

*Market Conduct Final Examination Report*

*Classicplan Premium Financing, Inc.*

*Florida Company Code: 12976*

*Date: February 5, 2026*

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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 Classicplan Premium Financing, Inc., (“Classicplan”) was performed to ascertain Classicplan’s compliance with the applicable provisions of the Florida Insurance Code as required by Section 627.834, Florida Statutes (“F.S.”).

## Company Operations

Classicplan is a foreign Premium Finance Company licensed to offer premium finance agreements in Florida on August 8, 2012. Classicplan generally finances 12-month, commercial insurance policies for up to 10 months. When a refund is due, a check payable to both the borrower and the agent is mailed to the agent on the agreement.

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. Classicplan 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	02/24/2025
2023	02/26/2024	02/26/2024
2022	02/19/2023	02/15/2023

## 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 Classicplan 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 January 21, 2026. The last examination of Classicplan was completed as of April 25, 2023. That [examination report](#) contained findings that required Classicplan to submit a corrective action plan. In addition to submitting a corrective action plan,

Classicplan 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, Classicplan was requested to provide the total number, or universe, of premium finance agreements entered into during the examination’s scope period. Classicplan 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. Classicplan reported entering into a total of 306 premium finance agreements during the examination scope period. Of the 306 premium finance agreements, 72 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 Classicplan’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 151 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 Classicplan’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 151.

The 151 randomly selected premium finance agreements consisted of:

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

# Findings

## Premium Finance Agreements

This portion of the examination evaluated specific statutory components required by Classicplan 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 Classicplan'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 1:** The examiners determined that in 18 instances out of 79 premium finance agreements reviewed, an error percentage of 22.8%, Classicplan assessed service charges greater than the maximum amount allowed by Section 627.840(3)(b), F.S.

**Subsequent Event:** As of October 10, 2025, Classicplan issued refunds totaling \$463.40 to all affected consumers.

## Cancellations and Refunds

This portion of the examination focused on Classicplan'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 15 instances out of 72 premium finance agreements reviewed, an error percentage of 20.8%, Classicplan assessed service charges greater than the maximum amount allowed by Section 627.840(3)(b), F.S.

**Subsequent Event:** As of October 10, 2025, Classicplan issued refunds totaling \$355.27 to all affected consumers.

**Finding 3:** The examiners determined that in four instances out of 72 premium finance agreements reviewed, an error percentage of 5.6%, Classicplan provided less than 10 days' written notice to the insured of the intent to cancel the insurance contract unless the defaulted installment payment is received within 10 days, as required by Section 627.848(1)(a)1., F.S.

**Finding 4:** The examiners determined that in five instances out of 72 premium finance agreements reviewed, an error percentage of 6.9%, Classicplan 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. Classicplan is to provide a written report to OIR of actions taken on each Recommendation within 60 days of Classicplan's receipt of the Final Examination Report.

It is recommended that Classic Plan:

- Ensure that all charges assessed are within the statutory allowance;
- Ensure that not less than 10 days' written notice is mailed to each insured on the premium finance agreement of the intent to cancel her or his insurance contract; and
- Ensure all refunds are issued timely.

## **Conclusion**

This market conduct examination of Classicplan Premium Financing, Inc. was designed to review and evaluate whether Classicplan'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 Classicplan.

This examination report and the observations contained therein are the result of a factual, data-driven analysis of Classicplan'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 Classicplan. 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 Classicplan Premium Financing, Inc.



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