

*Market Conduct Final Examination Report*

*BRL Financial Group LLC*

*Florida Company Code: 31817*

*Date: October 9, 2025*

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Table of Contents

**Executive Summary** ..... 2

**Company Operations**..... 2

**Purpose and Scope of the Examination** ..... 2

**Examination Procedures** ..... 3

**Findings**..... 4

**Recommendations**..... 4

**Conclusion** ..... 5

**Examination Report Final Submission** ..... 5

## Executive Summary

A market conduct examination of BRL Financial Group LLC, (“BRL Financial”) was performed to ascertain BRL Financial’s compliance with the applicable provisions of the Florida Insurance Code as required by Section 627.834, Florida Statutes (“F.S.”).

## Company Operations

BRL Financial Group LLC is a domestic Premium Finance Company licensed to offer premium finance agreements in Florida on April 12, 2017. BRL Financial generally finances 12-month commercial insurance policies for up to 10 months. Refunds due to the insured are issued directly via check upon receipt of return premium from the insurer.

Section 627.836(2), F.S., requires premium finance companies to file an annual report with OIR and remit the annual report filing fee to the Florida Department of Financial Services by March 1 of each year. BRL Financial did not meet the requirements of Section 627.836(2), F.S. by timely filing both the annual report and the annual report filing fees by March 1 for each year during the examination scope period as follows:

Year	Date Annual Report Filed with OIR	Date Annual Report Filing Fees Remitted to DFS
2024	03/26/2025	Not Paid
2023	03/11/2024	03/20/2024
2022	03/28/2023	03/28/2023

**Finding 1:** The examiners determined that in six instances, BRL did not timely file the 2022, 2023, or 2024 annual reports or remit the 2022, 2023, or 2024 report filing fee by March 1 for each year during the scope period as required by Section 627.836(2), F.S.

## Purpose and Scope of the Examination

OIR has primary responsibility for the regulation, compliance, and enforcement of statutes related to the business of insurance premium financing and the monitoring of industry markets. Due to this responsibility, OIR conducted a market conduct examination of BRL Financial pursuant to Section 627.834, F.S. The examination scope period was from January 1, 2022, to December 31, 2024. The examination was performed by members of OIR’s Property and Casualty Market Regulation business unit.

The purpose of a market conduct examination is to review the premium finance company’s operating practices to determine if they comply with the applicable provisions of the Florida Insurance Code, rules related to the business of insurance premium financing, the provisions contained within a premium finance contract issued by the premium finance company, or orders issued by OIR. A common element of all market conduct examinations is to evaluate a regulated entity’s business practices to promote the protection of insurance-buying consumers and to hold entities regulated by OIR accountable when issues or violations are found.

The examination began April 1, 2025, and ended October 7, 2025. The last examination of BRL Financial was completed as of November 3, 2022. That [examination report](#) contained findings that required BRL Financial to submit a corrective action plan. In addition to submitting a corrective action plan, BRL Financial entered into a consent order with OIR, which can be located [here](#).

## Examination Procedures

The conduct of this examination and the procedures, statistical sampling, and examination processes used were consistent with and in accordance with those standards and procedures contained in the *Market Regulation Handbook* promulgated by the National Association of Insurance Commissioners (“NAIC”).

In preparation for the examination, BRL Financial was requested to provide the total number, or universe, of premium finance agreements entered into during the examination’s scope period. BRL Financial was also requested to identify premium finance agreements that were cancelled or received a refund from an insurer prior to the end of the premium finance agreement’s contract term. BRL Financial reported entering into a total of 409 premium finance agreements during the examination scope period. Of the 409 premium finance agreements, 31 were either cancelled or received a refund from the premium finance company prior to the end of the agreement’s term.

To facilitate a thorough review of BRL Financial’s premium finance agreements and corresponding documentation, the total universe of premium finance agreements was divided into two categories: Premium Finance Agreements; and Cancellations and Refunds. Each of the two categories were evaluated for compliance with the Florida Insurance Code.

For purposes of this examination, the two categories were defined as follows:

- Premium Finance Agreements: The initial premium finance agreement entered into during the examination scope period that completed the full term of the agreement (the premium finance agreement was not cancelled midterm or the consumer was not eligible for a refund); and
- Cancellation and Refunds: The initial premium finance agreements entered into during the examination scope period that were either cancelled prior to the end of the agreement’s term or were eligible for a refund from an insurer or the premium finance company.

The *Market Regulation Handbook* provides guidance regarding sampling methods utilized during market conduct examinations. A minimum confidence level of 95% is used to make inferences when a universe population is greater than 200 and permits those results to be extrapolated to the population of all premium finance agreements. The examiners reviewed a total of 110 randomly selected premium finance agreements. The number of randomly selected premium finance agreements is consistent with the recommended sample size for non-claims in the *Market Regulation Handbook’s* Acceptance Samples Table. Examination results with a 95% confidence level permit those results to be extrapolated to the population of non-claims in each of the two premium finance agreement categories. Based on the universe of BRL Financial’s premium finance agreements subject to this examination, the total sample size required to achieve a 95% confidence level in both categories was determined to be 110.

The 110 randomly selected premium finance agreements consisted of:

- 79 premium finance agreements; and
- 31 cancellations and refunds.

## Findings

### Premium Finance Agreements

This portion of the examination focused on BRL Financial's use of approved forms and rates and evaluated specific statutory components required by BRL Financial in the execution of premium finance agreements, including but not limited to finance charges, service fees, late and nonsufficient fund fees, and products financed. To determine BRL Financial's adherence to these statutory requirements, the examiners reviewed and analyzed each sampled premium finance agreement to determine if the agreement was executed in compliance with Florida Insurance Code.

*No exceptions were noted.*

### Cancellations and Refunds

This portion of the examination focused on BRL Financial's premium finance agreements entered into during the examination scope period that were either cancelled prior to the end of the agreement's term or were eligible for a refund from an insurer to determine compliance with the Florida Insurance Code. The review evaluated specific statutory components pertaining to cancellations and refunds.

**Finding 2:** The examiners determined that in three instances out of 31 premium finance agreements reviewed, an error percentage of 9.7%, BRL Financial provided less than 10 days' written notice to the insured of the intent to cancel the insurance contract, as required by Section 627.848(1)(a)1., F.S.

**Finding 3:** The examiners determined that in two instances out of 31 premium finance agreements reviewed, an error percentage of 6.5%, BRL Financial did not issue a refund within 15 days after the account was overpaid, as required by Section 627.848(1)(e), F.S.

## Recommendations

The following recommendations were compiled from the Findings contained within this report, and observations noted during the examination. BRL Financial is to provide a written report to OIR of actions taken on each Recommendation within 60 days of BRL Financial's receipt of the Final Examination Report.

It is recommended that BRL Financial:

- Ensure to timely file the annual report to OIR and annual report filing fees to DFS;
- Ensure that not less than 10 days' written notice is mailed to each insured shown

- on the premium finance agreement of the intent to cancel her or his insurance contract unless the defaulted installment payment is received within 10 days; and
- Ensure that all refunds are issued timely.

## **Conclusion**

This market conduct examination of BRL Financial Group LLC was designed to review and evaluate whether BRL Financial's handling of premium finance agreements was in compliance with the provisions of the Florida Insurance Code. During the examination, OIR identified findings and made recommendations for remediation to be implemented by BRL Financial.

This examination report and the observations contained therein are the result of a factual, data-driven analysis of the BRL Financial's premium finance agreements and practices related to the cancellation and refund of premiums to consumers. This report contains a number of recommendations for improvement that should be implemented by BRL Financial. It does not document what regulatory or administrative action may be taken by OIR.

## **Examination Report Final Submission**

OIR hereby issues this final report based upon information from the examiner's draft report, additional research conducted by OIR and additional information provided by the premium finance company.



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