



FILED

SEP 29 2023

INSURANCE REGULATION

Docketed by: CA

OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 315924-23

SOUTH BAY ACCEPTANCE CORPORATION /

CONSENT ORDER

THIS CAUSE came on for consideration as the result of SOUTH BAY ACCEPTANCE CORPORATION's ("SOUTH BAY") violation of one or more provisions of the Florida Insurance Code as outlined in their 2023 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, OIR hereby finds as follows:

1. The OIR has jurisdiction over the subject matter and the parties herein. SOUTH BAY is a premium finance company authorized to transact business in Florida and subject to regulation by OIR, pursuant to the Florida Insurance Code.
2. On or about July 26, 2023, OIR conducted a market conduct examination of SOUTH BAY.
3. OIR documented the following violations of the Florida Insurance Code:
4. Section 627.838(1), Florida Statutes, provides that no premium finance agreement form or related form shall be used in this state by a premium finance company unless it has been filed with and approved by the office.

5. In 44 instances, OIR documented that SOUTH BAY used a Notice of Cancellation form that had not been approved by OIR at the time of the examination.

6. Section 627.839(1), Florida Statutes, provides that a premium finance agreement shall be in writing, dated, and signed by or on behalf of the insured.

7. In one (1) instance, OIR documented that SOUTH BAY failed to show that the premium finance agreement was signed by or on behalf of the insured.

8. Section 627.841(4), Florida Statutes, provides that in the event that a payment is made to a premium finance company by check or draft and the instrument is returned because of insufficient funds to pay it, the premium finance company may, if the premium finance agreement so provides, impose a charge of \$15.

9. In two (2) instances, OIR documented that SOUTH BAY assessed nonsufficient funds fees of \$15 on installments that were paid within the installment due date.

10. Section 627.848(1)(a), Florida Statutes, provides that not less than 10 days 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 unless the defaulted installment payment is received within 10 days.

11. In six (6) instances, OIR documented that SOUTH BAY failed to provide at least 10 days written notice of the intent of the premium finance company to cancel the insurance contract.

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

13. Section 627.833, Florida Statutes, provides that if OIR finds that one or more grounds exist for the discretionary revocation or suspension of a license issued under Chapter 627, Florida Statutes, OIR may, in lieu of such revocation or suspension, impose a fine upon the premium finance company.

14. OIR finds that SOUTH BAY has violated Sections 627.838(1), 627.839(1), 627.841(4), and 627.848(1), Florida Statutes.

15. SOUTH BAY agrees that within 10 days of the execution of this Consent Order, SOUTH BAY shall pay an administrative fine in the amount of \$5,300 U.S. Dollars (“USD”) and administrative costs in the amount of \$1,000 USD to the OIR. SOUTH BAY shall send its payment to the address reflected on the invoice attached hereto as “Exhibit A.”

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

17. SOUTH BAY 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 OIR suspending, revoking, or taking other administrative action as it deems appropriate upon SOUTH BAY’s license in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

18. SOUTH BAY additionally agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may subject SOUTH BAY to such administrative action as OIR deems appropriate as specifically authorized by law.

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

20. SOUTH BAY expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by OIR, and all further and other proceedings herein to which it may be entitled by law or rules of OIR. SOUTH BAY 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.

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

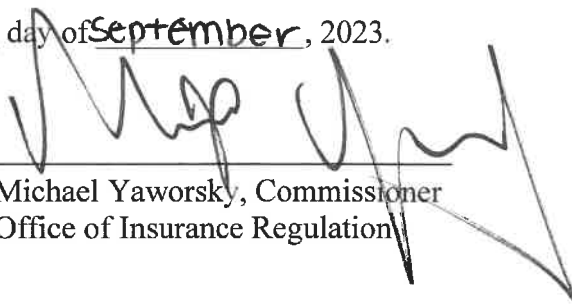
22. The parties agree that this Consent Order shall be deemed to be executed when OIR has signed and docketed a copy of this Consent Order bearing the notarized signature of the authorized representative of SOUTH BAY.

WHEREFORE, the agreement between SOUTH BAY ACCEPTANCE CORPORATION 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 29th day of September, 2023.




Michael Yaworsky, Commissioner
Office of Insurance Regulation

By execution hereof, SOUTH BAY ACCEPTANCE CORPORATION, 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 SOUTH BAY ACCEPTANCE CORPORATION, to the terms and conditions of this Consent Order.

SOUTH BAY ACCEPTANCE CORPORATION

By: Michael Urban

[Corporate Seal]

Print Name: MICHAEL VRBAN

Title: TREASURER

Date: 9/26/23

STATE OF Florida

COUNTY OF Duval

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

or online notarization, this 27th day of September 2023, by Michael Urban
(name of person)

as Treasurer for South Bay Acceptance Corporation
(type of authority: e.g., officer, trustee, attorney in fact) (SOUTH BAY ACCEPTANCE CORPORATION)



Melissa Page Harper
(Signature of the Notary)

Melissa Page Harper
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires _____

COPIES FURNISHED TO:

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