

FILED

JUN 30 2022

INSURANCE REGULATION
Docketed by: *092*



OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 297724-22-CO

Application for the Direct Acquisition of
MONARCH NATIONAL INSURANCE COMPANY by
Certain Investors Controlled by
HALE PARTNERSHIP CAPITAL MANAGEMENT, LLC
and FEDNAT HOLDING COMPANY

AMENDMENT TO CONSENT ORDER 295638-22-CO

THIS CAUSE came on for consideration upon the request of HALE PARTNERSHIP CAPITAL MANAGEMENT, LLC (such investors, collectively "HALE"), and FEDNAT HOLDING COMPANY ("FEDNAT HOLDING") (HALE and FEDNAT HOLDING, collectively "APPLICANTS"), to the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") to amend Consent Order 295638-22-CO docketed on May 23, 2022 ("Acquisition Consent Order" attached hereto as Exhibit A and incorporated herein by reference), by modifying the provisions of Paragraphs 20 and 22, as well as approving documents filed pursuant to the requirements of Paragraph 19. Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. Paragraph 19 of the Acquisition Consent Order required that APPLICANTS, MONARCH NATIONAL INSURANCE COMPANY ("MONARCH"), and FEDNAT INSURANCE COMPANY ("FEDNAT") report to the OFFICE any material changes to the information filed in as part of the underlying Application for review prior to the closing date of the

transaction the Application contemplates (“Transaction”). APPLICANTS, MONARCH, and FEDNAT have filed certain updates to the Application in compliance with this requirement, including a Cost Reimbursement Agreement between MONARCH and FedNat Underwriters, Inc. (“FNU”); Addendum No. 4 to the Amended and Restated Managing General Agency Agreement between MONARCH and FNU; Management Advisory Services Agreement between FNU and HG Managing Agency, LLC; Notice of Termination of the Amended and Restated Reinsurance Allocation Agreement between FEDNAT, Maison Insurance Company and MONARCH; termination of the Income Tax Allocation Agreement between MONARCH, FEDNAT HOLDING, FEDNAT and Maison Insurance Company; and termination of the Cost Sharing Agreement between MONARCH and FNU (collectively, the “Related Party Agreements”). FEDNAT and MONARCH further provided the OFFICE with an updated Assumption Agreement and policy list, including the Assignment Endorsement and related agent and policyholder communications, pursuant to which all of FEDNAT’s remaining Florida policies will be assumed by and assigned to MONARCH, effective as of June 1, 2022 (the “Monarch Assumption”). The OFFICE has reviewed and hereby approves the Related Party Agreements and terms of the Monarch Assumption, subject to closing of the Transaction by June 30, 2022, as required by the terms of this Consent Order.

3. Paragraphs 20 and 22 of the Acquisition Consent Order required the Transaction to close no later than June 1, 2022. APPLICANTS have represented that all conditions precedent to the closing of the Transaction have been satisfied or waived by agreement of the parties such that the Transaction may be closed as of June 30, 2022, instead and have requested that the Acquisition Consent Order be modified to reflect this new date. Accordingly, the June 1, 2022, date as referenced in Paragraphs 20 and 22 of the Acquisition Consent Order is now June 30, 2022.

4. APPLICANTS, MONARCH, and FEDNAT agree that the only modification to the Acquisition Consent Order is as set forth in paragraph 3 above. All other previous terms and conditions of the Acquisition Consent Order not otherwise modified are unchanged and remain in full force and effect.

5. APPLICANTS, MONARCH, and FEDNAT affirm that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with the Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions, agreements, ownership structures, understandings, and control with regard to the acquisition and future operations of MONARCH. APPLICANTS, MONARCH, and FEDNAT further agree and affirm that said information, explanations, representations, statements, and documents, including all attachments and supplements thereto are material to the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into this Consent Order.

6. 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.

7. APPLICANTS, MONARCH, MAISON INSURANCE COMPANY ("MAISON"), and FEDNAT affirm that all requirements set forth herein are material to the issuance of this Consent Order.

8. APPLICANTS, MONARCH, MAISON, and FEDNAT expressly waive 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 they may be entitled by law or rules of the OFFICE.

APPLICANTS, MONARCH, MAISON, and FEDNAT hereby knowingly and voluntarily waive all rights to challenge or to contest this Consent Order in any forum available to them, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

9. Each party to this action shall bear its own costs and fees.

10. APPLICANTS, MONARCH, MAISON, and FEDNAT agree 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 MONARCH's Certificate of Authority in this state, in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

11. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the notarized signatures of the authorized representatives of APPLICANTS, MONARCH, MAISON, and FEDNAT.

WHEREFORE, subject to the terms and conditions set forth above, the request to amend Consent Order 295638-22-CO is APPROVED.

All terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 30 day of June, 2022.




David Altmaier, Commissioner
Office of Insurance Regulation

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

MONARCH NATIONAL INSURANCE COMPANY

By: [Signature]

Print Name: J.G. JENNINGS III

Title: SECRETARY

Date: 6/30/2022

STATE OF FLORIDA
COUNTY OF BROWARD

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

or ☐ online notarization, this 30TH day of JUNE 2022, by JAMES GORDON JENNINGS III
(name of person)

as SECRETARY for MONARCH NATIONAL INSURANCE COMPANY
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

[Signature]
(Signature of the Notary)

CHRISTIAN ALEXANDER RODRIGUEZ
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known _____ OR Produced Identification ✓

Type of Identification Produced FLORIDA DRIVER LICENSE

My Commission Expires: 5-4-2024



CHRISTIAN ALEXANDER RODRIGUEZ
Commission # HH 213658
Expires May 4, 2026

By execution hereof, HALE PARTNERSHIP CAPITAL MANAGEMENT, LLC, 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 HALE PARTNERSHIP CAPITAL MANAGEMENT, LLC, to the terms and conditions of this Consent Order.

HALE PARTNERSHIP CAPITAL MANAGEMENT, LLC

By: [Signature]

Print Name: STEVEN A. HALE II

Title: CHAIRMAN & CEO

Date: 6-30-2022

STATE OF NC

COUNTY OF MECKLENBURG

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

or ☐ online notarization, this 30th day of June 2022, by STEVEN A. HALE II
(name of person)

as CHAIRMAN & CEO for HALE PARTNERSHIP CAPITAL MANAGEMENT, LLC
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



Emilio Figueroa

(Signature of the Notary)

Emilio Figueroa

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known [initials] OR Produced Identification ☒

Type of Identification Produced NC drivers license

My Commission Expires: 04-17-2027

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

FEDNAT INSURANCE COMPANY

By:

Print Name:

Title:

Date:

STATE OF

COUNTY OF

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

or ☐ online notarization, this 30TH day of JUNE 2022, by JAMES GORDON JENNINGS III
(name of person)

as SECRETARY for FEDNAT INSURANCE COMPANY
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

(Signature of the Notary)

CHRISTIAN ALEXANDER RODRIGUEZ

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known _____ OR Produced Identification ☒

Type of Identification Produced FLORIDA DRIVERS LICENSE

My Commission Expires: 5-4-2026



CHRISTIAN ALEXANDER RODRIGUEZ
Commission # HH 213858
Expires May 4, 2026

By execution hereof, FEDNAT HOLDING 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 FEDNAT HOLDING COMPANY to the terms and conditions of this Consent Order.

FEDNAT HOLDING COMPANY

By: _____

Print Name: _____

Title: _____

Date: _____

STATE OF _____

COUNTY OF _____

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

or ☐ online notarization, this 30TH day of JUNE 2022, by JAMES GORDON JENNINGS III
(name of person)

as SECRETARY for FEDNAT HOLDING COMPANY
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

(Signature of the Notary)

CHRISTIAN ALEXANDER RODRIGUEZ
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known _____ OR Produced Identification ☒

Type of Identification Produced _____

My Commission Expires: 5-4-2024



CHRISTIAN ALEXANDER RODRIGUEZ
Commission # HH 213658
Expires May 4, 2026

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

MAISON INSURANCE COMPANY

By: _____

[Corporate Seal]

Print Name: _____

Title: _____

Date: _____

STATE OF _____

COUNTY OF _____

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

☐ online notarization, this 30TH day of JUNE 2022, by JAMES GORDON JENNINGS III
as SECRETARY for MAISON INSURANCE COMPANY
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

(Signature of the Notary)

CHRISTIAN ALEXANDER RODRIGUEZ

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known _____ OR Produced Identification ☒

Type of Identification Produced _____

My Commission Expires _____



CHRISTIAN ALEXANDER RODRIGUEZ
Commission # HH 213858
Expires May 4, 2026

COPIES FURNISHED TO:

WES STRICKLAND, ATTORNEY

Colodny Fass
119 East Park
Tallahassee, Florida 32301
Telephone: (850) 577-0398
Email: wstrickland@colodnyfass.com

STEVE HALE, CHAIRMAN

Hale Partnership Capital Management, LLC
3675 Marine Drive
Greenville, North Carolina 27834
Email: steve@halepartnership.com

MICHAEL BRAUN, PRESIDENT

Monarch National Insurance Company
FedNat Insurance Company
FedNat Holding Company
14050 NW 14th Street, Suite 180
Sunrise, Florida 33323
Telephone: (954) 308-1322
Email: mbraun@fednat.com

DOUGLAS RAUCY, PRESIDENT

Maison Insurance Company
9100 Blue Bonnet Centre Boulevard,
Suite 101
Baton Rouge, Louisiana 70809
Telephone: (225) 361-8700
Email: draucy@maisonins.com

VIRGINIA A. CHRISTY, DIRECTOR

Property & Casualty Financial Oversight
Florida Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399

ALISON STERETT, FINANCIAL
ADMINISTRATOR

Property & Casualty Financial Oversight
Florida Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399

JENNIFER A. MILAM

ASSISTANT GENERAL COUNSEL
Florida Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399
Telephone: (850) 413-4123
Email: Jennifer.milam@florir.com



FILED

MAY 23 2022

INSURANCE REGULATION
Docketed by: ALB

OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 295638-22-CO

FEDNAT INSURANCE COMPANY,
MAISON INSURANCE COMPANY, and
MONARCH NATIONAL INSURANCE COMPANY's
strategic plan and the consequent

Application for the Direct Acquisition of
MONARCH NATIONAL INSURANCE COMPANY by
Certain Investors Controlled by
HALE PARTNERSHIP CAPITAL MANAGEMENT, LLC
and FEDNAT HOLDING COMPANY

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing of a Strategic Plan ("Plan") filed with the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") as required by Consent Order 294507-22-CO by FEDNAT INSURANCE COMPANY ("FEDNAT"), MONARCH NATIONAL INSURANCE COMPANY ("MONARCH") and MAISON INSURANCE COMPANY ("MAISON"). The Plan included the early cancellation of approximately 56,000 FEDNAT Florida policies, 8,400 MONARCH Florida policies, and 3,300 MAISON Florida policies, with this portion of the Plan approved by Consent Order 295625-22-CO on May 13, 2022. The remainder of the Plan includes the capitalization and application for the approval of the direct acquisition of 10% or more of the issued and outstanding voting securities

of MONARCH by certain investors controlled by HALE PARTNERSHIP CAPITAL MANAGEMENT, LLC (such investors, collectively "HALE"), and FEDNAT HOLDING COMPANY ("FEDNAT HOLDING") (HALE and FEDNAT HOLDING, collectively "APPLICANTS"), filed with the OFFICE pursuant to Section 628.461, Florida Statutes ("Application"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

INTRODUCTION

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. FEDNAT and MONARCH are domestic property and casualty insurers authorized to transact insurance business in the state of Florida pursuant to Certificates of Authority issued by the OFFICE in accordance with Chapter 624, Part III, Florida Statutes. MAISON is a foreign property and casualty insurer authorized to transact insurance business in the state of Florida pursuant to a Certificate of Authority issued by the OFFICE in accordance with Chapter 624, Part III, Florida Statutes.
3. On April 21, 2022, FEDNAT, MONARCH, and MAISON (collectively "the Companies") entered into Consent Order 294507-22-CO, (referred to as "Remedial Consent Order" and attached hereto and incorporated herein by reference) which required the Companies to provide a strategic plan that would address, among other things, access to additional capital, the financial strength ratings of the Companies, the 2022-2023 reinsurance program for the Companies, and improvement of the operational results of the Companies.

THE PLAN

4. On April 29, 2022, the Companies filed a Plan that among other things required the early cancellation of a total of approximately 67,000 of the Florida policies of the Companies, the infusion of capital through the direct acquisition of 10% or more of the issued and outstanding voting securities of MONARCH, the assumption of FEDNAT's remaining Florida policies by MONARCH, the assumptions of most of FEDNAT's non-Florida policies by an authorized insurer in each respective state, subject to all regulatory approvals, and the cancellation of all remaining MAISON non-Florida policies. In addition, FEDNAT and MAISON are considering a potential future merger of MAISON with and into FEDNAT, with FEDNAT as the surviving insurer, subject to certain conditions, including obtaining applicable regulatory approvals.

5. On May 13, 2022, the OFFICE through, Consent Order 295625-22-CO, (referred to as "Policy Cancellation Order" and attached hereto and incorporated herein by reference), approved the early cancellation of approximately 56,000 FEDNAT Florida policies, 8,400 MONARCH Florida policies, and 3,300 MAISON Florida policies, as contemplated in the Plan.

6. The OFFICE reviewed among other things, proforma financial statements provided for FEDNAT and MONARCH, MONARCH's plan for catastrophe reinsurance coverage, MAISON's runoff plan and documentation demonstrating the ability of FEDNAT to runoff of its remaining liabilities. On May 9, 2022 the OFFICE received an acquisition filing for the acquisition of 10% or more of the stock of MONARCH. In addition, the Companies provided documentation regarding the assumption and cancellation of all remaining non-Florida policies that will require additional state specific regulatory approvals.

7. After review of the information filed in support of the Plan, and considering all of the attendant facts and circumstances, the OFFICE approves the Plan as filed. The Companies

must adhere to the representations made in the Plan. The Companies agree to provide all executed copies of agreements associated with the Plan within 15 days of the closing of the transaction contemplated in the Plan and to provide proof of any regulatory approvals needed to effectuate the Plan in other states by June 1, 2022. In addition, the OFFICE hereby approves MONARCH's rates, rules and forms as necessary for the purpose of facilitating MONARCH's planned assumption and subsequent renewal of FEDNAT'S remaining Florida policies. The OFFICE further approves MONARCH's request to add Fire and Allied Lines to its Certificate of Authority. MONARCH shall file with the OFFICE updated forms, rates and rules prior to June 1, 2022.

8. Any prior orders, consent orders, or corrective action plans that the Companies have entered into with the OFFICE prior to the execution of this Consent Order shall apply and remain in full force and effect for the Companies, except where provisions of such orders, consent orders, or corrective action plans have expired; have been superseded by subsequent orders, consent orders, or corrective action plans; or are inconsistent with this Consent Order.

ACQUISITION APPLICATION

9. APPLICANTS have applied for and, subject to present and continuing satisfaction of the requirements, terms, and conditions established herein, have satisfactorily met all of the conditions precedent to the granting of approval by the OFFICE of the proposed direct acquisition of MONARCH, pursuant to the requirements of the Florida Insurance Code.

10. MONARCH is 100% owned by FEDNAT, which is 100% owned by FEDNAT HOLDING, a Florida corporation whose common stock is publicly traded and which the Application represents has no 10% or greater shareholders that exercise control over FEDNAT HOLDING.

11. HALE consists of several entities whose ownership structure is as detailed in the Application.

12. The Application represents that on or about May 13, 2022, APPLICANTS, MONARCH, and FEDNAT executed an agreement regarding certain cash considerations provided by APPLICANTS to MONARCH. A separate executed agreement effectuates a cancellation of MONARCH's current stock owned by FEDNAT in exchange for a Surplus Note. As a result of these two agreements, after closing MONARCH's outstanding voting securities as reissued will be directly owned 60% by HALE and 40% by FEDNAT HOLDING COMPANY, as described in the Application ("Transaction").

13. If the OFFICE determines that any individual for whom APPLICANTS are required to submit background information as part of this Application is unacceptable under the Florida Insurance Code, APPLICANTS, MONARCH, and FEDNAT shall remove or cause the removal of said person within 30 days of notice from the OFFICE and replace them with a person or persons acceptable to the OFFICE or shall undertake such other corrective action as directed by the OFFICE. Failure to act would constitute an immediate serious danger to the public and the OFFICE may take administrative action as it deems appropriate upon the Certificate of Authority of MONARCH without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

14. APPLICANTS and FEDNAT represent that there are no present plans or proposals to make any substantive changes to MONARCH, including liquidating it, selling any of its assets (except for transactions such as investment portfolio transactions in the ordinary course of business), merging or consolidating it with any person or persons, or making any other major change in its business operations, management, or corporate structure, other than as detailed in the Application.

15. APPLICANTS, MONARCH, and FEDNAT represent that there are no agreements, written or oral, related to the Application and Transaction that have not been provided to the OFFICE.

16. MONARCH shall, no later than 15 days after the month in which the Transaction is completed, file an update to its Holding Company Registration Statement, as required by Section 628.801, Florida Statutes, and Rule 69O-143.046, Florida Administrative Code.

17. MONARCH shall submit to the OFFICE, within 15 days of completion of the Transaction, any newly assigned National Association of Insurance Commissioners company group code.

18. MONARCH shall submit to the OFFICE, within 15 days of the completion of the Transaction, an executed copy of its revised Bylaws certified by its corporate secretary.

19. Any material changes to the information submitted in the Application filing shall be reported to the OFFICE for its review prior to the closing date. APPLICANTS, MONARCH, and FEDNAT acknowledge that if the OFFICE determines that any of these reported changes would have a material negative impact to the financial condition or operation of MONARCH, the OFFICE may rescind its approval as granted in this Consent Order by written notice to APPLICANTS, MONARCH, or FEDNAT.

20. The closing of this Transaction must occur by no later than June 1, 2022. As a condition of the closing of the Transaction, MONARCH must provide proof of adequate reinsurance coverage for the 2022-2023 Hurricane Season and demonstrate compliance with all other conditions precedent to closing of the Transaction contained in the agreements filed with the OFFICE.

21. Within 10 business days after the Transaction is completed, APPLICANT shall submit, or cause to be submitted, to the OFFICE all documents evidencing completion of the

Transaction not already provided to the OFFICE. Further, APPLICANTS, MONARCH, or FEDNAT shall notify the OFFICE immediately upon a final determination that the Transaction will not occur.

22. All parties to this Consent Order acknowledge that completion of the Transaction is subject to obtaining any other requisite regulatory or governmental approvals and that this Consent Order may be deemed null and void if the Transaction is not completed by June 1, 2022.

23. Any prior orders, consent orders, or corrective action plans that MONARCH has entered into with the OFFICE prior to the issuance of this Consent Order shall apply and remain in full force and effect for MONARCH, except where provisions of such orders, consent orders, or corrective action plans have expired; have been superseded by subsequent orders, consent orders, or corrective action plans; or are inconsistent with this Consent Order.

24. APPLICANTS, MONARCH, and FEDNAT affirm that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with this Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions, agreements, ownership structures, understandings, and control with regard to the acquisition and future operations of MONARCH. APPLICANTS, MONARCH, and FEDNAT further agree and affirm that said information, explanations, representations, statements, and documents, including all attachments and supplements thereto are material to the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into this Consent Order.

25. 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.

26. APPLICANTS, MONARCH, and FEDNAT affirm that all requirements set forth herein are material to the issuance of this Consent Order.

27. APPLICANTS, MONARCH, and FEDNAT expressly waive 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 they may be entitled by law or rules of the OFFICE. APPLICANTS, MONARCH, and FEDNAT hereby knowingly and voluntarily waive all rights to challenge or to contest this Consent Order in any forum available to them, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

28. Each party to this action shall bear its own costs and fees.

29. APPLICANTS, MONARCH, and FEDNAT agree 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 MONARCH's Certificate of Authority in this state, in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

30. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the notarized signatures of the authorized representatives of APPLICANTS, MONARCH, and FEDNAT.

WHEREFORE, subject to the terms and conditions set forth above, the Strategic Plan filed by FEDNAT INSURANCE COMPANY, MAISON INSURANCE COMPANY, and MONARCH NATIONAL INSURANCE COMPANY, and the Application for the direct acquisition of MONARCH NATIONAL INSURANCE COMPANY by certain investors controlled by HALE PARTNERSHIP CAPITAL MANAGEMENT, LLC, and FEDNAT HOLDING COMPANY pursuant to Section 628.461, Florida Statutes, is APPROVED.

All terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 23 day of May, 2022.



David Altmaier
David Altmaier, Commissioner
Office of Insurance Regulation

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

MAISON INSURANCE COMPANY

By: [Signature]

Print Name: J.G. JENNINGS

Title: SECRETARY

Date: 5/20/2022

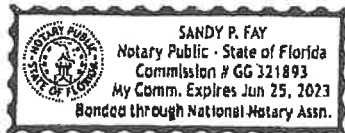
STATE OF Florida

COUNTY OF Broward

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

or ☐ online notarization, this 20th day of May 2022, by J.G. Jennings
(name of person)

as Secretary for Maison Insurance Company
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



[Signature]
(Signature of the Notary)

Sandy P. Fay
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification ☐

Type of Identification Produced

My Commission Expires: 6-25-2023

By execution hereof, HALE PARTNERSHIP CAPITAL MANAGEMENT, LLC, consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind HALE PARTNERSHIP CAPITAL MANAGEMENT, LLC, to the terms and conditions of this Consent Order.

HALE PARTNERSHIP CAPITAL MANAGEMENT, LLC

By: [Signature]

Print Name: STEVEN A. HALE II

Title: CHIEF PARTNERSHIP OFFICER

Date: 5-28-2021

STATE OF NC

COUNTY OF MECKLENBURG

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

or ☐ online notarization, this 20 day of MAY, 2022, by Steve Hale
(name of person)

as CEO for Hale Partnership
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

[Signature]
(Signature of the Notary)

Amber Digore
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known _____ OR Produced Identification ☒

Type of Identification Produced License

My Commission Expires: 8/22/26



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

FEDNAT INSURANCE COMPANY

By: _____

Print Name: _____

Title: _____

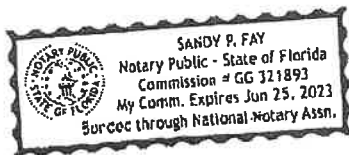
Date: _____

STATE OF Florida
COUNTY OF Pinellas

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

or ☐ online notarization, this 20th day of May, 2022, by Michael Braun
(name of person)

as President for Fednat Insurance Company
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



Sandy P. Fay
(Signature of the Notary)
Sandy P. Fay
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: 6-25-2023

FEDNAT HOLDING COMPANY

By:

Print Name: _____

Title:

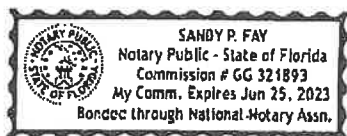
Date:

STATE OF Florida

COUNTY OF Franklin

or ☐ online notarization, this 25th day of May 2022, by Michael Fran
(name of person)

as CFO for Felrat Holdings Corp.
 (type of authority; e.g., officer, trustee, attorney in fact) (company name)



(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification ☐

Type of Identification Produced

My Commission Expires: 6-21-2022

COPIES FURNISHED TO:

WES STRICKLAND, ATTORNEY
Colodny Fass
119 East Park
Tallahassee, Florida 32301
Telephone: (850)577-0398
Email: wstrickland@colodnyfass.com

VIRGINIA A. CHRISTY, DIRECTOR
Property & Casualty Financial Oversight
Florida Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399

STEVE HALE, CHAIRMAN
Hale Partnership Capital Management, LLC
3675 Marine Drive
Greenville, North Carolina 27834
Email: steve@halepartnership.com

MICHAEL BRAUN, PRESIDENT
Monarch National Insurance Company
FedNat Insurance Company
FedNat Holding Company
14050 NW 14th Street, Suite 180
Sunrise, Florida 33323
Telephone: (954) 308-1322
Email: mbraun@fednat.com

DOUG RAUCY, PRESIDENT
Maison Insurance Company
9100 Bluebonnet Centre Boulevard, Suite 101
Baton Rouge, Louisiana, 70809
Email: draucy@fednat.com

ALISON STERETT, FINANCIAL ADMINISTRATOR
Property & Casualty Financial Oversight
Florida Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399

SHANNON MICHELLE HARP-ALEXANDER, ESQ,
ASSISTANT GENERAL COUNSEL
Florida Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399
Telephone: (850) 413-4123
Email: michelle.harp-alexander@florir.com