

Market Conduct Final Examination Report

Southeast Capital Assurance Company LLC

Florida Company Code: 36464

Date: October 6, 2025



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Executive Summary

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

Company Operations

Southeast Capital Assurance Company LLC is a domestic Premium Finance Company licensed to offer premium finance agreements in Florida on March 5, 2018. Southeast Capital generally finances 12-month Commercial Lines Insurance Policies, with 10-month installment payment plans, written by Demont Insurance Agency of Tallahassee, Florida. Refunds resulting from cancellations and policy endorsements are issued by check to Insureds.

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. Southeast Capital met 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	02/26/2025	02/06/2025
2023	02/29/2024	02/12/2024
2022	02/27/2023	02/07/2023

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 Southeast Capital 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 6, 2025. The last examination of Southeast Capital was completed as of September 8, 2022. That [examination report](#) contained findings that required Southeast Capital to submit a corrective action plan. In addition to submitting a corrective action plan, Southeast Capital 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, Southeast Capital was requested to provide the total number, or universe, of premium finance agreements entered into during the examination’s scope period. Southeast Capital 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. Southeast Capital reported entering into a total of 95 premium finance agreements during the examination scope period. Of the 95 premium finance agreements, 10 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 Southeast Capital’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 95 premium finance agreements were reviewed and tested for compliance with the Florida Insurance Code.

The 95 randomly selected premium finance agreements consisted of:

- 85 premium finance agreements; and
- 10 cancellations and refunds.

Findings

Premium Finance Agreements

This portion of the examination focused on Southeast Capital's use of approved forms and rates and evaluated specific statutory components required by Southeast Capital 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 Southeast Capital'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 Southeast Capital'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.

No exceptions were noted.

Conclusion

This market conduct examination of Southeast Capital Assurance Company LLC was designed to review and evaluate whether Southeast Capital's handling of premium finance agreements was in compliance with the provisions of the Florida Insurance Code.

This examination report and the observations contained therein are the result of a factual, data-driven analysis of Southeast Capital's premium finance agreements and practices related to the cancellation and refund of premiums to consumers. Southeast Capital's successful implementation of the prior corrective action plan is noted and appreciated.

Examination Report Final Submission

OIR hereby issues this final report based upon information from the examiner's draft report.



www.FLOIR.com

J. Edwin Larson Building
200 E. Gaines Street
Tallahassee, Florida 32399
Phone: (850) 413-3140