

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report: November 27, 2012
(Date of earliest event reported)

FEDERATED NATIONAL HOLDING COMPANY
(Exact name of registrant as specified in its charter)

<u>Florida</u> (State or other jurisdiction of incorporation)	<u>0-2500111</u> (Commission File Number)	<u>65-0248866</u> (I.R.S. Employer Identification No.)
<u>14050 NW 14 Street, Suite 180</u> <u>Sunrise, FL</u> (Address of principal executive offices)		<u>33323</u> (Zip Code)

Registrant's telephone number, including area code: (954) 581-9993

21ST CENTURY HOLDING COMPANY
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.

On November 21, 2012, Federated National Insurance Company (“FNIC”), a wholly owned subsidiary of Federated National Holding Company (the “Company”), received a Notice of 2012 Assessment from the Florida Insurance Guaranty Association, Inc. (“FIGA”). All admitted carriers in Florida that transact the statutorily covered lines of business are required to become members of FIGA, which was formed to provide a mechanism for the payment of covered claims in the event of the insolvency of an insurer. The assessment, which was approved by the Florida Office of Insurance Regulation, is equal to 0.9% of each insurer’s net direct written premiums for the 2011 calendar year from categories of insurance in FIGA’s “All Other Account” (primarily property and liability lines of business, except automobile).

FNIC’s share of this assessment will result in a pre-tax charge to operations of \$813,759 in the fourth quarter of 2012, although FNIC plans to make a rate filing to enable FNIC to recover the amount of the assessment from its policyholders.

The Company’s press release dated November 27, 2012 relating to this assessment is attached hereto as Exhibit 99.1.

Item 9.01. Exhibits.

(d) Exhibits

- 99.1 Federated National Holding Company Press Release, dated November 27, 2012
- 99.2 Florida Insurance Guaranty Association, Inc. Notice of 2012 Assessment
- 99.3 Florida Office of Insurance Regulation signed order approving the Notice of 2012 Assessment

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FEDERATED NATIONAL HOLDING COMPANY

Date: November 27, 2012

By: /s/ Peter J. Prygelski, III
Name: Peter J. Prygelski, III
Title: Chief Financial Officer
(Principal Accounting and Financial Officer)

Exhibit 99.1

FOR IMMEDIATE RELEASE

**CONTACT: Michael H. Braun, CEO (954) 308-1322
or Peter J. Prygelski, CFO (954) 308-1252
Federated National Holding Company**

FEDERATED NATIONAL HOLDING COMPANY DISCUSSES 2012 NOTICE OF ASSESSMENT

Sunrise, Florida, November 27, 2012 - On November 21, 2012, Federated National Insurance Company ("FNIC"), a wholly owned subsidiary of Federated National Holding Company, received a Notice of 2012 Assessment from the Florida Insurance Guaranty Association, Inc. ("FIGA"). All admitted carriers in Florida that transact the statutorily covered lines of business are required to become members of FIGA, which was formed to provide a mechanism for the payment of covered claims in the event of the insolvency of an insurer. The assessment, which was approved by the Florida Office of Insurance Regulation (the "Florida OIR"), is equal to 0.9% of each insurer's net direct written premiums for the 2011 calendar year from categories of insurance in FIGA's "All Other Account" (primarily property and liability lines of business, except automobile).

FNIC's share of this assessment will result in a pre-tax charge to operations of \$813,759 in the fourth quarter of 2012, although FNIC plans to make a rate filing to enable FNIC to recover the amount of the assessment from its policyholders as permitted by law.

Mr. Michael H. Braun, the Company's Chief Executive Officer and President, said, "The notice indicated that the assessment is primarily the result of the November 2011 liquidations of Homewise Preferred Insurance Company (liabilities estimated at \$100 million) and Homewise Insurance Company (liabilities estimated at \$47 million). This liquidation transferred over 750 sinkhole claims to FIGA. Our share of this assessment is \$813,759, which is based on Federated National's 2011 net direct written premium of \$90,417,649. We plan to immediately submit a rate filing to the Florida OIR, which, if approved, will enable us to recoup, as income, this assessment from our policyholders over the next 18 months. Based on generally accepted accounting principles, this assessment will be fully expensed in the fourth quarter of 2012. The 2012 assessment and accounting treatment of the assessment will impact all insurance companies that transacted in the applicable lines of business in the State of Florida in 2011. While this is disappointing in the short term, our continued focus on writing sustainable quality business and controlling expenses has put us in a position to absorb this assessment and still maintain acceptable underwriting ratios and surplus growth during 2012."

About the Company

The Company, through its subsidiaries, underwrites homeowners' property and casualty, commercial general liability, commercial residential property, flood, personal automobile, commercial automobile, inland marine, workers' compensation and personal umbrella insurance. The Company is an admitted carrier for these lines in the state of Florida. The Company is also licensed as an admitted carrier in the states of Alabama, Georgia, Louisiana and Texas to offer coverage for more than 300 classes of commercial general liability business, including special events. The Company is approved to operate as a surplus lines/non-admitted carrier in the states of Arkansas, Kentucky, Maryland, Missouri, Nevada, Oklahoma, South Carolina, Tennessee, and Virginia and offers the same general liability products. The Company

is licensed and has the facilities to market and underwrite other insurance carriers' lines of business, as well as to process and adjust claims for third party insurance carriers.

Forward-Looking Statements /Safe Harbor Statements

Safe harbor statements under the Private Securities Litigation Reform Act of 1995:

Statements that are not historical fact are forward-looking statements that are subject to certain risks and uncertainties that could cause actual events and results to differ materially from those discussed herein. Without limiting the generality of the foregoing, words such as “anticipate,” “believe,” “budget,” “contemplate,” “continue,” “could,” “envision,” “estimate,” “expect,” “guidance,” “indicate,” “intend,” “may,” “might,” “plan,” “possibly,” “potential,” “predict,” “probably,” “pro-forma,” “project,” “seek,” “should,” “target,” or “will” or the negative thereof or other variations thereon and similar words or phrases or comparable terminology are intended to identify forward-looking statements.

Forward-looking statements might also include, but are not limited to, one or more of the following:

- *Projections of revenues, income, earnings per share, dividends, capital structure or other financial items or measures;*
- *Descriptions of plans or objectives of management for future operations, insurance products, or services;*
- *Forecasts of future insurable events, economic performance, liquidity, need for funding and income; and*
- *Descriptions of assumptions or estimates underlying or relating to any of the foregoing.*

The risks and uncertainties include, without limitation, uncertainties related to estimates, assumptions and projections generally; risks related to the nature of the Company's business; the adequacy of its liability for loss and loss adjustment expense; claims experience; weather conditions (including the severity and frequency of storms, hurricanes, tornadoes and hail) and other catastrophe losses; changes in loss trends; court decisions and trends in litigation, ability to obtain regulatory approval applications for requested rate increases or to underwrite in additional jurisdictions, and the timing thereof; inflation and other changes in economic conditions (including changes in interest rates and financial markets); pricing competition and other initiatives by competitors; legislative and regulatory developments; the outcome of litigation pending against the Company, and any settlement thereof; dependence on investment income and the composition of the Company's investment portfolio; insurance agents; ratings by industry services; reliance on key personnel; acts of war and terrorist activities; and other matters described from time to time by the Company in releases and publications, and in periodic reports and other documents filed with the United States Securities and Exchange Commission.

In addition, investors should be aware that generally accepted accounting principles prescribe when a company may reserve for particular risks, including claims and litigation exposures. Accordingly, results for a given reporting period could be significantly affected if and when a reserve is established for a contingency. Reported results may therefore appear to be volatile in certain accounting periods.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. We do not undertake any obligation to update publicly or revise any forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.

Exhibit 99.2

FLORIDA INSURANCE GUARANTY ASSOCIATION, INC.

A Florida Nonprofit Corporation

P.O. Box 14249 • Tallahassee, Florida 32317
Telephone: 850/386-9200 • Fax: 850/523-1887
www.figafacts.com

To: All Member Insurers

From: Sandra J. Robinson, Executive Director

Notice of 2012 Assessment

Pursuant to Florida Statute 631.57(3)(a) and based on the recommendation by the Florida Insurance Guaranty Association, Inc., the Office of Insurance Regulation has issued an Assessment Levy to all member insurers writing premium in the *All Other* lines of business in the state of Florida. These lines include:

LOB	LOB Description	LOB	LOB Description
01.0	FIRE	17.1	OTHER LIABILITY
02.1	ALLIED LINES	17.2	OTHER LIABILITY - OCCURRENCE
03.0	FARMOWNERS MULTIPLE PERIL	18.0	PRODUCTS LIABILITY
04.0	HOMEOWNERS MULTIPLE PERIL	18.1	PRODUCTS LIABILITY - OCCURRENCE
05.1	COMMERCIAL MULTIPLE PERIL (NON-LIABILITY PORTION)	18.2	PRODUCTS LIABILITY - CLAIMS-MADE
05.2	COMMERCIAL MULTIPLE PERIL (LIABILITY PORTION)	22.0	AIRCRAFT
09.0	INLAND MARINE	26.0	BURGLARY AND THEFT
11.0	MEDICAL MALPRACTICE	27.0	BOILER AND MACHINERY
12.0	EARTHQUAKE		

Enclosed you will find an invoice stating your organizations 2011 Net Direct Written Premium (less Dividends paid to policyholders) as reported by the NAIC, Also included for your reference are the following:

- Assessment Levy
- Assessment Certification
- Notice of Rights

The 0.9% assessment is payable on or before December 31, 2012. An Invoice has been included with this Notice.

FILED

Nov 09 2012



OFFICE OF INSURANCE REGULATION

OFFICE OF
INSURANCE
REGULATION

Docketed by: /s/ DLS

**KEVIN M. MCCARTY
COMMISSIONER**

IN THE MATTER OF:
FLORIDA INSURANCE
GUARANTY ASSOCIATION, INC.
2012 ASSESSMENT

CASE NO.: 129684-12

2012 FIGA ASSESSMENT
(ALL OTHER ACCOUNT)

THIS MATTER came on for consideration upon the submission by the Executive Director of the Florida Insurance Guaranty Association, Inc. (hereinafter, "FIGA"), on behalf of the Board of Directors, to the Office of Insurance Regulation (hereinafter, the "OFFICE") of FIGA's certification of need for an assessment. The OFFICE, having considered FIGA's certification and being otherwise duly advised in the premises, hereby finds that:

1. The OFFICE has jurisdiction over the subject matter of, and the parties to this proceeding pursuant to Section 631.57(3)(a), Florida Statutes, and other applicable provisions of the Florida Insurance Code.
2. FIGA is a nonprofit corporation, created by the Legislature, and codified in the Florida Insurance Guaranty Association Act in Sections 631.50 through 631.70, Florida Statutes.
3. Section 631.57(3)(a), Florida Statutes, states:

To the extent necessary to secure the funds for the respective accounts for the payment of covered claims, to pay the reasonable costs to administer the same, and to the extent necessary to secure the funds for the account specified in Section 631.55(2)(b), Florida Statutes, or to retire indebtedness, including, without limitation, the principal, redemption premium, if any, and interest on, and related costs of issuance of, bonds issued under Section 631.695, Florida Statutes, and the funding of any reserves and other payments required under the bond resolution or trust indenture pursuant to which such bonds have been issued, the office, upon certification of the board of directors, shall levy assessments in the proportion that each insurer's net direct written premiums in this state in the classes protected by the account bears to the total of said net direct written premiums received in this state by all such insurers for the preceding calendar year for the kinds of insurance included within such account. Assessments shall be remitted to and administered by the board of directors in the manner specified by the approved plan. Each insurer so assessed shall have at least 30 days' written notice as to the date the assessment is due and payable. Every assessment shall be made as a uniform percentage applicable to the net direct written premiums of each insurer in the kinds of insurance included within the account in which the assessment is made. The assessments levied against any insurer shall not exceed in any one year more than 2 percent of that insurer's net direct written premiums in this state for the kinds of insurance included within such account during the calendar year next preceding the date of such assessments.

4. Insurance written in the account designated by Section 631.55(2)(c), Florida Statutes, is hereinafter referred to as "All Other Account."

5. On November 6, 2012 FIGA's Board certified the need to assess each member in the All Other Account an amount equal to 0.9% percent of the member's Florida net direct written premiums for the calendar year 2011. A copy of the certification is marked "Exhibit A" and attached hereto.

IT IS THEREFORE ORDERED THAT:

FIGA's certification is hereby **APPROVED**. All FIGA members writing in the All Other Account shall pay to FIGA an assessment equal to 0.9% percent of the insurer's Florida net direct written premiums for the kinds of insurance within the All Other Account for the calendar year 2011. The assessment shall be paid to FIGA on or before December 31, 2012.

DONE and **ORDERED** this 9th day of November, 2012.

/s/ Kevin McCarty
Kevin McCarty, Commissioner
Office of Insurance Regulation



FLORIDA
INSURANCE GUARANTY
ASSOCIATION, INC.
A Florida Nonprofit Corporation

P.O. Box 14249
Tallahassee, Florida 32317

Telephone (850) 386-9200
Toll free (800) 988.1450
Facsimile (850) 523-1888

Website: www.figafacts.com

November 7, 2012
Commissioner Kevin McCarty
Office of Insurance Regulation
200 East Gaines Street
Tallahassee, FL 32399-0306

Dear Commissioner McCarty:

The Florida Insurance Guaranty Association (FIGA) Board of Directors, pursuant to a motion duly made, seconded and adopted on November 6, 2012, at a Board Meeting, hereby certifies to the Office of Insurance Regulation the need for an assessment upon its member insurers.

The assessment is necessary to secure funds "for the payment of covered claims and also to pay the reasonable costs to administer the same" in accordance with Florida Statutes 631.57(3)(a).

The last assessment certified by the FIGA Board was 0.8% levied in 2009 on the All Other Account. Since that assessment, there have been thirteen (13) foreign and domestic insurance company insolvencies impacting FIGA. The total projected cost to FIGA for these insolvencies is in excess of \$300 million. Although the recent insolvencies affect both the Auto and All Other Lines Account, the largest impact has been on the All Other Account. During this period of time over 750 sinkhole claims were transferred to FIGA with the November 2011 liquidations of Homewise Preferred Insurance Company (liabilities estimated at \$100 million) and Homewise Insurance Company (liabilities estimated at \$47 million) having the largest financial impact. The estimated cash balance of the All Other Account at October 31, 2012 is \$50 million while the estimated liabilities for the All Other Account is \$198 million.

The Board adopted a motion to certify the need for the assessment on member insurers in the All Other Account in the amount 0.9% of the Florida net direct written premiums for calendar year 2011. Based on the 2011 net direct written premiums reported of \$15.8 billion this would generate approximately \$142 million.

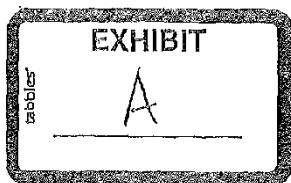
The Association recommends that member insurers pay this assessment in full on or before December 31, 2012.

Thank you for your assistance in this matter.

Sincerely,

/s/ Sandra J. Robinson
Sandra J. Robinson
Executive Director

cc: FIGA Board of Directors



NOTICE OF RIGHTS

Insurers should notify the Office of Insurance Regulation (hereinafter the “Office”) if the assessment would result in the insurer’s financial statement reflecting an amount of capital or surplus less than the sum of the minimum amount required by any jurisdiction in which the insurer is authorized to transact insurance.

Pursuant to Section 631.58(3)(g), the Plan of Operation for the Florida Insurance Guaranty Association shall provide that any member insurer aggrieved by any final action or decision of the association may appeal to the Department of Financial Services, Sha’Ron James, Director, Division of Rehabilitation and Liquidation within thirty (30) days after the action or decision.

The Plan of Operation, Article VII (B) states that any member insurer aggrieved by an action or decision of the association shall appeal to the Board before appealing to the Department. If such member insurer is aggrieved by the final action or decision of the Board, or if the Board does not act on such complaint within thirty (30) days, the member insurer may appeal to the Department within thirty (30) days after the action or decision of the Board or the expiration of the thirty (30) days.

Pursuant to Section 631.59(4), Florida Statutes, the Office of Insurance Regulation (hereinafter the “Office”) may suspend or revoke the certificate of authority to transact insurance in this state of any member insurer which fails to pay an assessment when due or fails to comply with the Plan of Operation. As an alternative, the Office may levy a fine on any member insurer which fails to pay an assessment when due. Such fine may not exceed five (5) percent of the unpaid assessment per month, except that no fine shall be less than one hundred U.S. dollars (\$100) per month.