

1 CALIFORNIA DEPARTMENT OF INSURANCE
LEGAL DIVISION
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7
8 BEFORE THE INSURANCE COMMISSIONER
9 OF THE STATE OF CALIFORNIA

10
11 In the Matter of
12 Airport Van Rental, Inc.,
Yazdan Irani, and
13 Kimberly Irani,
14
15 Respondents.

File No. LA201900132

**ORDER TO CEASE AND DESIST and
NOTICE OF RIGHT TO HEARING**

(Insurance Code § 12921.8)

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18 **JURISDICTION AND PARTIES**

19 1. The California Department of Insurance ("Department") brings this matter
20 before the Insurance Commissioner ("Commissioner") of the State of California. The
21 Department brings this matter before the Commissioner pursuant to Insurance Code
22 section 12921.8.¹ Section 12921.8(a)(1) provides, in part, that the Commissioner may
23 "Issue a cease and desist order to a person who has acted in a capacity for which a
24 license, registration, or certificate of authority from the commissioner was required but
25 not possessed."

26 2. AIRPORT VAN RENTAL, INC. ("Airport Van Rental"), YAZDAN IRANI
27 ("Yazdan"), and KIMBERLY IRANI ("Kimberly") – collectively "Respondents" – are not

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¹ All statutory citations are to the Cal. Insurance Code except as otherwise indicated.

1 licensed by the Commissioner to transact insurance or engage in the business of
2 insurance in any capacity, and were not licensed at all times relevant to this action.

3 3. This proceeding is governed by the California Administrative Procedures Act,
4 Chapter 5, commencing with Government Code section 11500 *et seq.*

5 4. Complainant is the Department. Complainant files this matter in its official
6 capacity pursuant to Government Code section 11503 and Insurance Code section
7 12921.8.

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9 **FACTUAL FINDINGS**

10 5. Airport Van Rental is a company that rents vehicles, including passenger
11 vans, mini vans, and automobiles. Yazdan and Kimberly own and operate it; Yazdan is
12 the Chief Executive Officer and has a 49% ownership interest in Airport Van Rental and
13 Kimberly is the Secretary and has a 51% ownership interest in the company.

14 6. On or about May 17, 1993, Yazdan was charged in Hennepin County,
15 Minnesota with felony financial transaction card fraud (unauthorized use), Case Number
16 27-CR-93-020027. On or about July 25, 2013, he pled guilty to and was convicted of
17 misdemeanor misusing credit card to secure services.

18 7. On or about July 8, 1993, Yazdan was arrested and charged with the crime
19 of unlawfully transporting a loaded firearm in a motor vehicle in the state of Oklahoma.
20 On or about July 12, 1993, he pled guilty to and was found guilty of the charge in the
21 District Court of Logan County and State of Oklahoma, Case Number CRM 93-397.

22 8. In or around 2007, Yazdan applied with the Department for an individual
23 license; his application was deemed withdrawn when he failed to respond to the
24 Department's inquiries concerning his misstatement on the application regarding his
25 criminal background or provide documents to that effect.

26 9. On or about May 11, 2015, Yazdan reapplied with the Department for a
27 license. Rather than seek an individual license, however, this time Yazdan and Kimberly
28 sought a Business Entity license for Airport Van Rental. On the application,

1 Respondents misstated Yazdan’s criminal background by failing to disclose it. Question
2 21 of the application asked, “Has the business entity or any of its partners, members,
3 controlling persons, officers, directors, managers, or any shareholders owning 10% or
4 more interest in the business entity, ever been convicted of... committing a crime...?”
5 Despite the fact that Yazdan had a 49% ownership interest in Airport Van Rental,
6 Respondents answered “no” to this question.

7 10. On or about September 21, 2015, the Los Angeles County District Attorney’s
8 Office forwarded to the Department an anonymous complaint it received that
9 Respondents were, among other things, selling insurance to customers without a license
10 to do so.

11 11. While Yazdan eventually responded to the Department’s repeated requests
12 for a written statement concerning his criminal background, he failed to provide the
13 requisite court documents; as such, like the 2007 application, the 2015 application was
14 deemed withdrawn.

15 12. On or about January 23, 2018, Yazdan applied for a license a third time; like
16 the 2015 application, Yazdan and Kimberly sought a Business Entity license for Airport
17 Van Rental. And, like the 2007 and 2015 applications, this application made
18 misstatements to the Department concerning Yazdan’s criminal background by failing to
19 disclose it. Once again, Respondents failed to truthfully answer Question 21 on their
20 Business Entity Application; it asked, “Has the business entity or any of its partners,
21 members, controlling persons, officers, directors, managers, or any shareholders owning
22 10% or more interest in the business entity, ever been convicted of... committing a
23 crime...?” Despite the fact that Yazdan had a 49% ownership interest in Airport Van
24 Rental, Respondents answered “no” to this question.

25 13. The 2018 application is still pending and no license has been issued.

26 14. On or about March 19, 2019, the Department received an anonymous
27 complaint, alleging that Airport Van Rental was selling insurance-related products to the
28 public without a valid license.

1 20. Section 1633 provides, in part, that:

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Any person who transacts insurance without a valid license so to act is guilty of a misdemeanor punishable by a fine not exceeding fifty thousand dollars (\$50,000) or by imprisonment ... for a period not exceeding one year, or by both...

21. The facts alleged in paragraphs 2 and 5 – 16 show that Respondent transacted insurance without a license in violation of sections 1631 and 1633.

ORDER TO CEASE AND DESIST

22. NOW, THEREFORE, RESPONDENTS AIRPORT VAN RENTAL, INC., YAZDAN IRANI, and KIMBERLY IRANI ARE HEREBY ORDERED to immediately CEASE AND DESIST the solicitation, marketing, sale, and issuance of any contracts, policies, or certificates of insurance in California.

23. RESPONDENTS ARE FURTHER ORDERED TO immediately cease and desist from the following:

- a. Transacting insurance in the State of California in any capacity, including but not limited to insurer, insurance agent, broker, or solicitor.
- b. Advertising or acting as an insurer, insurance agent, broker, or solicitor in the State of California.
- c. Advertising or acting as an insurer, insurance agent, broker, or solicitor exempt from regulation in the State of California.
- d. Advertising, or participating in advertising, by newspaper, telephone book or listing, mail, handout, business card, or by any other written or printed presentation, or by telephone, radio, television, Internet, public outcry or proclamation, or in any other manner or means whatsoever, whether personally or through others, that implies that they are licensed or are engaged in the business of soliciting, negotiating, executing, delivering, or

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furnishing insurance in the State of California in any manner.

- e. Receiving any money, commission, fee, rebate, payment, remuneration, or any other valuable consideration whatsoever, in connection with any insurance transactions.

NOTICE OF FINE

PLEASE TAKE NOTICE that the Commissioner may, pursuant to Insurance Code § 12921.8(a)(3)(b), impose a fine of up to five thousand dollars (\$5,000) for each day this Order is violated.

NOTICE OF RIGHT TO HEARING

Insurance Code § 12921.8(c), a copy of which is attached to this Order, provides in part, as follows:

“A person to whom a cease and desist order...has been issued, may, within seven days after service of the order...request a hearing by filing a request for the hearing with the commissioner.”


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1 If you desire a hearing in this matter, your written request for a hearing must be
2 received within seven days after you are personally served with this Order. The seven
3 day period begins on the day after you are served with this Order, and if the seventh day
4 falls on a weekend or holiday, the deadline is extended to the next business day. Your
5 written request for a hearing must be directed to:

6
7 Jamie Katz
8 Attorney
9 California Department of Insurance,
10 1901 Harrison Street
11 Oakland, CA 94612

12 IN WITNESS THEREOF, I have set my hand and affixed my official seal, this
13 28th day of May, 2020.

14 RICARDO LARA
15 Insurance Commissioner

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17 By: 
18 TERESA R. CAMPBELL
19 Assistant Chief Counsel
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