associated with golf and other sports events, whereby Respondents, upon payment of a fee, agreed to provide coverage for contests and reimburse the sponsor for sums expended by such sponsor for prizes awarded to contestants who complete a specified task according to certain specified conditions. One

of the products provided by Respondents is hole-in-one coverage. Such coverage is a form of prize indemnification insurance usually purchased by a sponsor of a local tournament who may become obligated to pay a specified prize, such as cash, a car or a trip, to any contestant who scores a hole in one on a specified hole on the golf course. The coverage is arranged prior to the event and indemnifies the sponsor, subject to certain conditions, only if any contestant makes a hole in one and, as a result, a prize is awarded.

4. Information and exhibits in possession of the Insurance Department indicate that in addition to hole-in-one coverage, Respondents provide coverage and insure a wide range of other sports and advertising promotions that range “from hot air balloons promotions to contests for guessing the number of ping pong balls inside an automobile, to restaurant and specialty store promotions of all varieties.”

5. Information and exhibits in possession of the Insurance Department indicate that at the present time neither GMW, nor HIW nor Kevin Kolenda have applied for or received an insurance license from the Commissioner authorizing them to conduct in Connecticut an insurance business, as defined in General Statutes § 38a-271.

6. The conduct of Respondents, as set forth in paragraphs 1 through 5 of this Count, is in violation of Sections 38a-17, 38a-41 and 38a-272 of the Connecticut General Statutes, and constitutes cause for the imposition of fines pursuant to sections 38a-41 and 38a-278 of the Connecticut General Statutes.

COUNT II

1. On September 20, 2001, the Insurance Commissioner of the State of Connecticut issued an order (“Order”) mandating that GMW and Kevin Kolenda cease and desist from acting as insurers with respect to subjects of insurance resident, located or to be performed in this state, transacting an insurance business in Connecticut or otherwise violating in any way the insurance laws of the State of Connecticut.

2. The Order has never been reversed, rescinded, withdrawn or modified and is currently in full force and effect.

3. The Order provides that Kevin Kolenda cease and desist from representing an insurer that is not authorized to transact insurance in the Connecticut, acting as an insurer, transacting an insurance business in this state, or otherwise violating in any way the insurance laws of Connecticut.

4. Information and exhibits in possession of the Insurance Department indicate that, from the date of issuance of the Order to the present, the Respondents have sold, solicited or negotiated at least forty-one (41) hole-in-one insurance contract in the State of Connecticut in direct violation of the Order.

5. The conduct of Respondents, as set forth in paragraphs 1 through 4 of this Count, is in violation of Sections 38a-17, 38a-41, 38a-272, 38a-815 of the Connecticut General Statutes, and constitutes cause for the imposition of fines pursuant to sections 38a-2, 38a-41, 38a-278, 38a-817 and 38a-818 of the Connecticut General Statutes.

COUNT III

1. Information and exhibits in possession of the Insurance Department indicate that on or about September 12, 2008, HIW and Kevin Kolenda issued a hole-in-one contract to the Lock City Detachment of the Marine Corps League (“League”) at 984 Longview Road, Trumbull, Connecticut, whereby HIW agreed to indemnify the League in an amount of \$40,000.00 if a hole-in-one occurred at the hole #15 at the E. Gaynor Brennan Golf Course on September 15, 2008 in a golf tournament sponsored by the League.

2. Information and exhibits in possession of the Insurance Department indicate that on September 15, 2008, a participant in the tournament sponsored by the League, Mr. Montello, made a hole-in-one in accordance with the conditions specified in the insurance contract between HIW and the League.

3. Information and exhibits in possession of the Insurance Department indicate that HIW and Kevin Kolenda, having been notified of the hole-in-one as prescribe in the insurance contract that they issued to the League, have failed and refused to effectuate fair and prompt payment of the claim and to indemnify the League under the contract of insurance that they had issued.

4. The conduct of HIW and Kevin Kolenda, as set forth in paragraphs 1 through 3 of this Count, is in violation of Sections 38a-17, 38a-815 and 38a-818 of the Connecticut General Statutes, and constitutes cause for the imposition of fines pursuant to sections 38a-2, 38a-817 and 38a-818 of the Connecticut General Statutes.

COUNT IV

1-2. Paragraphs 1 and 2 of Count III are hereby restated and made part of this Count as if more fully set out herein.

3. Information and exhibits in possession of the Insurance Department indicate that the contract of insurance issued by HIW and Kevin Kolenda to the League provided that the coverage was valid and in force for a hole-in-one made on hole #15 with a minimum yardage of 165 for male contestants and 145 for female contestants.

4. Having been notified that a contestant had made a hole-in-one, HIW and Kevin Kolenda attempted to change the terms and provisions of the contract by indicating that coverage was extended for a hole-in-one made from a yardage of 176 yards for male contestants, and by adding a statement to the insurance contract that the \$40,000.00 prize was to be paid over a period of five years.

5. The conduct of HIW and Kevin Kolenda, as set forth in paragraphs 1 through 3 of this Count, is in violation of Sections 38a-815 and 38a-818 of the Connecticut General Statutes, and constitutes cause for the imposition of fines pursuant to sections 38a-817 and 38a-818 of the Connecticut General Statutes.

COUNT V

1. Information and exhibits in possession of the Insurance Department indicate that on or about June 15, 2007, HIW and Kevin Kolenda issued a hole-in-one contract to Lux Bond & Green (“LBG”) of 46 LaSalle Road, West Hartford, Connecticut, whereby HIW agreed to indemnify LBG in an amount of \$20,000.00 if a hole-in-one occurred at the hole #16 at the Travelers Championship Tournament held at the TPC Golf Course in Cromwell, CT, between June 21 and June 24, 2007 and sponsored by LBG.

2. Information and exhibits in possession of the Insurance Department indicate that on June 24, 2007, a participant in the tournament sponsored by LBG, Mr. Van Pelt, made a hole-in-one in accordance with the conditions specified in the insurance contract between HIW and LBG.

3. Information and exhibits in possession of the Insurance Department indicate that HIW and Kevin Kolenda, having been notified of the hole-in-one as prescribe in the insurance contract that they issued to LBG, have failed and refused to effectuate fair and prompt payment of the claim and to indemnify LBG under the terms of the contract of insurance that they had issued.

4. The conduct of HIW and Kevin Kolenda, as set forth in paragraphs 1 through 3 of this Count, is in violation of Sections 38a-17, 38a-815 and 38a-818 of the Connecticut General Statutes, and constitutes cause for the imposition of fines pursuant to sections 38a-2, 38a-817 and 38a-818 of the Connecticut General Statutes.

NOTICE

Notice is hereby given you, Golf Marketing Worldwide, LLC, Hole-in-Won Worldwide and Kevin Kolenda, Respondents herein, that the 4th day of December, 2008 at 9:00 A.M. is hereby fixed as the time where a public hearing will be held in the offices of the Insurance Department, Oxford Centre, 153 Market Street, 6th Floor, Hartford, Connecticut on the charges set forth in this Complaint, at which time and place you will have the right to appear before the Insurance Commissioner, or a duly designated hearing officer, to show cause why fines should not be imposed.

The legal authority and jurisdiction for the hearing in this matter are contained in sections 38a-8, 38a-16, 38a-17, 38a-41, 38a-278, 38a-817 and 38a-818 of the general statutes and in the Uniform Administrative Procedure Act, section 4-166 et seq. of the general statutes.

Pursuant to section 38a-8-61 of the Regulations of Connecticut State Agencies, you are required to file an answer within the Insurance Department within twenty (20) days of service of this Complaint specifically admitting or denying the allegations or charges set out in the Complaint. Factual allegations not specifically denied shall be deemed to be admitted.

Failure to file said answer as required by Section 38a-8-61, R.C.S.A., or failure to appear at the time and place fixed for hearing will permit the Commissioner, at his discretion, to note such failure upon the record and render a decision by default.

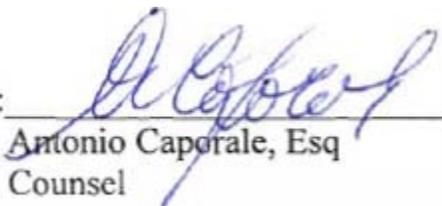
If you desire to waive hearing on the allegations of fact set forth in the Complaint and not contest the facts alleged, please file with the Insurance Department an answer to this complaint on or before the twentieth (20th) day after service of it upon you, consisting of a statement that you as Respondents in this matter admit all of the material allegations of fact charged in the Complaint to be true.

The Insurance Department does not discriminate on the basis of disability in admission to, access to, or operation of its programs, services or activities, in accordance with Title II of the Americans with Disabilities Act of 1990. Individuals who require auxiliary aids for effective communication or other accommodation are invited to make their needs and preferences known to Patricia Tiberio, ADA Coordinator, at the Insurance Department (Tel: (860) 297-3800).

All correspondence concerning this matter should be sent to Antonio Caporale, Esq., State of Connecticut Insurance Department, P. O. Box 816, Hartford, CT 06142-0816.

Dated at Hartford, Connecticut this 31st day of October, 2008.

Thomas R. Sullivan
Insurance Commissioner

By: 
Antonio Caporale, Esq
Counsel

MTLcplt