



**FILED**

**FEB 28 2021**

**INSURANCE REGULATION**  
Docketed by: AT

**OFFICE OF INSURANCE REGULATION**

**DAVID ALTMAIER**  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 277424-21-CO

Application for the Indirect Acquisition of  
VAULT RECIPROCAL EXCHANGE  
by PLUTUS CO-INVEST LLC

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CONSENT ORDER

THIS CAUSE came on for consideration upon the filing by PLUTUS CO-INVEST LLC (“APPLICANT”), with the FLORIDA OFFICE OF INSURANCE REGULATION (“OFFICE”) of an application for approval of the proposed indirect acquisition of 94.2% of the ownership interests of VAULT RECIPROCAL EXCHANGE (“VAULT RECIPROCAL”), 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:

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 the conditions precedent to the granting of approval by the OFFICE of the proposed indirect acquisition of 94.2% of the issued and outstanding voting securities of VAULT RECIPROCAL, pursuant to the requirements of the Florida Insurance Code.
3. VAULT RECIPROCAL is a Florida domestic reciprocal 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. VAULT RECIPROCAL is operated by its Attorney-in-Fact, VAULT RISK MANAGEMENT SERVICES, LLC (“ATTORNEY-IN-FACT”), a Florida limited liability company whose membership interest is owned 100% by VAULT HOLDINGS, LLC (“VAULT HOLDINGS”), a Florida holding company that is presently owned 84.1% by ALLIED WORLD INVESTMENT COMPANY (“AW INVESTMENT”), with no other 10% or greater membership interest holders. AW INVESTMENT is a Delaware company whose ownership is as disclosed in the Application.

4. APPLICANT is a Delaware limited liability company that is owned 100% by certain Cayman Islands limited liability companies whose corporate structure is otherwise as disclosed in the Application and whose ultimate controlling party is HENRY CORNELL (“CORNELL”), an individual.

5. Since VAULT RECIPROCAL’s initial 2017 licensure in Florida, two entities have acquired 10% or more of the ownership interest in an upstream interest holder, resulting in the indirect acquisition of 10% or more of the ownership interest in VAULT RECIPROCAL.

6. The OFFICE has determined that the transactions referenced in paragraph 5 above were not properly filed with the OFFICE as changes of control, pursuant to Section 628.461, Florida Statutes. However, upon consideration of the record, the OFFICE hereby finds that the transactions referenced in paragraph 5 above were not willful violations of Section 628.461, Florida Statutes.

7. The Application represents that on or about October 27, 2020, APPLICANT entered into a Master Transaction Agreement (“Agreement”) with VAULT HOLDINGS, AW INVESTMENT, and others referenced in the Application to acquire ownership of VAULT

HOLDINGS, and thus indirectly acquire control of VAULT RECIPROCAL, pursuant to the terms and conditions contained within the Agreement, and as detailed in the Application (“Transaction”).

8. APPLICANT shall submit, or cause to be submitted, to the OFFICE complete background information, including Biographical Affidavit, supplemental information, and third-party verification reports produced by an approved vendor for post-acquisition officers and directors of VAULT RECIPROCAL within 90 days of execution of this Consent Order.

9. If the OFFICE determines that any individual for whom APPLICANT is required to submit background information as part of this Application is unacceptable under the Florida Insurance Code, APPLICANT, ATTORNEY-IN-FACT, and CORNELL 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 VAULT RECIPROCAL without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

10. The Application represents that the Transaction will result in a material change to VAULT RECIPROCAL’s current reinsurance coverage. APPLICANT has represented that VAULT RECIPROCAL’s prospective reinsurance coverage shall comply with Section 624.404(4), Florida Statutes.

11. APPLICANT, ATTORNEY-IN-FACT, and CORNELL represent that, except as represented in the Application, there are no present plans or proposals to make any substantive changes to VAULT RECIPROCAL, 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.

12. Within 10 business days after the Transaction contemplated in the Application is completed, APPLICANT shall submit, or cause to be submitted, to the OFFICE any documents evidencing completion of said Transaction not already provided to the OFFICE. Further, APPLICANT, VAULT RECIPROCAL, or ATTORNEY-IN-FACT shall notify the OFFICE within 3 business days of the final determination that the Transaction contemplated in the Application will not occur.

13. 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 shall be deemed null and void if the Transaction is not completed within 60 days of the execution of this Consent Order. Accordingly, if APPLICANT fails to receive any other requisite approvals or the Transaction is not completed timely, the provisions of this Consent Order shall terminate automatically and have no effect.

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

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 of VAULT RECIPROCAL, and its affiliates.

16. Pursuant to Section 624.10(3), Florida Statutes, APPLICANT is a controlling entity and, as such, shall comply with Section 628.461(12)(b), Florida Statutes, should APPLICANT choose to divest its controlling interest in VAULT RECIPROCAL.

17. Any prior orders, consent orders, or corrective action plans that VAULT RECIPROCAL has entered into with the OFFICE prior to the issuance of this Consent Order shall apply and remain in full force and effect for VAULT RECIPROCAL, 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.

18. APPLICANT, VAULT HOLDINGS, AW INVESTMENT, CORNELL, VAULT RECIPROCAL, and ATTORNEY-IN-FACT each affirm and represent that all information, explanations, representations, statements, and documents provided by such party 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 VAULT RECIPROCAL. APPLICANT, VAULT HOLDINGS, AW INVESTMENT, CORNELL, VAULT RECIPROCAL, and ATTORNEY-IN-FACT further agree and affirm that said information, explanations, representations, statements, and documents provided to the OFFICE by such party in connection with this Application, 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.

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, VAULT HOLDINGS, AW INVESTMENT, CORNELL, VAULT RECIPROCAL, and ATTORNEY-IN-FACT 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, VAULT HOLDINGS, AW INVESTMENT, CORNELL, VAULT RECIPROCAL, and ATTORNEY-IN-FACT 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, VAULT HOLDINGS, AW INVESTMENT, CORNELL, VAULT RECIPROCAL, and ATTORNEY-IN-FACT affirm that all requirements set forth herein are material to the issuance of this Consent Order.

22. APPLICANT, VAULT HOLDINGS, AW INVESTMENT, CORNELL, VAULT RECIPROCAL, and ATTORNEY-IN-FACT 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 the Certificate of Authority of VAULT RECIPROCAL 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

CORNELL, and the signatures of the authorized representatives of APPLICANT, VAULT HOLDINGS, AW INVESTMENT, VAULT RECIPROCAL, and ATTORNEY-IN-FACT, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, APPLICANT, VAULT HOLDINGS, AW INVESTMENT, CORNELL, VAULT RECIPROCAL, and ATTORNEY-IN-FACT agree that their signatures or those 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 indirect acquisition of 94.2% of the ownership interests of VAULT RECIPROCAL EXCHANGE by PLUTUS CO-INVEST LLC, pursuant to Section 628.461, Florida Statutes, is APPROVED.

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

DONE and ORDERED this 28 day of February, 2021.



*David Altmaier*  
David Altmaier, Commissioner  
Office of Insurance Regulation





By execution hereof, VAULT 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 he or she has the authority to bind VAULT HOLDINGS, LLC, to the terms and conditions of this Consent Order.

VAULT HOLDINGS, LLC

By: *Charles E. Williamson, II*

Print Name: Charles E. Williamson, II

Title: Chief Executive Officer

Date: February 26, 2021

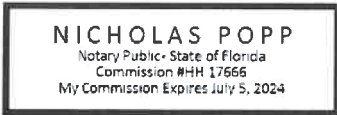
STATE OF Florida

COUNTY OF Pinellas

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

or  online notarization, this 26th day of February, 2021, by Charles E. Williamson, II  
(name of person)

as Chief Executive Officer (officer) for Vault Holdings, LLC  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



*Nicholas Popp*  
(Signature of the Notary)

Nicholas G. Popp  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires: July 5, 2024

By execution hereof, ALLIED WORLD INVESTMENT 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 he or she has the authority to bind ALLIED WORLD INVESTMENT COMPANY to the terms and conditions of this Consent Order.

ALLIED WORLD INVESTMENT COMPANY

By: Theodore Neos  
Print Name: Theodore Neos  
Title: Secretary  
Date: February 26, 2021

STATE OF New York  
COUNTY OF New York

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, this 26<sup>th</sup> day of February 2021, by Theodore Neos (name of person) as Secretary (type of authority; e.g., officer, trustee, attorney in fact) for Allied World Investment Company (company name)


KAREN L. COLONNA  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 02CO6137326  
Qualified in New York County  
My Commission Expires 11-21-2021

Karen L. Colonna  
(Signature of the Notary)  
Karen L. Colonna  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known  OR Produced Identification   
Type of Identification Produced \_\_\_\_\_  
My Commission Expires: 11/21/2021

By execution hereof, Charles Williamson, as CEO of VAULT RISK MANAGEMENT SERVICES, LLC, Attorney-In-Fact, on behalf of VAULT RECIPROCAL EXCHANGE, 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 he or she has the authority to bind VAULT RECIPROCAL EXCHANGE to the terms and conditions of this Consent Order.

VAULT RECIPROCAL EXCHANGE

By: 

Charles Williamson, II

Title: Chief Executive Officer

Date: February 26, 2021

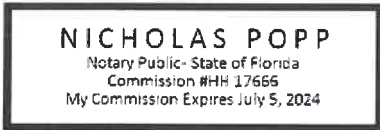
STATE OF Florida

COUNTY OF Pinellas

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

or  online notarization, this 26th day of February 2021, by Charles E. Williamson, II  
(name of person)

as Chief Executive Officer of attorney-in-fact for Vault Reciprocal Exchange  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



  
(Signature of the Notary)

Nicholas G. Popp  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known  OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires: July 5, 2024

By execution hereof, HENRY CORNELL 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.

[Signature]  
HENRY CORNELL

Date: 2/26/2021

STATE OF New York

COUNTY OF New York

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

or  online notarization, this 26<sup>th</sup> day of February 2021, by Henry Cornell  
(name of person)

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

STEPHEN M. BOSCOLA  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 01BO6393128  
Qualified in New York County  
My Commission Expires 06-10-2023

[Signature]  
(Signature of the Notary)  
Stephen M. Boscola  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known  OR Produced Identification

Type of Identification Produced —

My Commission Expires: JUNE 10, 2023

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