

FILED

JUN 29 2023

INSURANCE REGULATION
Docketed by:



OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 311124-23

SOUTHEAST CAPITAL ASSURANCE
COMPANY, LLC

CONSENT ORDER

THIS CAUSE came on for consideration as the result of SOUTHEAST CAPITAL ASSURANCE COMPANY, LLC's ("SOUTHEAST CAPITAL") violation of one or more provisions of the Florida Insurance Code as outlined in their 2022 Market Conduct Examination conducted by the FLORIDA OFFICE OF INSURANCE REGULATION ("OIR"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OIR hereby finds as follows:

1. The OIR has jurisdiction over the subject matter and the parties herein. SOUTHEAST CAPITAL is a premium finance company authorized to transact business in Florida and subject to regulation by the OIR, pursuant to the Florida Insurance Code.

2. On or about September 8, 2022, the OIR conducted a market conduct examination of SOUTHEAST CAPITAL.

3. The OIR documented the following violations of the Florida Insurance Code by SOUTHEAST CAPITAL:

- a. Failure to maintain a copy of the certificate of mailing of notice of intent to cancel the insurance contract (Rule 69O-196.002, Florida Administrative Code); and

b. Failure to timely notify insured that insurer did not refund unearned premium within 30 days (Rule 69O-196.010(4), Florida Administrative Code).

4. Rule 69O-196.002, Florida Administrative Code, provides that written notice be mailed to each insured shown on the premium finance agreement of the intent of the premium finance company to cancel the insurance contract, and requires obtaining a certificate of mailing.

5. In nine (9) instances, the OIR documented that SOUTHEAST CAPITAL failed to maintain in its files a copy of the certificate of mailing reflecting that the notice of intent to cancel was sent to the last known address of the insured as required by Rule 69O-196.002, Florida Administrative Code.

6. Rule 69O-196.010(4), Florida Administrative Code, provides that if the insurer fails to refund the unearned premium within 30 days as required by Section 627.7283, Florida Statutes, the premium finance company shall immediately notify the insured that the insurer has not paid the unearned premium and that interest will continue to accrue on the amount still outstanding until it is paid.

7. In one (1) instance, the OIR documented that SOUTHEAST CAPITAL failed to timely notify the insured that the insurer had not paid the unearned premium and that interest would accrue.

8. Section 627.832(1)(b), Florida Statutes, provides that the OIR may deny, suspend, revoke, or refuse to renew any license if it finds that the licensee has violated any provision of Chapter 627, Part XV, or any rule of the commission.

9. Section 627.833, Florida Statutes, provides that if the OIR finds that one or more grounds exist for the discretionary revocation or suspension of a license issued under Chapter

627, Florida Statutes, the OIR may, in lieu of such revocation or suspension, impose a fine upon the premium finance company.

10. The OIR finds that SOUTHEAST CAPITAL has violated Rules 69O-196.002 and 69O-196.010(4), Florida Administrative Code.

11. SOUTHEAST CAPITAL agrees that within 10 days of the execution of this Consent Order, SOUTHEAST CAPITAL shall pay an administrative fine in the amount of \$1,000 U.S. Dollars (“USD”) and administrative costs in the amount of \$1,000 U.S. Dollars (“USD”) to the OIR. SOUTHEAST CAPITAL shall send its payment to the address reflected on the invoice attached hereto as “Exhibit A.”

12. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OIR. Such approval must be requested in writing prior to any proposed deviation from the terms of this Consent Order.

13. SOUTHEAST CAPITAL agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in the OIR suspending, revoking, or taking other administrative action as it deems appropriate upon SOUTHEAST CAPITAL’s license in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

14. SOUTHEAST CAPITAL additionally agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may be considered willful and subject SOUTHEAST CAPITAL to appropriate penalties and fines.

15. SOUTHEAST CAPITAL additionally agrees that any future violations of the statutes or rules named herein may be deemed willful, subjecting SOUTHEAST CAPITAL to penalties as the OIR deems appropriate.

16. SOUTHEAST CAPITAL expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by the OIR, and all further and other proceedings herein to which it may be entitled by law or rules of the OIR. SOUTHEAST CAPITAL hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum available to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

17. Except as noted above, each party to this action shall bear its own costs.

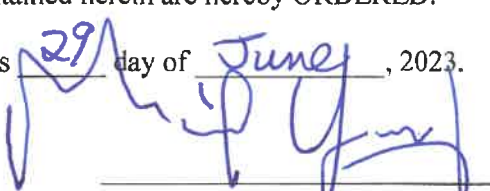
18. The parties agree that this Consent Order shall be deemed to be executed when the OIR has signed and docketed a copy of this Consent Order bearing the notarized signature of the authorized representative of SOUTHEAST CAPITAL.

WHEREFORE, the agreement between SOUTHEAST CAPITAL ASSURANCE COMPANY, LLC 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 29 day of June, 2023.





Michael Yaworsky, Commissioner
Office of Insurance Regulation

By execution hereof, SOUTHEAST CAPITAL ASSURANCE 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 SOUTHEAST CAPITAL ASSURANCE COMPANY, LLC to the terms and conditions of this Consent Order.

SOUTHEAST CAPITAL ASSURANCE COMPANY, LLC

By: [Signature]

[Corporate Seal]

Print Name: Graham Demont

Title: President

Date: 6/28/2023

STATE OF Florida

COUNTY OF Leon

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

or online notarization, this 28th day of June 2023, by Graham Demont

as President - officer for Southeast Capital Assurance Company LLC
(type of authority: e.g., officer, trustee, attorney-in-fact) (name of company)



[Signature]
(Signature of the Notary)

Tracy L. Segal
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification

Type of Identification Produced N/A

My Commission Expires 1-24-26

COPIES FURNISHED TO:

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