

*Market Conduct Final Examination Report*

*Sirix Funding LLC*

*Florida Company Code: 17560*

*Date: August 28, 2025*

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## Executive Summary

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

## Company Operations

Sirix Funding LLC is a domestic Premium Finance Company licensed to offer premium finance agreements in Florida on May 23, 2013. Sirix generally finances 12-months Property & Casualty Insurance Policies to include Commercial Transportation for Auto Liability with 10-month-installment payment plans, written directly through Carriers and General Agents. Refunds resulting from cancellations and policy endorsements are issued to the Insured’s and/or to the Agent via check.

Sirix has discontinued business and is no longer offering premium finance agreements in Florida. On April 22, 2025, Sirix submitted the license surrender documentation to OIR Property and Casualty Financial Oversight unit. This matter remains under review by the unit.

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. Sirix 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	04/16/2025	04/16/2025
2023	02/29/2024	02/12/2024
2022	02/27/2023	02/07/2023

**Finding 1:** The examiners determined that in two instances Sirix did not file the Annual Report or remit the Annual Report filing fees to DFS by March 1<sup>st</sup>, 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 Sirix 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 August 19, 2025. The last examination of Sirix was completed as of April 10, 2023. That [examination report](#) contained certain findings that required Sirix to submit a corrective action plan. In addition to submitting a corrective action plan, Sirix 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, Sirix was requested to provide the total number, or universe, of premium finance agreements entered into during the examination's scope period. Sirix 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. Sirix reported entering into a total of 12 premium finance agreements during the examination scope period. Of the 12 premium finance agreements, six 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 Sirix'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. In this instance, the total universe of premium finance agreements is less than 200. As a result, all 12 premium finance agreements were reviewed and tested for compliance with the Florida Insurance Code.

The premium finance agreements consisted of:

- Six premium finance agreements; and
- Six cancellations and refunds.

## Findings

### Premium Finance Agreements

This portion of the examination focused on Sirix's use of approved forms and rates and evaluated specific statutory components required by Sirix 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 Sirix'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 Sirix'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 one instance out of six premium finance agreements reviewed, an error percentage of 16.7%, Sirix provided less than ten days written notice to the insured of the intent to cancel the insurance contract, as prohibited by Section 627.848(1)(a)1., F.S.

**Finding 3:** The examiners determined that in one instance out of six premium finance agreements reviewed, an error percentage of 16.7%, Sirix did not immediately notify the insured that the insurer had not paid the unearned premium within 30 days and that interest would continue to accrue on the amount still outstanding until paid, as required by Rule 69O-196.010(4), Florida Administrative Code ("F.A.C").

## Recommendations

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

It is recommended that Sirix:

- 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.
- Ensure that insureds are notified of any unearned premiums that have not been paid and that interest will continue to accrue on the outstanding amounts until paid.

## **Conclusion**

This market conduct examination of Sirix Funding LLC was designed to review and evaluate whether Sirix'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 Sirix. Sirix's successful implementation of the prior corrective action plan is noted and appreciated.

This examination report and the observations contained therein are the result of a factual, data-driven analysis of the Sirix'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 Sirix. It does not document what regulatory or administrative action may be taken by OIR. Any such action taken as a result of this market conduct examination will be the subject of a separate Order issued 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 Sirix Funding LLC.



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