



FILED

MAY 24 2023

INSURANCE REGULATION
Docketed by: RL

OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 309840-23-CO

Application for the Issuance of a
Certificate of Authority to
GEOVERA INSURANCE COMPANY

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing of an application with the FLORIDA OFFICE OF INSURANCE REGULATION (“OFFICE”) for the issuance of a Certificate of Authority to GEOVERA INSURANCE COMPANY (“APPLICANT”) as an authorized foreign insurer, pursuant to Sections 624.401, 624.404, and 624.413, Florida Statutes, to write the (0010) Fire, (0020) Allied, (0050) Commercial Multi-Peril, (0170) Other Liability, and (0270) Boiler and Machinery lines of insurance in this state (“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:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. APPLICANT has applied for and, subject to the present and continuing satisfaction of the requirements, terms, and conditions established herein, has satisfactorily met all of the conditions precedent to the granting to it of a Certificate of Authority to operate as a foreign insurer in Florida, pursuant to the requirements set forth for such licensure in the Florida Insurance Code.
3. APPLICANT is a foreign property and casualty insurer domiciled in the state of California. APPLICANT is owned 100% by GEOVERA HOLDINGS, INC. (“GEOVERA

HOLDINGS”), a Delaware corporation, which is 100% owned by GeoVera (Bermuda) Holdings, Ltd., a Bermuda exempted company, which is 100% owned by GeoVera UK Holdings, Ltd., a United Kingdom company, which is 100% owned by GeoVera Insurance Holdings, Ltd., a Bermuda exempted company, which is 100% owned by GeoVera Investment Group, Ltd., whose interest is 75.7% owned by Flexpoint Fund II (Cayman) L.P., a private equity investment limited partnership, with no other 10% or greater interest holders. The General Partner of Flexpoint Fund II (Cayman) L.P., is Flexpoint Ultimate Management II (Cayman), Ltd.

4. APPLICANT has represented that it is party to a 50% Quota Share Reinsurance Agreement with affiliate GeoVera Reinsurance, Ltd., and an Intercompany Reinsurance Pooling Agreement (collectively “Agreements”) with affiliates Coastal Select Insurance Company (“Coastal Select”) and GeoVera Specialty Insurance Company (“GeoVera Specialty”), whereby APPLICANT is the pool leader and, as such, the pool members cede their premiums, losses, and expenses to APPLICANT. Ultimately, such premiums, losses, and expenses are retroceded to Coastal Select and GeoVera Specialty, 46.5% and 17%, respectively.

5. The OFFICE finds the Agreements do not comply with Sections 624.404(4)(a) and (b), Florida Statutes, in that more than 75% of APPLICANT’s business to be written in this state is to be ceded to one or more unauthorized insurers, as defined in Section 624.09, Florida Statutes. APPLICANT has requested that the OFFICE temporarily approve such a transfer of risk in excess of the limits imposed by Sections 624.404(4)(a) and (b), Florida Statutes.

6. Pursuant to Section 624.404(4)(c), Florida Statutes, the OFFICE is granted the authority to approve such a transfer of risk if it determines that the transfer of risk would be in the best interests of the financial condition of the insurer as well as in the best interests of the policyholders. APPLICANT has represented in its Application that Coastal Select will submit an

Application for Accredited Reinsurer Status to the OFFICE by July 31, 2023. The OFFICE has relied upon APPLICANT's representation and, in consideration of the facts and other relevant information, hereby approves the transfer of risk in excess of 75%, as described in paragraph 4 above, for a period of 6 months from the date of execution of this Consent Order.

7. APPLICANT and GEOVERA HOLDINGS agree that any such risk transfer not in compliance with Sections 624.404(4)(a) and (b), Florida Statutes, beyond said time period shall constitute a willful violation of the Florida Insurance Code and this Consent Order on the part of APPLICANT, and the OFFICE may take administrative action as it deems appropriate upon the Certificate of Authority of APPLICANT without further proceedings pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

8. APPLICANT and GEOVERA HOLDINGS acknowledge that, following the time limit placed upon the conditional approval of the transfer of risk in paragraph 6 above, APPLICANT shall meet the requirements of Section 624.404(4), Florida Statutes, and shall thereafter maintain compliance with said statute. Further, any reinsurer to whom APPLICANT will cede risk of loss on insurance written by APPLICANT in this state as described in Section 624.404(4), Florida Statutes, shall meet the requirements of Section 624.610, Florida Statutes.

9. 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.

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

11. APPLICANT and GEOVERA HOLDINGS expressly waive their rights to a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and

all further and other proceedings to which APPLICANT or GEOVERA HOLDINGS may be entitled, either by law or by rules of the OFFICE. APPLICANT and GEOVERA HOLDINGS hereby knowingly and voluntarily waive all rights to challenge or to contest this Consent Order, in any forum now or in the future available to them, including the right to any administrative proceeding, state or federal court action, or any appeal.

12. 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 APPLICANT and GEOVERA HOLDINGS.

WHEREFORE, pursuant to the requirements, terms, and conditions set forth above, GEOVERA INSURANCE COMPANY's Application for a Certificate of Authority as an authorized foreign insurer is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 24th day of may, 2023.




Michael Yaworsky, Commissioner
Office of Insurance Regulation

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

GEOVERA INSURANCE COMPANY
By: [Signature]
Print Name: Robert B Hagedorn
Title: VP General Counsel + Secretary
Date: 05/23/2023

STATE OF California
COUNTY OF Solano

The foregoing instrument was acknowledged before me by means of physical presence
or online notarization, this 23rd day of May 2023, by Robert Byrd Hagedorn
(name of person)
as officer for GEOVERA Insurance Company.
(type of authority: e.g., officer, trustee, attorney-in-fact) (company name)



[Signature]
(Signature of the Notary)
ERNESTO CANCIO PERALTA
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known _____ OR Produced Identification
Type of Identification Produced CA Driver's License - DMV
My Commission Expires: 01/05/2026

By execution hereof, GEOVERA HOLDINGS, INC., 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 GEOVERA HOLDINGS, INC., to the terms and conditions of this Consent Order.

GEOVERA HOLDINGS, INC.

By: [Signature]

Print Name: Robert B Hagedorn

Title: VP General Counsel + Secretary

Date: 05/23/2023

STATE OF California

COUNTY OF Solano

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

or online notarization, this 23rd day of May 2023, by Robert Byrd Hagedorn
(name of person)

as officer for GEOVERA Holdings, Inc.
(type of authority: e.g., officer, trustee, attorney-in-fact) (company name)



[Signature]
(Signature of the Notary)

ERNESTO CANCIO PERALTA
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known _____ OR Produced Identification ✓

Type of Identification Produced CA Drivers License - DMV

My Commission Expires: 01/05/2026

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