



FILED

OCT 15 2020

INSURANCE REGULATION
Docketed by:

OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 271168-20-CO

Mergers and Acquisitions affecting SOUTHERN FIDELITY INSURANCE COMPANY; SFPC HOLDING COMPANY, LLC; CPIC HOLDING COMPANY, LLC; SOUTHERN FIDELITY HOLDINGS, LLC; NATIONAL CONSUMER TITLE INSURANCE COMPANY; and Capitol Preferred Insurance Company

CONSENT ORDER AMENDING CONSENT ORDER NO. 269310-20-CO

THIS CAUSE came on for consideration upon discussions between SOUTHERN FIDELITY INSURANCE COMPANY (“SOUTHERN FIDELITY”) and the FLORIDA OFFICE OF INSURANCE REGULATION (“OFFICE”) to amend Consent Order No. 269310-20-CO, which was docketed September 4, 2020 (“Merger Consent Order”). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. On September 4, 2020, the OFFICE docketed the Merger Consent Order, which approved the proposed merger of Capitol Preferred Insurance Company, Inc. (“Capitol Preferred”), with and into SOUTHERN FIDELITY; the direct acquisition of SOUTHERN FIDELITY by SFPC HOLDING COMPANY, LLC (“SFPC HOLDINGS”), and CPIC HOLDING COMPANY, LLC, (“CPIC HOLDINGS”); and the direct acquisition of NATIONAL

CONSUMER TITLE INSURANCE COMPANY (“NATIONAL CONSUMER TITLE”) by SOUTHERN FIDELITY.

3. Subsequent to the approval of the Merger Consent Order, SOUTHERN FIDELITY, SFPC HOLDINGS, CPIC HOLDINGS, Southern Fidelity Managing Agency, LLC., Preferred Managing Agency, LLC, Jimmy Graganella, and SOUTHERN FIDELITY HOLDINGS, have proposed a new long-term capital plan to support the operations of the company. In light of this new proposal, Paragraph 30 of the Merger Consent Order is hereby amended to read as follows:

30. SOUTHERN FIDELITY, SFPC HOLDINGS, CPIC HOLDINGS, and SOUTHERN FIDELITY HOLDINGS, agree that an amount equal to the first tranche in its new proposed long-term capital plan shall have been received SOUTHERN FIDELITY by November 1, 2020.

All other terms and conditions of the Merger Consent Order remain unchanged and in full force and effect.

4. Any prior orders, consent orders, or corrective action plans that SOUTHERN FIDELITY has entered into with the OFFICE prior to the execution of this Consent Order shall apply and remain in full force and effect for SOUTHERN FIDELITY, except where provisions of such orders, consent orders, or corrective action plans have expired; have been superseded by subsequent orders, consent orders, or corrective action plans; or are inconsistent with this Consent Order.

5. SOUTHERN FIDELITY affirms that all representations made herein are true and that all requirements set forth herein are material to the issuance of this Consent Order.

6. SOUTHERN FIDELITY, SFPC HOLDINGS, CPIC HOLDINGS, NATIONAL CONSUMER TITLE, and SOUTHERN FIDELITY HOLDINGS expressly waive a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which they may be entitled by law or rules of the OFFICE.

SOUTHERN FIDELITY, SFPC HOLDINGS, CPIC HOLDINGS, NATIONAL CONSUMER TITLE, and SOUTHERN FIDELITY HOLDINGS also hereby knowingly and voluntarily waive all rights to challenge or to contest this Consent Order in any forum available to them, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

7. Each party to this action shall bear its own costs and fees.

8. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signatures of the authorized representatives of SOUTHERN FIDELITY, SFPC HOLDINGS, CPIC HOLDINGS, NATIONAL CONSUMER TITLE, and SOUTHERN FIDELITY HOLDINGS, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, SOUTHERN FIDELITY, SFPC HOLDINGS, CPIC HOLDINGS, NATIONAL CONSUMER TITLE, and SOUTHERN FIDELITY HOLDINGS agree that the signatures of their authorized representatives as affixed to this Consent Order shall be under the seal of Notary Public.

WHEREFORE, the agreement between SOUTHERN FIDELITY INSURANCE COMPANY; SFPC HOLDING COMPANY, LLC; SOUTHERN FIDELITY HOLDINGS, LLC; CPIC HOLDING COMPANY, LLC; NATIONAL CONSUMER TITLE INSURANCE COMPANY; and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is approved.

All terms and conditions contained herein are hereby ORDERED,

DONE and ORDERED this 15 day of October, 2020.



David Altmaier

David Altmaier, Commissioner
Office of Insurance Regulation

By execution hereof, SOUTHERN FIDELITY INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind SOUTHERN FIDELITY INSURANCE COMPANY to the terms and conditions of this Consent Order.

SOUTHERN FIDELITY INSURANCE
COMPANY

By: *James Groganella*

Print Name: James Groganella

Title: President

Date: 10-14-20

STATE OF Florida

COUNTY OF Leon

The foregoing instrument was acknowledged before me by means of physical presence

or online notarization, this 14th day of October 2020, by James Groganella
(name of person)

as CEO/President for Southern Fidelity Insurance Company.
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

Charlotte McClanahan

(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)



Personally Known OR Produced Identification

Type of Identification Produced _____

My Commission Expires: April 5, 2022

By execution hereof, CPIC HOLDING COMPANY, LLC, consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind CPIC HOLDING COMPANY, LLC, to the terms and conditions of this Consent Order.

CPIC HOLDING COMPANY, LLC

By: *James Grayanilla*

Print Name: James Grayanilla

Title: President CEO

Date: 10-14-20

STATE OF Florida

COUNTY OF Leon

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 14th day of October 2020, by James Grayanilla (name of person) as CEO/President for CPIC Holding Company, LLC. (type of authority; e.g., officer, trustee, attorney in fact) (company name)

Charlotte McClanahan
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: April 5, 2022



By execution hereof, SFPC HOLDING COMPANY, LLC, consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind SFPC HOLDING COMPANY, LLC, to the terms and conditions of this Consent Order.

SFPC HOLDING COMPANY, LLC

By: James Graganella

Print Name: James Graganella

Title: President of CEO

Date: 10-14-20

STATE OF Florida

COUNTY OF Leon

The foregoing instrument was acknowledged before me by means of physical presence

or online notarization, this 14th day of October 2020, by James Graganella

as CEO/President for SFPC Holding Company LLC
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

Charlotte McClanahan
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: April 5, 2022



By execution hereof, SOUTHERN FIDELITY HOLDINGS, LLC, consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind SOUTHERN FIDELITY HOLDINGS, LLC, to the terms and conditions of this Consent Order.

SOUTHERN FIDELITY HOLDINGS, LLC

By: James Gargarella

Print Name: James Gargarella

Title: President & CEO

Date: 10-14-20

STATE OF Florida

COUNTY OF Leon

The foregoing instrument was acknowledged before me by means of physical presence

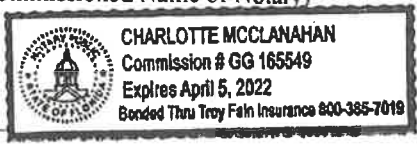
or online notarization, this 14th day of October 2020, by James Gargarella
(name of person)

as CEO / President for Southern Fidelity Holdings, LLC
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

Charlotte McClanahan
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification



Type of Identification Produced _____

My Commission Expires: April 5, 2022

By execution hereof, NATIONAL CONSUMER TITLE INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind NATIONAL CONSUMER TITLE INSURANCE COMPANY to the terms and conditions of this Consent Order.

NATIONAL CONSUMER TITLE INSURANCE COMPANY

By: *James Gregoire III*

Print Name: James Gregoire III

Title: President & CEO

Date: 10-14-20

STATE OF Florida

COUNTY OF Leon

The foregoing instrument was acknowledged before me by means of physical presence

or online notarization, this 14th day of October 2020, by James Gregoire III
(name of person)

as CEO / President for National Consumer Title Insurance Co
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

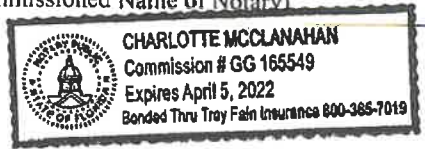
Charlotte McClanahan
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification

Type of Identification Produced _____

My Commission Expires: April 5, 2022



COPIES FURNISHED TO:

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