

Market Conduct Final Examination Report

DEL RIO DISCOUNT CORPORATION

Florida Company Code: 89144

Date: January 15, 2026



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Executive Summary

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

Company Operations

Del Rio Discount Corporation is a domestic Premium Finance Company licensed to offer premium finance agreements in Florida on April 20, 1964. Del Rio generally finances one-to-ten month Commercial and Personal policies. Refunds resulting from cancellations are forwarded directly to the agent and refunds due to insureds for overpayments or interest waived go directly to insureds. Endorsement refunds are sent to the insured, or the agent at their request to include unearned commission.

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.

Year	Date Annual Report Filed with OIR	Date Annual Report Filing Fees Remitted to DFS
2024	04/23/2025	04/23/2025
2023	02/06/2024	02/06/2024
2022	02/28/2023	02/28/2023

Finding 1: The examiners determined that in two instances Del Rio did not submit the Annual Report with OIR or remit the Annual Report filing fees to DFS by March 1, 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 Del Rio Discount Corporation 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, 2024, and ended November 13, 2025. The last examination of Del Rio was completed as of February 27, 2023. That [examination report](#) contained findings that required Del Rio to submit a corrective action plan. In addition to submitting a corrective action plan, Del Rio 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, Del Rio was requested to provide the total number, or universe, of premium finance agreements entered into during the examination’s scope period. Del Rio 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. Del Rio reported entering into a total of 2,192 premium finance agreements during the examination scope period. Of the 2,192 premium finance agreements, 295 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 Del Rio’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 192 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 Del Rio’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 192.

The 192 randomly selected premium finance agreements consisted of:

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

Findings

Premium Finance Agreements

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

Finding 2: The examiners determined that in one instance out of 113 premium finance agreements reviewed, an error percentage of 0.9%, the Premium Finance Agreement was not signed by or on behalf of the insured, as required by Section 627.839(1), F.S.

Finding 3: The examiners determined that in 24 instances out of 113 premium finance agreements reviewed, an error percentage of 21.2%, Del Rio assessed service charges greater than the maximum amount allowed by Section 627.840(3)(b), F.S.

Cancellations and Refunds

This portion of the examination focused on Del Rio'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 4: The examiners determined that in one instance out of 79 premium finance agreements reviewed, an error percentage of 1.3%, the Premium Finance Agreement was not signed by or on behalf of the insured, as required by Section 627.839(1), F.S.

Finding 5: The examiners determined that in 18 instances out of 79 premium finance agreements reviewed, an error percentage of 22.8%, Del Rio assessed service charges greater than the maximum amount allowed by Section 627.840(3)(b), F.S.

Finding 6: The examiners determined that in two instances out of 79 premium finance agreements reviewed, an error percentage of 2.5%, Del Rio did not issue a refund within 15 days after the account was overpaid, as required by Section 627.848(1)(e), F.S.

Finding 7: The examiners determined that in two instances out of 79 premium finance agreements reviewed, an error percentage of 2.5%, Del Rio did not notify the insured of the refunded amount to the agent within 15 days, as required by Rule 69O-196.010(2)(a), F.A.C.

Recommendations

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

It is recommended that Del Rio:

- Ensure that the Annual Report is submitted with OIR and the Annual Report filing fees are remitted to DFS by March 1;
- Ensure that all premium finance agreements are signed and dated by or on behalf of the insured;
- Ensure that all service charges assessed are not greater than the maximum allowed;
- Ensure all refunds are issued timely; and
- Ensure all refund notifications are issued timely.

Conclusion

This market conduct examination of Del Rio Discount Corporation was designed to review and evaluate whether Del Rio'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 Del Rio.

This examination report and the observations contained therein are the result of a factual, data-driven analysis of the Del Rio'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 Del Rio. 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 Del Rio Discount Corporation.



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