FILED

MAY 12 2025

INSURANCE REGULATION
Docketed by:

OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

Index: OIR 2025-55
CASE NO.: 401313-25

IN THE MATTER OF:

CENTAURI SPECIALTY INSURANCE COMPANY
_____/

CONSENT ORDER

THIS CAUSE came for consideration as the result of a market conduct examination of CENTAURI SPECIALTY INSURANCE COMPANY ("CENTAURI") conducted by the OFFICE OF INSURANCE REGULATION ("OFFICE"). The OFFICE having considered the record in this case and being otherwise fully advised in the premises, finds as follows:

1. The OFFICE has jurisdiction over CENTAURI and the subject matter of this proceeding.

2. CENTAURI is a Florida domiciled property and casualty insurer that became authorized to transact business in Florida on May 4, 2006, as ICAT Specialty Insurance Company. In 2010, the name was changed to Universal Specialty Insurance Company and, in 2011, the name was changed to CENTAURI SPECIALTY INSURANCE COMPANY. The OFFICE issued a certificate of authority to CENTAURI in accordance with chapter 624, Part III, Florida Statutes. CENTAURI is authorized to write fire, allied lines, homeowners multi-peril, commercial multi-peril, inland marine, and other liability. During the examination scope period, CENTAURI was an indirect subsidiary of AU Holding Company, Inc. CENTAURI was acquired

by Lilypad Insurance Holdings Inc. as of September 30, 2024, at which time Lilypad Insurance Managers Inc.'s dedicated claims team began handling claims.

3. On or about April 22, 2025, the OFFICE completed a targeted Market Conduct Examination of CENTAURI to review their Hurricane Ian claims-handling operations in accordance with section 624.3161(7)(b), Florida Statutes.

4. The OFFICE documented the following violations of the Florida Insurance Code by CENTAURI:

a. Failure to utilize properly appointed adjusters for Hurricane Ian claims in violation of section 626.112(1)(a); and

b. Failure to provide a disclosure statement when providing payments on Hurricane Ian claims that were not the full and final payment in violation of section 627.70131(6)(b).

5. Section 626.112(1)(a) provides that no person may hold himself or herself out to be an insurance adjuster unless he or she is currently licensed by the Department of Financial Services and appointed by an appropriate appointing entity or person.

6. The OFFICE determined that CENTAURI utilized insurance adjusters who were not properly appointed in 168 instances.

7. Section 627.70131(6)(b) provides that when providing a payment on a claim which is not the full and final payment for the claim, an insurer shall include with the payment a particular disclosure statement.

8. The OFFICE determined that CENTAURI did not provide the particular disclosure statement when providing a payment on a claim that was not the full and final payment in 141 instances.

9. Pursuant to section 624.418(2)(a), Florida Statutes, the OFFICE may, in its discretion, suspend or revoke the certificate of authority of an insurer if it finds that the insurer has violated any provision of the Florida Insurance Code.

10. Section 624.4211, Florida Statutes, provides that if the OFFICE finds that one or more grounds exist for the discretionary revocation or suspension of a certificate of authority issued under chapter 624, it may, in lieu of such revocation or suspension, impose a fine upon the insurer.

11. The OFFICE finds that CENTAURI has violated sections 626.112(1)(a) and 627.70131(6)(b).

12. CENTAURI agrees that within 10 days of the execution of this Consent Order, CENTAURI shall pay an administrative fine in the amount of $100,000 U.S. Dollars ("USD") and administrative costs in the amount of $2,000 USD to the OFFICE. CENTAURI shall not provide payment before the Commissioner executes this Consent Order. CENTAURI shall send its payment to the address reflected on the invoice attached hereto as "Exhibit A."

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

14. CENTAURI 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 the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon CENTAURI's certificate of authority in this state in accordance with sections 120.569(2)(n) and 120.60(6), Florida Statutes.

15. CENTAURI 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 CENTAURI to such administrative action as the OFFICE deems appropriate as specifically authorized by law.

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

17. CENTAURI additionally agrees that at the OFFICE'S discretion, the OFFICE will exercise the option to immediately deploy examiners to evaluate CENTAURI's future claims handling operations at CENTAURI's expense.

18. CENTAURI has or will institute the necessary corrective actions to immediately improve claims handling operations in accordance with Florida law and to improve customer service.

19. CENTAURI expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which it may be entitled by law or rules of the OFFICE. CENTAURI 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.

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

21. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed a copy of this Consent Order bearing the notarized signature of the authorized representative of CENTAURI.

WHEREFORE, the agreement between CENTAURI SPECIALTY INSURANCE COMPANY 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 12 day of MAY, 2025.

Michael Yaworsky, Commissioner
Office of Insurance Regulation

By execution hereof, CENTAURI SPECIALTY INSURANCE COMPANY 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 CENTAURI SPECIALTY INSURANCE COMPANY to the terms and conditions of this Consent Order.

CENTAURI SPECIALTY INSURANCE COMPANY

By: _____

[Corporate Seal]

Print Name: Traci Stillwagon

Title: COO

Date: 5/6/2025

STATE OF FLORIDA

COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 6th day of MAY 2025, by TRACI STILLWAGON (name of person) as COO (type of authority; e.g., officer, trustee, attorney in fact) for CENTAURI SPECIALTY INSURANCE CO. (company name)

Notary Public State of Florida
JoAnn L. Brown
My Commission HH 638579
Expires 2/4/2029

_____
(Signature of the Notary)

JOANN L. BROWN
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires 2/4/2029

COPIES FURNISHED TO:

RICARDO ESPINO, PRESIDENT
CENTAURI SPECIALTY INSURANCE COMPANY
4081 Lakewood Ranch Blvd. N, Suite 200
Sarasota, Florida 34240
Email: Espino@lilipadins.com

ALEX MAY IV
DIRECTOR
Florida Office of Insurance Regulation
P&C Market Regulation
200 East Gaines Street
Tallahassee, Florida 32399

CRYSTAL D. 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