FILED

AUG 18 2025

INSURANCE REGULATION
Docketed by:

OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

Index: OIR 2025-144

IN THE MATTER OF: CASE NO.: 401795-25-CO

SUTTON NATIONAL INSURANCE COMPANY
_____/

CONSENT ORDER

THIS CAUSE came for consideration as the result of a market conduct examination of SUTTON NATIONAL INSURANCE COMPANY ("SUTTON NATIONAL") conducted by the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE"). The OFFICE having considered the records in this case and being otherwise fully advised in the premises, finds as follows:

JURISDICTION AND PARTIES

1. The OFFICE has jurisdiction over SUTTON NATIONAL and the subject matter of this proceeding.

2. SUTTON NATIONAL is an Oklahoma domiciled property and casualty insurer that became authorized to transact business in Florida on May 13, 2021. The OFFICE issued a certificate of authority to SUTTON NATIONAL, in accordance with chapter 624, Part III, Florida Statutes. SUTTON NATIONAL is authorized to write the Fire, Allied Lines, Homeowners Multi-Peril, Commercial Multi-Peril, and various other lines of business in the State of Florida.

BACKGROUND

3. On or about April 1, 2025, the OFFICE completed a targeted Market Conduct Examination of SUTTON NATIONAL ("Exam"). The OFFICE completed the Exam in accordance with section 624.3161(7)(b), Florida Statutes (2025). As part of the Exam, the OFFICE reviewed SUTTON NATIONAL's Hurricane Ian claims-handling operations and issued a report with the OFFICE's findings.

4. The OFFICE documented the following violations of the Florida Insurance Code by SUTTON NATIONAL:

a. Failure to utilize properly appointed adjusters (section 626.112(1)(a), Florida Statutes (2025)); and

b. Failure to include the disclosure statement when providing a payment on a claim that was not the full and final payment or to provide the disclosure statement printed in a 12-point bold, uppercase type (section 627.70131(6)(b), Florida Statutes (2025)).

VIOLATIONS OF THE FLORIDA INSURANCE CODE

SUTTON NATIONAL violated section 626.112(1)(a) because it utilized insurance adjusters who were not properly appointed.

5. Section 626.112(1)(a) provides that no person may be, act as, or advertise or hold himself or herself out to be an insurance agent, insurance adjuster, or customer representative unless he or she is currently licensed by the department and appointed by an appropriate appointing entity or person.

6. In thirty-four instances, the OFFICE documented that SUTTON NATIONAL utilized adjusters who were not properly appointed.

SUTTON NATIONAL violated section 627.70131(6)(b) because it failed to include the disclosure statement required when providing payment on claims that were not the full and final payment for the claim.

7. Section 627.70131(6)(b) provides that when providing a payment on a claim which is not the full and final payment for the claim, an insurer shall include with the payment a disclosure statement.

8. In fifteen instances, the OFFICE documented that SUTTON NATIONAL did not, when providing a payment on a claim that was not the full and final payment, include with the payment the disclosure statement required by 627.7031(6)(b).

CONCLUSION

9. Section 624.418, Florida Statutes, provides that the OFFICE may, in its discretion, suspend or revoke the certificate of authority of an insurer if it finds that the insurer has violated any provision of the Florida Insurance Code.

10. Section 624.4211, Florida Statutes, provides that if the OFFICE finds that one or more grounds exist for the discretionary revocation or suspension of a certificate of authority issued under chapter 624, it may, in lieu of such revocation or suspension, impose a fine upon the insurer.

11. The OFFICE finds that SUTTON NATIONAL has violated sections 626.112(1)(a) and 627.70131(6)(b).

12. SUTTON NATIONAL agrees to pay an administrative fine in the amount of $50,000 U.S. Dollars ("USD") and administrative costs in the amount of $2,000 USD to the OFFICE within ten days of the execution of this Consent Order. SUTTON NATIONAL shall not provide payment before the Commissioner executes this Consent Order. SUTTON NATIONAL shall send its payment to the address reflected on the invoice attached hereto as "Exhibit A."

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

14. SUTTON NATIONAL 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 OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon SUTTON NATIONAL's certificate of authority in this state, in accordance with sections 120.569(2)(n) and 120.60(6), Florida Statutes.

15. SUTTON NATIONAL 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 SUTTON NATIONAL to appropriate penalties and fines, as specifically authorized by law.

16. SUTTON NATIONAL additionally agrees that any future violations of the statutes or rules named herein may be deemed willful, subjecting SUTTON NATIONAL to penalties as the OFFICE deems appropriate.

17. SUTTON NATIONAL expressly waives 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 it may be entitled by law or rules of the OFFICE. SUTTON NATIONAL 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.

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

19. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed a copy of this Consent Order bearing the notarized signature of the authorized representative of SUTTON NATIONAL.

WHEREFORE, the agreement between SUTTON NATIONAL 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 18 day of August, 2025.

Michael Yaworsky, Commissioner
Office of Insurance Regulation

By execution hereof, SUTTON NATIONAL 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 SUTTON NATIONAL INSURANCE COMPANY, to the terms and conditions of this Consent Order.

SUTTON NATIONAL INSURANCE COMPANY

By: _____

[Corporate Seal]

Print Name: Lloyd Yavener

Title: President

Date: August 7, 2025

STATE OF New York

COUNTY OF Oneida

The foregoing instrument was acknowledged before me by means of ☑ physical presence or ☐ online notarization, this 7th day of August 2025, by Lloyd Yavener (name of person) as President (type of authority; e.g., officer, trustee, attorney-in-fact) for Sutton National Insurance Co (company name)

_____
(Signature of the Notary)

Lisa M. Dellers
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ✓ OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires 4/30/2025

LISA M. DELLERS
NOTARY PUBLIC, STATE OF NEW YORK
Registration No. 01DE0036768
Qualified in Oneida County
Commission Expires 04/30/2029

COPIES FURNISHED TO:

LLOYD DAVID YAVENER
PRESIDENT
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Exhibit A

FLORIDA OFFICE OF
Insurance
Regulation

MICHAEL YAWORSKY
COMMISSIONER

INVOICE

SUTTON NATIONAL INSURANCE COMPANY
201 ROBERT S. KERR AVENUE, SUITE 600
OKLAHOMA CITY, OK 73102

INVOICE DATE: August 4, 2025

INVOICE #: OIR 25-041309

P&C Market Regulation/ Requested by Carson Gaines/ Matter Number 401795-25-CO

Description	Units	Rate	Price
1105J: FINE	1.00	$50,000.00	$50,000.00
1249J: ADMINISTRATIVE COSTS	1.00	$2,000.00	$2,000.00

TOTAL: **$52,000.00**

PAYMENT DUE UPON RECEIPT: **$52,000.00**

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@floir.com if you have any questions regarding your invoice.