

FILED

JUL 14 2020

INSURANCE REGULATION
Docketed by: *[Signature]*



OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 264533-20-CO

Application for the Issuance of a Certificate of Authority to
MILFORD CASUALTY 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 MILFORD CASUALTY 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 Lines, (0050) Commercial Multi-Peril, (0090) Inland Marine, (0160) Workers' Compensation, (0170) Other Liability, (0194) Commercial Auto, (0212) Commercial Auto Physical Damage, (0230) Fidelity, (0240) Surety, (0260) Burglary and Theft, 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 stock property and casualty insurer that is domiciled in the state of Delaware. The Application represents that APPLICANT is owned 100% by SECURITY NATIONAL INSURANCE COMPANY ("SECURITY NATIONAL"), a Delaware-domiciled insurer, which is owned 100% by AmTrust Financial Services, Inc., a Delaware corporation, which is owned 100% by Evergreen Parent, LP, a Delaware limited partnership, which is owned 100% by EVERGREEN PARENT GP, LLC ("EVERGREEN PARENT"), a Delaware limited liability company. EVERGREEN PARENT's membership interest is owned 13.95% by Leah Karfunkel, 19.40% by Barry Zyskind, 22.19% by George Karfunkel, and 18.04% by Trident Pine Acquisition, LP, with no other 10% or greater shareholder. Trident Pine Acquisition, LP, is managed by its general partner, Trident Pine GP, LLC, a Delaware limited liability company, whose members are four limited partners, collectively known as "Trident VII Funds," which are managed by Stone Point Capital LLC.

4. APPLICANT, SECURITY NATIONAL, and EVERGREEN PARENT have made material representations that, except as disclosed in the Application, none of the officers, directors, or 10% or greater membership interest holders of APPLICANT, SECURITY NATIONAL, or EVERGREEN PARENT have been found guilty of, or have pleaded guilty or nolo contendere to, a felony or a misdemeanor, other than a civil traffic offense.

5. APPLICANT, SECURITY NATIONAL, and EVERGREEN PARENT have further represented that they have provided complete background information on each of the individuals referenced in paragraph 4 above. If said information has not been provided to the OFFICE, or if the sources utilized by the OFFICE in its investigation process reveal that the representations made in paragraph 4 above are inaccurate, said entity shall, within 30 days of receipt of notification from the OFFICE, undertake such remedial actions with regard to the individual at issue as directed by

the OFFICE. Such actions may include removing the individual as officer or director of said entity and replacing them with a person or persons acceptable to the OFFICE, as well the entity requiring that the individual 10% or greater membership interest holder divest their membership interest to below 10%.

6. If, upon receipt of such notification from the OFFICE, pursuant to paragraph 5 above, APPLICANT, SECURITY NATIONAL, or EVERGREEN PARENT does not timely take the required corrective action, APPLICANT, SECURITY NATIONAL, and EVERGREEN PARENT agree that such failure to act would constitute an immediate serious danger to the public and the OFFICE may immediately suspend, revoke, or take other 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.

7. The OFFICE has relied upon the representations in the Plan of Operation and supporting documents that APPLICANT has submitted with its Application. Written approval must be secured from the OFFICE prior to any material deviation from said Plan of Operation.

8. APPLICANT shall file with the OFFICE, via the National Association of Insurance Commissioners' electronic filing system, full and true statements of its financial condition, transactions, and affairs as required by Section 624.424, Florida Statutes, in a complete and timely manner. Further, notwithstanding the provisions of Section 625.340, Florida Statutes, APPLICANT shall be subject to the requirements of Parts I and II of Chapter 625, Florida Statutes. Non-qualifying assets or investments in excess of limitations shall be non-admitted by the OFFICE, and the surplus as to policyholders adjusted accordingly.

9. APPLICANT shall at all times remain in compliance with Sections 624.404(4) and 624.610, Florida Statutes.

10. APPLICANT shall submit to the OFFICE, no less than annually, all required filings, pursuant to Section 627.0645, Florida Statutes, and Rule 69O-170.007, Florida Administrative Code, unless so exempted, pursuant to Section 627.0645, Florida Statutes.

11. Within 6 months of execution of this Consent Order, APPLICANT shall file and thereafter maintain an anti-fraud plan that complies with Section 626.9891, Florida Statutes, and Chapter 69D-2, Florida Administrative Code.

12. Any managing general agent, as defined by Section 626.015(16)(a)-(b), Florida Statutes, utilized by APPLICANT in Florida shall be properly appointed as a managing general agent in Florida.

13. Any managing general agent or related contracts entered into by APPLICANT following the issuance of a Certificate of Authority shall meet the requirements of Sections 626.015(16) and 626.7451, Florida Statutes.

14. APPLICANT shall maintain sufficient and adequate internal controls and supervision of any external contractor providing services in connection with the insurance transactions of APPLICANT and shall further assume responsibility for the actions of said contractor as they relate to any performance under the service agreements.

15. APPLICANT shall, within 30 days of execution of this Consent Order, make and thereafter maintain a deposit with the Bureau of Collateral Management in the amount of at least \$200,000 U.S. Dollars, pursuant to Section 624.411, Florida Statutes.

16. APPLICANT shall take necessary steps to effectuate membership in the associations or funds as required by the statutes enumerated in this paragraph, and to comply with the conditions contained in such entities' Plans of Operation. Further, APPLICANT agrees to pay any and all assessments levied by such entities and applicable laws. APPLICANT acknowledges

full responsibility for determining the associations' or funds' requirements to join, pursuant to Sections 215.555, 627.311(4), 627.351(1), 627.351(4), 627.351(6), 627.3515, 631.55, 631.715, and 631.911, Florida Statutes. APPLICANT further acknowledges its statutory obligations pursuant to the aforementioned statutes and will continually monitor the various associations or funds that it is required to join, as determined by the lines of business on the Certificate of Authority of the APPLICANT. Further, APPLICANT shall, based upon the lines of business on its Certificate of Authority, continually monitor and comply with statutory requirements regarding its membership in the associations and funds that are identified herein or that may be established in the future.

17. APPLICANT shall file with the OFFICE all premium growth reports as required by Section 624.4243, Florida Statutes, in a complete and timely manner.

18. APPLICANT acknowledges that it will file with the OFFICE, for informational purposes, any policyholder dividend plan it intends to offer. APPLICANT shall ensure that any such policyholder dividend plan is in compliance with Rule 690-189.010, Florida Administrative Code, and further complies with Section 626.9541, Florida Statutes.

19. APPLICANT shall not transact business in any line of insurance in Florida until APPLICANT's forms and rates for those lines of business have been approved in writing by the OFFICE, unless so exempted pursuant to Sections 627.062 or 627.410, Florida Statutes.

20. APPLICANT, SECURITY NATIONAL, and EVERGREEN PARENT 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 current and future operations of APPLICANT. APPLICANT,

SECURITY NATIONAL, and EVERGREEN PARENT 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.

21. APPLICANT shall report to the OFFICE, Property & Casualty Financial Oversight, any time that APPLICANT is named as a party defendant in a class action lawsuit within 15 days after the class is certified. APPLICANT shall include a copy of the complaint at the time it reports the class action lawsuit to the OFFICE.

22. APPLICANT shall maintain an information security program for the security and protection of confidential and proprietary information under its control that complies with all applicable laws and regulations regarding information security. APPLICANT agrees that it shall continually monitor and enhance its information security program in order to mitigate data security breaches. APPLICANT further agrees that it shall notify the OFFICE within 5 business days of identifying a data breach.

23. Executive Order 13224 prohibits any transactions by U.S. persons involving the blocked assets and interests of terrorists and terrorist support organizations. APPLICANT shall maintain and adhere to procedures necessary to detect and prevent prohibited transactions with those individuals and entities, which have been identified at the Treasury Department's Office of Foreign Assets Control website, <http://www.treas.gov/ofac>.

24. Within 60 days from the date of the execution of this Consent Order, APPLICANT shall submit, or cause to be submitted, to the OFFICE a certification evidencing compliance with all of the requirements of this Consent Order. Any exceptions shall be so noted and contained in the certification. Exceptions noted in the certification shall also include a timeline defining when

the outstanding requirements of the Consent Order will be complete. Said certification shall be submitted to the OFFICE via electronic mail and directed to the attention of the Assistant General Counsel representing the OFFICE in this matter and as named in 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 written approval by the OFFICE is subject to statutory or administrative regulation limitations.

26. APPLICANT, SECURITY NATIONAL, and EVERGREEN PARENT 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. APPLICANT, SECURITY NATIONAL, and EVERGREEN PARENT hereby knowingly and voluntarily waive 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.

27. APPLICANT, SECURITY NATIONAL, and EVERGREEN PARENT affirm that all requirements set forth herein are material to the issuance of this Consent Order.

28. APPLICANT, SECURITY NATIONAL, and EVERGREEN PARENT 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 APPLICANT's Certificate of Authority in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

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

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 signatures of the

authorized representatives of APPLICANT, SECURITY NATIONAL, and EVERGREEN PARENT, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, APPLICANT, SECURITY NATIONAL, and EVERGREEN PARENT agree that the signatures of their authorized representatives as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, the agreement between MILFORD CASUALTY INSURANCE COMPANY, SECURITY FIRST INSURANCE COMPANY, EVERGREEN PARENT GP, L.L.C. and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED, and the Application for the issuance of a Certificate of Authority to MILFORD CASUALTY INSURANCE COMPANY is APPROVED.

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

DONE and ORDERED this 14 day of July, 2020.



David Altmaier

David Altmaier, Commissioner
Office of Insurance Regulation

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

MILFORD CASUALTY INSURANCE COMPANY



By:

Print Name: Barry W. Moses _____

Title: Vice President, Senior Regulatory Counsel

Date: 06.25.20 _____

[Corporate Seal]

STATE OF Ohio

COUNTY OF Cuyahoga

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

or online notarization, this 25th day of June 2020, by Barry W. Moses
(name of person)

as VP, Senior Regulatory Counsel for Milford Casualty Insurance Company
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



Catherine L. Miller
Notary Public - State of Ohio
My commission has no expiration date.

Catherine L. Miller
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: No expiration

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

SECURITY NATIONAL INSURANCE COMPANY



By:

[Corporate Seal]

Print Name: Barry W. Moses _____

Title: Vice President, Senior Regulatory Counsel _____

Date: 06.25.20 _____

STATE OF Ohio

COUNTY OF Cuyahoga

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

or online notarization, this 25th day of June, 2020, by Barry W. Moses

as VP, Senior Regulatory Counsel for Security National Insurance Company
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



Catherine L. Miller
Notary Public - State of Ohio
My commission has no expiration date.

Catherine L. Miller
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: No expiration

By execution hereof, EVERGREEN PARENT GP, 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 EVERGREEN PARENT GP, LLC, to the terms and conditions of this Consent Order.

EVERGREEN PARENT GP, LLC

By: *Adam Karkowsky*

[Corporate Seal]

Print Name: Adam Karkowsky

Title: Chief Financial Officer

Date: 6/25/2020

STATE OF Ohio

COUNTY OF Cuyahoga

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

or online notarization, this 25th day of June 2020, by Adam Karkowsky

as Chief Financial Officer for Evergreen Parent GP, LLC.
(type of authority; e.g., officer, trustee, attorney in fact) (name of person) (company name)



Catherine L. Miller
Notary Public - State of Ohio
My commission has no expiration date.

Catherine L. Miller
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: No expiration

COPIES FURNISHED TO:

CHRISTOPHER FOY, PRESIDENT
Milford Casualty Insurance Company
Security National Insurance Company
59 Maiden Lane, 43rd Floor
New York, New York 10038
Telephone: (860) 571-3132
Email: chris.foy@amtrustgroup.com

BARRY ZYSKIND, CHIEF
EXECUTIVE OFFICER
Evergreen Parent GP, LLC
AmTrust Financial Services, Inc.
59 Maiden Lane, 43rd Floor
New York, New York 10038
Telephone: (646) 458-7948
Email: bzyskind@amtrustgroup.com

BARRY MOSES, ESQUIRE
AmTrust Financial Services, Inc.
800 Superior Avenue, 21st Floor
Cleveland, OH 44114
Telephone: (216) 328 -6216
Email: barry.moses@amtrustgroup.com

DONOVAN BROWN, ESQUIRE
Suskey Consulting
113 East College Avenue, Suite 300
Tallahassee, FL 32301
Telephone: (850) 815-6010
Email: donovan@suskeyconsulting.com

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

JEANNINE CARROLL, FINANCIAL
EXAMINER/ANALYST SUPERVISOR
Florida Office of Insurance Regulation
Property & Casualty Financial Oversight –
Company Admissions
200 East Gaines Street
Tallahassee, Florida 32399

SHILOH ELLIOT, FINANCIAL
SPECIALIST
Florida Office of Insurance Regulation
Property & Casualty Financial Oversight –
Company Admissions
200 East Gaines Street
Tallahassee, Florida 32399

JAMILYNN PETTIWAY, ASSISTANT
GENERAL COUNSEL
Florida Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399
Telephone: (850) 413-4144
Facsimile: (850) 922-2543
Email: jamilynn.pettaway@flor.com