



FILED

JAN 16 2024

INSURANCE REGULATION
Docketed by: *EE*

OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 320368-23

SPARTAN FINANCIAL SERVICES CORP.
_____ /

CONSENT ORDER

JAW
THIS CAUSE came on for consideration as the result of SPARTAN FINANCIAL SERVICES CORP.'s ("SPARTAN") violation of one or more provisions of the Florida Insurance Code as outlined in their 2022 Market Conduct Examination conducted by the FLORIDA OFFICE OF INSURANCE REGULATION ("OIR"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, OIR hereby finds as follows:


1. The OIR has jurisdiction over the subject matter and the parties herein. SPARTAN is a premium finance company authorized to transact business in Florida and subject to regulation by the OFFICE, pursuant to the Florida Insurance Code.
2. On or about November 14, 2023, OIR conducted a market conduct examination of SPARTAN.
3. OIR documented the following violations of the Florida Insurance Code:
4. Rule 69O-196.002(2), Florida Administrative Code, provides that written notice be mailed to each insured shown on the premium finance agreement of the intent of the premium finance company to cancel the insurance contract and that the premium finance company must

maintain in its files a hard copy, photocopy, or electronically stored reproduction of the actual notice sent.

5. In two (2) instances, OIR documented that SPARTAN failed to maintain in its files a copy of the actual notice of intent to cancel sent to the insured.

6. Section 627.848(1)(a), Florida Statutes, provides that not less than 10 days written notice be mailed to each insured shown on the premium finance agreement of the intent of the premium finance company to cancel the insurance contract unless the defaulted installment payment is received within 10 days.

7. In 19 instances, OIR documented that SPARTAN failed to provide at least 10 days written notice of the intent of the premium finance company to cancel the insurance contract.



8. Section 627.848(1)(e), Florida Statutes, provides that whenever a financed insurance contract is canceled by the premium finance company, the premium finance company shall, within 15 days after an account has been overpaid, either refund to the insured for the insured's benefit any refund due on his or her account or, if the refund is sent or credited to the agent, return or credit to the agent the amount of the overpayment and notify the insured of the refunded amount.


9. In 14 instances where a financed insurance contract was canceled by the premium finance company, OIR documented that SPARTAN failed to timely issue a refund after an account was overpaid.

10. Rule 69O-196.010(1), Florida Administrative Code, provides that a premium finance company shall be responsible to refund to the insured all monies due or held on the insured's behalf, within 30 days after receipt of the funds from an insurer or other person.

11. In 24 instances, OIR documented that SPARTAN failed to timely refund the insured for the overpayment on the account.

12. Section 627.832(1)(b), Florida Statutes, provides that OIR may deny, suspend, revoke, or refuse to renew any license if it finds that the licensee has violated any provision of this part or any rule of the commission.

13. Section 627.833, Florida Statutes, provides that if OIR finds that one or more grounds exist for the discretionary revocation or suspension of a license issued under Chapter 627, Florida Statutes, OIR may, in lieu of such revocation or suspension, impose a fine upon the premium finance company.

 14. The OIR finds that SPARTAN has violated Sections 627.848(1)(a) and 627.848(1)(e), Florida Statutes, and Rules 69O-196.002(2) and 69O-196.010(1), Florida Administrative Code.

15. Section 627.834(2), Florida Statutes, requires that the OIR examine each licensed premium finance company as often as it deems necessary and not less frequently than each three years. The OIR agrees that the next examination of SPARTAN will not include findings between January 1, 2022 and October 1, 2023, related to its failure to maintain a copy of the actual notice of intent to cancel that SPARTAN sent to the insureds, failure to provide at least 10 days written notice of the intent of the premium finance company to cancel the insurance contract, failure to timely issue a refund after an account was overpaid, and failure to timely refund the insured for overpayments on their accounts.

16. SPARTAN agrees that within 10 days of the execution of this Consent Order, SPARTAN shall pay an administrative fine in the amount of \$5,900 U.S. Dollars ("USD") and

administrative costs in the amount of \$1,000 USD to OIR. SPARTAN shall send its payment to the address reflected on the invoice attached hereto as "Exhibit A."

17. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of OIR. Such approval must be requested in writing prior to any proposed deviation from the terms of this Consent Order.

18. SPARTAN agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in OIR suspending, revoking, or taking other administrative action as it deems appropriate upon SPARTAN's license in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

19. SPARTAN additionally agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may subject SPARTAN to such administrative action as OIR deems appropriate as specifically authorized by law.

20. SPARTAN additionally agrees that any future violations of the statutes or rules named herein may be deemed willful, subjecting SPARTAN to penalties as OIR deems appropriate.

21. SPARTAN expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by OIR, and all further and other proceedings herein to which it may be entitled by law or rules of OIR. SPARTAN hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum available to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

22. Except as noted above, each party to this action shall bear its own costs.


23. The parties agree that this Consent Order shall be deemed to be executed when the OIR has signed and docketed a copy of this Consent Order bearing the notarized signature of the authorized representative of SPARTAN.

WHEREFORE, the agreement between SPARTAN FINANCIAL SERVICES CORP. and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED.

All terms and conditions contained herein are hereby ORDERED.

DONE AND ORDERED this 16th day of January, 2024.





Michael Yaworsky, Commissioner
Office of Insurance Regulation



By execution hereof, SPARTAN FINANCIAL SERVICES CORP. consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind SPARTAN FINANCIAL SERVICES CORP., to the terms and conditions of this Consent Order.

SPARTAN FINANCIAL SERVICES CORP.

By: [Signature]

[Corporate Seal]

Print Name: Elena Leon Rodriguez

Title: President

Date: January 10, 2024

STATE OF Puerto Rico

COUNTY OF San Juan

The foregoing instrument was acknowledged before me by means of physical presence

or online notarization, this 10 day of JANUARY 2024, by Elena Leon

(name of person)

as officer

(type of authority; e.g., officer, trustee, attorney in fact)

for Spartan Financial Services Corp.

(company name)

[Signature]

(Signature of the Notary)

Alejandro Fernandez

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires N/A AFF 2532



COPIES FURNISHED TO:

ELENA LEON

PRESIDENT

Spartan Financial Services Corp.

355 Calle Baleares Puerto Nuevo

San Juan, PR 33134

Telephone: (787) 728-1035

Email: Eleon@uifinance-pr.com

ALEX MAY

DIRECTOR

Florida Office of Insurance Regulation

P&C Market Regulation

200 East Gaines Street

Tallahassee, Florida 32399

CRYSTAL STEPHENS, ESQ.

ASSISTANT GENERAL COUNSEL

Florida Office of Insurance Regulation

200 E. Gaines Street

Tallahassee, Florida 32399

Telephone: (850) 413-4169

Email: Crystal.Stephens@floir.com