

JUN 01 2020

INSURANCE REGULATION
Docketed by: *JK* 

OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 264479-20 CO

Application for the Direct Acquisition and Subsequent Merger
of PREPARED INSURANCE COMPANY with and into
LIGHTHOUSE PROPERTY INSURANCE CORPORATION

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing of an application by LIGHTHOUSE PROPERTY INSURANCE CORPORATION ("APPLICANT") with the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") for the approval of the direct acquisition of 100% of the issued and outstanding voting securities of PREPARED INSURANCE COMPANY ("PREPARED"), pursuant to Section 628.461, Florida Statutes, and for the approval of the subsequent merger of PREPARED with and into APPLICANT, pursuant to Section 628.451, 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:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. APPLICANT has applied for and, subject to present and continuing satisfaction of the requirements, terms, and conditions established herein, has satisfactorily met all conditions precedent to the granting of approval by the OFFICE of the proposed direct acquisition of 100% of the issued and outstanding voting securities of PREPARED and the proposed subsequent merger

of PREPARED with and into APPLICANT, pursuant to the requirements of the Florida Insurance Code.

3. PREPARED is a domestic property and casualty insurer that is authorized to transact property and casualty insurance in Florida through a subsisting Certificate of Authority issued by the OFFICE.

4. PREPARED is owned 100% by PREPARED HOLDINGS, LLC (“PREPARED HOLDINGS”), a Delaware limited liability company whose membership interests are owned 70.3% by Prepared Investors Group, LLC, a Delaware limited liability company, and 24.7% by Broadcast Insurance Holdings, LP, a Florida limited partnership, with no other 10% or greater membership interest holders. Prepared Investors Group, LLC, is 100% owned by PLW Investments, LLC, a Delaware limited liability company whose membership interest is 100% owned by PATRICK L. WHITE.

5. APPLICANT is 100% owned by Lighthouse Holdings Group, LLC (“Lighthouse Holdings”), a Delaware limited liability company whose membership interest is owned 100% by Dimino Holdings Group, LLC, a Delaware limited liability company whose membership interest is owned 100% by TWIMG, LLC, a Delaware limited liability company whose membership interest is owned 97% by LIGHTHOUSE FAMILY TRUST and 3% by PATRICK L. WHITE. The Application represents that Lighthouse Holdings Group, LLC, Dimino Holdings Group, LLC, and TWIMG, LLC have no officers or directors, and that LIGHTHOUSE FAMILY TRUST is a Delaware statutory trust whose sole trustee is PATRICK L. WHITE.

6. The Application represents that on or about April 28, 2020, APPLICANT and PREPARED HOLDINGS entered into an agreement whereby APPLICANT has agreed to purchase 100% of PREPARED’s issued and outstanding stock for consideration as described in

the Application. The Application further represents that PREPARED will be merged with and into APPLICANT pursuant to a separate agreement and that APPLICANT will be the sole surviving entity.

7. APPLICANT, LIGHTHOUSE FAMILY TRUST, and PATRICK L. WHITE have made material representations that, except as disclosed in the Application, none of the post-acquisition and merger officers, directors, or trustee have been found guilty of, or have pleaded guilty or nolo contendere to, a felony or a misdemeanor, other than a civic traffic offense.

8. APPLICANT, LIGHTHOUSE FAMILY TRUST, and PATRICK L. WHITE have further represented that they have submitted complete information on each of the individuals referenced in paragraph 7 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 7 above are inaccurate, any such individual shall be removed as officer, director, or trustee of said entity within 30 days of receipt of notification from the OFFICE and replaced with a person or persons acceptable to the OFFICE.

9. If, upon receipt of notification from the OFFICE, pursuant to paragraph 8 above, APPLICANT, LIGHTHOUSE FAMILY TRUST, or PATRICK L. WHITE does not timely take the required corrective action, APPLICANT, LIGHTHOUSE FAMILY TRUST, and PATRICK L. WHITE agree that such a failure 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.

10. All parties to the Consent Order agree that this Consent Order shall be deemed null and void if the transactions contemplated in the Application are not completed, or any other regulatory approvals are not obtained, within 60 days of execution of this Consent Order.

11. Within 10 business days after the transactions contemplated in the Application are completed, APPLICANT shall submit, or cause to be submitted, to the OFFICE any documents evidencing the completion of said transactions not already provided to the OFFICE. Further, APPLICANT, LIGHTHOUSE FAMILY TRUST, or PATRICK L. WHITE shall notify the OFFICE within 3 business days of determining that the transactions contemplated in the Application will not occur.

12. APPLICANT shall, no later than 30 days following the execution of this Consent Order, return the Certificate of Authority of PREPARED to the OFFICE.

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

14. APPLICANT, PREPARED, PREPARED HOLDINGS, LIGHTHOUSE FAMILY TRUST, and PATRICK L. WHITE 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 of PREPARED by APPLICANT, merger of PREPARED with and into APPLICANT, and the current and future operations of APPLICANT. APPLICANT, PREPARED, PREPARED HOLDINGS,

LIGHTHOUSE FAMILY TRUST, and PATRICK L. WHITE 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.

15. 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.

16. 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 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.

17. 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>.

18. 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.

19. 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.

20. APPLICANT, PREPARED, PREPARED HOLDINGS, LIGHTHOUSE FAMILY TRUST, and PATRICK L. WHITE 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, PREPARED, PREPARED HOLDINGS, LIGHTHOUSE FAMILY TRUST, and PATRICK L. WHITE 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.

21. APPLICANT, PREPARED, PREPARED HOLDINGS, LIGHTHOUSE FAMILY TRUST, and PATRICK L. WHITE affirm that all requirements set forth herein are material to the issuance of this Consent Order.

22. APPLICANT, PREPARED, PREPARED HOLDINGS, LIGHTHOUSE FAMILY TRUST, and PATRICK L. WHITE 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.

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

24. 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 signature of the authorized representatives of APPLICANT, PREPARED, PREPARED HOLDINGS, LIGHTHOUSE FAMILY TRUST, and PATRICK L. WHITE in his individual capacity, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, APPLICANT, PREPARED, PREPARED HOLDINGS, LIGHTHOUSE FAMILY TRUST, and PATRICK L. WHITE agree that their signature or the signatures of their authorized representatives as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, subject to the terms and conditions set forth above, the Application for the direct acquisition of 100% of the issued and outstanding voting securities of PREPARED INSURANCE COMPANY by LIGHTHOUSE PROPERTY INSURANCE CORPORATION, pursuant to Section 628.461, Florida Statutes, and the merger of PREPARED INSURANCE COMPANY with and into LIGHTHOUSE PROPERTY INSURANCE CORPORATION, pursuant to Section 628.451, Florida Statutes, is APPROVED.

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

DONE and ORDERED this 1st day of June, 2020.



David Altmaier

David Altmaier, Commissioner
Office of Insurance Regulation

By execution hereof, LIGHTHOUSE PROPERTY INSURANCE CORPORATION 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 LIGHTHOUSE PROPERTY INSURANCE CORPORATION to the terms and conditions of this Consent Order.

LIGHTHOUSE PROPERTY INSURANCE CORPORATION
By: [Signature]
Print Name: Patrick L. White
Title: CEO
Date: 6/1/2020

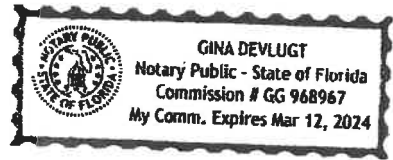
[Corporate Seal]

STATE OF Florida
COUNTY OF Orange

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 1st day of June 2020, by Patrick White (name of person) as authority for Lighthouse Property Ins. Company (type of authority, e.g., officer, trustee, attorney in fact) (company name)

[Signature]
(Signature of the Notary)
Gina DeVlugt
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____
Type of Identification Produced _____
My Commission Expires: March 12, 2024



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

PREPARED INSURANCE COMPANY

By: [Signature]

Print Name: Patrick L. White

Title: CEO

Date: 6/1/2020

[Corporate Seal]

STATE OF Florida

COUNTY OF Orange

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

or online notarization, this 1st day of June 2020, by Patrick White

(name of person)

as Authority for Prepared Insurance Company.

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

(company name)

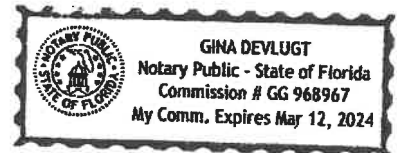
[Signature]
(Signature of the Notary)

Gina Devlugt
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification

Type of Identification Produced _____

My Commission Expires: March 12, 2024



By execution hereof, PREPARED HOLDINGS, 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 PREPARED HOLDINGS, LLC, to the terms and conditions of this Consent Order.

PREPARED HOLDINGS, LLC
By: [Signature]
Print Name: Patrick L White
Title: Manager, Managing Member
Date: 6/1/2020

STATE OF Florida
COUNTY OF Orange

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 1st day of June 2020, by Patrick White (name of person) as Authority (type of authority; e.g., officer, trustee, attorney in fact) for Prepared Holdings, LLC (company name).

[Signature]
(Signature of the Notary)
Gina Devlugt
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____
Type of Identification Produced _____
My Commission Expires: March 12, 2024



By execution hereof, LIGHTHOUSE FAMILY TRUST 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 LIGHTHOUSE FAMILY TRUST to the terms and conditions of this Consent Order.

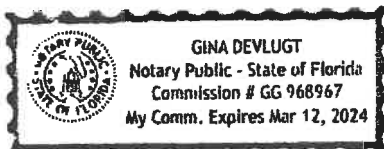
LIGHTHOUSE FAMILY TRUST
By: [Signature]
Print Name: PATRICK L. WHITE
Title: Trustee
Date: 6/1/2020

STATE OF Florida
COUNTY OF Orange

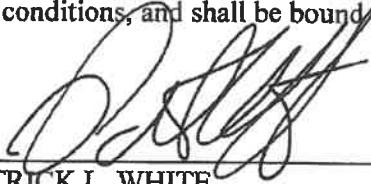
The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 1st day of June 2020, by Patrick White (name of person) as Trustee (type of authority; e.g., officer, trustee, attorney in fact) for Lighthouse Family Trust (company name).

[Signature]
(Signature of the Notary)
Gina DeVlugt
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____
Type of Identification Produced _____
My Commission Expires: March 12, 2024



By execution hereof, PATRICK L. WHITE 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.



PATRICK L. WHITE

Date: 6/1/2020

STATE OF Florida
COUNTY OF Orange

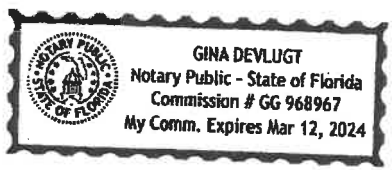
The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 1st day of June 2020, by Patrick White (name of person) as Authority (type of authority; e.g., officer, trustee, attorney in fact) for _____ (company name)



(Signature of the Notary)

Gina Devlugt
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____
Type of Identification Produced _____
My Commission Expires: Mar 12, 2024



COPIES FURNISHED TO:

PATRICK L. WHITE , PRESIDENT/REPRESENTATIVE
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Dimino Holdings Group, LLC
TWIMG, LLC
Lighthouse Family Trust
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Prepared Holdings, LLC
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