



FILED

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INSURANCE REGULATION
Docketed by: 095

OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 261474-20-CO

Application for the Merger of TOWER HILL SELECT
INSURANCE COMPANY and OMEGA INSURANCE
COMPANY with and into TOWER HILL SIGNATURE
INSURANCE COMPANY

CONSENT ORDER

THIS CAUSE came for consideration upon the filing of applications by TOWER HILL SIGNATURE INSURANCE COMPANY ("APPLICANT") with the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") for the approval of the merger of TOWER HILL SELECT INSURANCE COMPANY ("SELECT") and OMEGA INSURANCE COMPANY ("OMEGA") with and into APPLICANT, pursuant to Section 628.451, Florida Statutes, ("Applications"). 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 of 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 merger of SELECT and OMEGA with and into itself, pursuant to the requirements of the Florida Insurance Code.

3. APPLICANT is a Florida-domiciled stock property and casualty insurer that is authorized to transact insurance in Florida through a subsisting Certificate of Authority issued by the OFFICE pursuant to Chapter 624, Part III, Florida Statutes.

4. APPLICANT is owned 100% by TOWER HILL SIGNATURE INSURANCE HOLDINGS, INC. ("SIGNATURE HOLDINGS"), which is owned 75.1% by Tower Hill Insurance Holdings, LLC ("Tower Hill Holdings"), and 24.9% by RenaissanceRe Ventures Ltd ("RenaissanceRe"). Tower Hill Holdings is owned 98.6% by William J. Shively and Patricia A. Shively, with no other 10% or greater shareholders. RenaissanceRe is owned 100% by RenaissanceRe Other Investments Holdings II Ltd., which is owned 100% by RenaissanceRe Holdings Ltd., which has no 10% or greater shareholders.

5. SELECT and OMEGA are both Florida-domiciled stock property and casualty insurers that are authorized to transact property and casualty insurance in Florida through subsisting Certificates of Authority issued by the OFFICE. Both SELECT and OMEGA are 100% owned by APPLICANT.

6. The Applications represents that SELECT and OMEGA will be merged with and into APPLICANT pursuant to the Agreement and Plan of Merger ("Merger") and that APPLICANT will be the sole surviving entity. Following the Merger, as represented in the Applications, all issued and outstanding shares of SELECT and OMEGA will be cancelled and cease to exist; APPLICANT's issued and outstanding shares will be unaffected and unimpaired; and no change to APPLICANT's ownership structure will occur.

7. APPLICANT and SIGNATURE HOLDINGS have made material representations that, except as disclosed in the Applications, none of the post-acquisition officers, directors, or 10% or greater shareholders of APPLICANT or SIGNATURE HOLDINGS have been found

guilty of, or have pleaded guilty or nolo contendere to, a felony or a misdemeanor, other than a civic traffic violation.

8. APPLICANT and SIGNATURE HOLDINGS represent that they have submitted or will submit complete information on each of the individuals referenced in paragraph 7 above, including Biographical Affidavit, supplemental information, third-party verification report produced by an approved vendor, fingerprint cards, and supplemental requests by the OFFICE for clarification or additional information. If complete information has not been provided to the OFFICE within 90 days of execution of this Consent Order, 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 or director of said company and replaced with a person or persons acceptable to the OFFICE, and, if applicable, shall divest his or her ownership to less than 10% within 30 days of receipt of notification from the OFFICE.

9. If, upon receipt of such notification from the OFFICE, pursuant to paragraph 8 above, APPLICANT or SIGNATURE HOLDINGS does not take timely take the required corrective action, APPLICANT and SIGNATURE HOLDINGS 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.

10. APPLICANT and SIGNATURE HOLDINGS represent that, aside from the planned Merger, there are no present plans or proposals to make any material changes to the business operations of APPLICANT.

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

12. Within 10 business days after the Merger is completed, APPLICANT shall submit, or cause to be submitted, to the OFFICE any documents evidencing the completion of the Merger not already provided to the OFFICE. Further, APPLICANT, SELECT, or OMEGA shall notify the OFFICE within 3 business days of determining that the Merger contemplated in the Applications will not occur.

13. APPLICANT shall, no later than 15 days after the month in which the Merger contemplated in the Applications is completed, file an update to its Holding Company Registration Statement, as required by Section 628.801, Florida Statutes, and Rule 690-143.046, Florida Administrative Code.

14. APPLICANT shall, no later than 30 days following execution of this Consent Order, return the Certificates of Authority of SELECT and OMEGA to the OFFICE.

15. Pursuant to Sections 628.461(3)(f)-(g), Florida Statutes, APPLICANT or any other party meeting the definition of "ultimate controlling person" as defined in Section 628.801(2), Florida Statutes, shall file with the OFFICE the Enterprise Risk Report required by Section 628.801(2), Florida Statutes, and any and all additional information necessary to evaluate the enterprise risk APPLICANT and its affiliates.

16. Any prior orders, consent orders, or corrective action plans that APPLICANT 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 orders, consent orders, or corrective action plans; or are inconsistent with this Consent Order.

17. APPLICANT, SELECT, OMEGA, and SIGNATURE HOLDINGS affirm that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with these Applications, 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 Merger of SELECT and OMEGA with and into APPLICANT and the future operations of APPLICANT. APPLICANT, SELECT, OMEGA, and SIGNATURE HOLDINGS 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.

18. 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 of reporting the class action lawsuit to the OFFICE.

19. 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.

20. 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>.

21. 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.

22. 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.

23. APPLICANT, SELECT, OMEGA, and SIGNATURE HOLDINGS 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, SELECT, OMEGA, and SIGNATURE HOLDINGS 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.

24. APPLICANT, SELECT, OMEGA, and SIGNATURE HOLDINGS affirm that all requirements set forth herein are material to the issuance of this Consent Order.

25. APPLICANT, SELECT, OMEGA, and SIGNATURE HOLDINGS agree that, upon execution of this Consent Order by the OFFICE, 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.

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

27. 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, SELECT, OMEGA, and SIGNATURE HOLDINGS, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, APPLICANT, SELECT, OMEGA, and SIGNATURE HOLDINGS agree that 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 Applications for the Merger of TOWER HILL SELECT INSURANCE COMPANY and OMEGA INSURANCE COMPANY with and into TOWER HILL SIGNATURE INSURANCE COMPANY, pursuant to Section 628.451, Florida Statutes, are APPROVED.

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

DONE and ORDERED this 25 day of March, 2020.



David Altmaier
David Altmaier, Commissioner
Office of Insurance Regulation

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

TOWER HILL SIGNATURE INSURANCE COMPANY

By:

Print Name: Donald C. Matz Jr

Title: PRESIDENT

Date: 3/24/20

STATE OF FL

COUNTY OF ALACHUA

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

or online notarization, this 24 day of MARCH 2020, by Donald C. Matz Jr.

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

[Signature]
(Signature of the Notary)



(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification

Type of Identification Produced _____

My Commission Expires: _____

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

TOWER HILL SELECT INSURANCE COMPANY

By:

Print Name: Donald C. Matz Jr.

Title: PRESIDENT

Date: 3.24/20

STATE OF FL
COUNTY OF ALACHUA

The foregoing instrument was acknowledged before me by means of physical presence
or online notarization, this 24 day of March, 2020, by Donald C. Matz Jr.
as President for Tower Hill Select Insurance Company
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



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

Personally Known OR Produced Identification

Type of Identification Produced _____

My Commission Expires: _____

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

OMEGA 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 24 day of MARCH 2020, by Donald C. Matz Jr.

as President for Omega Insurance Company
(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: _____

By execution hereof, TOWER HILL SIGNATURE INSURANCE HOLDINGS, INC., 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 TOWER HILL SIGNATURE INSURANCE HOLDINGS, INC., to the terms and conditions of this Consent Order.

TOWER HILL SIGNATURE INSURANCE HOLDINGS, INC.

By: [Signature]

Print Name: Donald C. Matz Jr

Title: President

Date: 3/24/20

STATE OF FL
COUNTY OF Alachua

The foregoing instrument was acknowledged before me by means of physical presence
or online notarization, this 24 day of March 2020, by Donald C. Matz Jr.
as President for Tower Hill Signature Insurance Holdings, Inc.
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



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

Personally Known OR Produced Identification
Type of Identification Produced _____
My Commission Expires: _____

COPIES FURNISHED TO:

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