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INSURANCE REGULATION

Docketed by: ke



OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 321738-24-CO

FIRST PREMIUM, INC.
_____ /

CONSENT ORDER

THIS CAUSE came on for consideration as the result of FIRST PREMIUM, INC.'s ("FIRST PREMIUM") 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, the OIR hereby finds as follows:

1. The OIR has jurisdiction over the subject matter and the parties herein. FIRST PREMIUM 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 October 12, 2023, the OIR conducted a market conduct examination of FIRST PREMIUM.

3. The OIR documented the following violations of the Florida Insurance Code by FIRST PREMIUM:

- a. Premium finance agreement not dated by or on behalf of insured (Section 627.839(1), Florida Statutes); and

- b. Assessed service charge exceeding \$20 more than once in a 12-month period (Section 627.840(3)(b), Florida Statutes).
4. 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.
5. In thirty-one (31) instances, the OIR documented that FIRST PREMIUM failed to show that premium finance agreements were dated by or on behalf of the insured.
6. Section 627.840(3)(b), Florida Statutes, provides that premium finance companies are authorized to assess a service charge of a maximum of \$12 per \$100 per year plus an additional charge not exceeding \$20, but that such additional charge may be charged only once in a 12-month period for any one customer.
7. In six (6) instances, the OIR documented that FIRST PREMIUM assessed a \$20 service charge more than once within a 12-month period.
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 FIRST PREMIUM has violated Sections 627.839(1) and 627.840(3)(b), Florida Statutes.
11. FIRST PREMIUM agrees that within 10 days of the execution of this Consent Order, FIRST PREMIUM shall pay an administrative fine in the amount of \$3,700 U.S. Dollars

("USD") and administrative costs in the amount of \$1,000 USD to the OIR. FIRST PREMIUM 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. FIRST PREMIUM 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 FIRST PREMIUM's license in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

14. FIRST PREMIUM 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 FIRST PREMIUM to such administrative action as the OIR deems appropriate, as specifically authorized by law.

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

16. FIRST PREMIUM 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. FIRST PREMIUM 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 FIRST PREMIUM.

WHEREFORE, the agreement between FIRST PREMIUM, INC., 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 19th day of February, 2024.




Michael Yaworsky, Commissioner
Office of Insurance Regulation

By execution hereof, FIRST PREMIUM, INC., 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 FIRST PREMIUM, INC., to the terms and conditions of this Consent Order.

FIRST PREMIUM, INC.

By: Erin Gallagher

[Corporate Seal]

Print Name: Erin Gallagher

Title: Vice President

Date: 1/31/24

STATE OF Louisiana

COUNTY OF St. Tammany Parish

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

or online notarization, this 31 day of January 2024, by Erin Gallagher

as Vice President for First Premium Inc.
(type of authority; e.g., officer, trustee, attorney-in-fact) (company name)

Dana Campo
(Signature of the Notary)

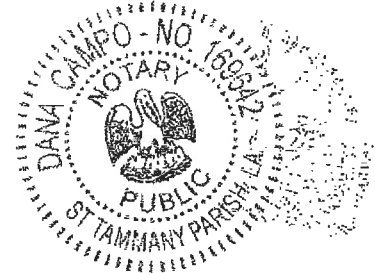
Dana Campo, Notary Public #169642

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known _____ OR Produced Identification

Type of Identification Produced LA Driver's License

My Commission Expires _____ My Commission is for LIFE



COPIES FURNISHED TO:

ERIN GALLAGHER
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EXHIBIT A



MICHAEL YAWORSKY
INSURANCE COMMISSIONER

INVOICE

FIRST PREMIUM, INC.
ATTN: ERIN GALLAGHER
190 NEW CAMELLIA BLVD.,
COVINGTON, LA 70433

INVOICE DATE: January 16, 2024
INVOICE #: OIR 24-001371

Requested by Alex Ciupalo for Matter Number 321738-24. (K. Embry 15002)

Description	Units	Rate	Price
1105: FINE	1.00	\$3,700.00	\$3,700.00
1249: ADMINISTRATIVE COSTS	1.00	\$1,000.00	\$1,000.00

TOTAL: \$4,700.00
PAYMENT DUE UPON RECEIPT: \$4,700.00

Pay by Wire (ACH) Instructions:

1. Do not alter the amount due
2. Remember to include the OIR invoice number in the body of the wire payment
3. Include company name

Bank: WELLS FARGO, N.A.
1 INDEPENDENT DRIVE, JACKSONVILLE, FL 32202

Account Title: STATE OF FLORIDA DEPARTMENT OF FINANCIAL SERVICES DFS –
OFFICE OF INSURANCE REGULATION –LOCATION 4300430

Account Number: 4834783854

ACH and Incoming Wire and ABA/Routing Number: 121000248

Pay by Check Instructions:

1. Do not alter the amount due
2. Make check payable to the Florida Office of Insurance Regulation
3. Include a copy of this invoice to ensure your payment is applied correctly

Mail check and a copy of this invoice to:
Florida Department of Financial Services
Revenue Processing Section
P.O. Box 6100
Tallahassee, FL 32314-6100

Please contact Lisa Stinson at (850) 413-2458 or Lisa.Stinson@flor.com if you have any questions regarding your invoice.