

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: August 28, 2018  
(Date of earliest event reported)

**FEDNAT HOLDING COMPANY**

(Exact name of registrant as specified in its charter)

Florida

(State or other jurisdiction of  
incorporation)

000-25001

(Commission File Number)

65-0248866

(I.R.S. Employer Identification  
No.)

14050 N.W. 14<sup>th</sup> Street, Suite 180  
Sunrise, FL

(Address of principal executive  
offices)

33323

(Zip Code)

Registrant's telephone number, including area code: (800) 293-2532

NOT APPLICABLE

(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 (see General Instruction A.2. below):

- 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 7.01. Regulation FD Disclosure.**

Officers of FedNat Holding Company (the “Company”) will present at the KBW Insurance Conference on September 6, 2018. A copy of the investor presentation to be used during the conference is attached as Exhibit 99.1 to this Current Report on Form 8-K and is also available in the "Investor" section of the Company’s website at www.fednat.com. The Company disclaims any obligation to correct or update these materials in the future.

In accordance with General Instruction B.2 to Form 8-K, the information set forth in this Item 7.01 and the investor presentation attached to this report as Exhibit 99.1 is "furnished" and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall such information be deemed incorporated by reference in any filing under the Exchange Act or the Securities Act of 1933, as amended (the “Securities Act”).

The investor presentation attached hereto as Exhibit 99.1 contains statements that may be deemed forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. These statements are therefore entitled to the protection of the safe harbor provisions of these laws. These statements may be identified by the use of forward-looking terminology such as “anticipate,” “believe,” “budget,” “contemplate,” “continue,” “could,” “envision,” “estimate,” “expect,” “forecast,” “guidance,” “indicate,” “intend,” “may,” “might,” “outlook,” “plan,” “possibly,” “potential,” “predict,” “probably,” “pro-forma,” “project,” “seek,” “should,” “target,” “will,” “would,” “will be,” “will continue” or the negative thereof or other variations thereon or comparable terminology. The Company has based these forward-looking statements on its current expectations, assumptions, estimates and projections. While the Company believes these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve a number of risks and uncertainties, many of which are beyond the Company’s control. These and other important factors may cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. Management cautions that any such forward-looking statements are not guarantees of future performance, and readers cannot assume that such statements will be realized or the forward-looking events and circumstances will occur. Factors that might cause such a difference include, without limitation, the risks and uncertainties discussed under “Risk Factors” in the Company’s Annual Report on Form 10-K, and discussed from time to time in the Company’s reports filed with the Securities and Exchange Commission.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

99.1 FedNat Holding Company Investor Presentation Second Quarter 2018

## 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.

### FEDNAT HOLDING COMPANY

Date: August 28, 2018

By:           /s/ Ronald A. Jordan          

Name: Ronald A. Jordan

Title: Chief Financial Officer  
(Principal Financial Officer)

## EXHIBIT INDEX

Exhibit No   Exhibit Title

99.1 [FedNat Holding Company Investor Presentation Second Quarter 2018](#)



# FedNat Holding Company

(NASDAQ: FNHC)

Investor Update

August 27, 2018

# SAFE HARBOR STATEMENT

Safe harbor statement 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.

The risks and uncertainties include, without limitation, risks and uncertainties related to estimates, assumptions and projections generally; the nature of the Company's business; the adequacy of its reserves for losses and loss adjustment expense; claims experience; weather conditions (including the severity and frequency of storms, hurricanes, tornadoes and hail) and other catastrophic losses; reinsurance costs and the ability of reinsurers to indemnify the Company; raising additional capital and our potential failure to meet minimum capital and surplus requirements; potential assessments that support property and casualty insurance pools and associations; the effectiveness of internal financial controls; the effectiveness of our underwriting, pricing and related loss limitation methods; changes in loss trends, including as a result of insureds' assignment of benefits; court decisions and trends in litigation; our potential failure to pay claims accurately; 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; the reliability and security of our information technology systems; 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.

# FEDNAT CORPORATE PROFILE

## Overview:

- Leader in coastal Florida homeowners market
- High quality book of business with proven underwriting excellence
- Strong, large partner agent network and brand recognition
- Experienced leadership team

## Key Metrics\*:

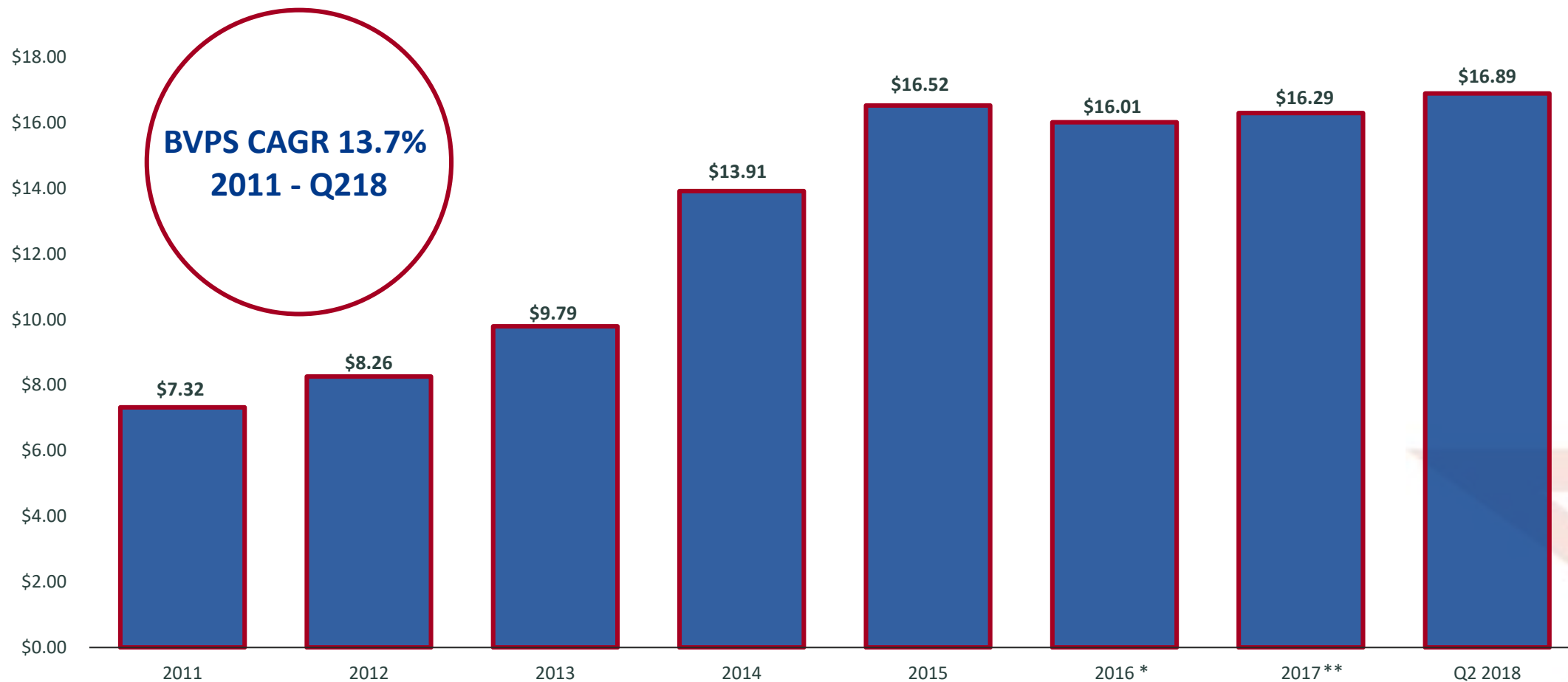
- Cash and Investments: \$500M+
- Book Value Per Common Share: \$16.89
- Agency Partnerships: 2,500+
- Gross Written Premiums for 1H18: \$300M+
- Florida OIR Market Share\*\* : 4.9%
- Demotech Financial Stability Rating: A



\* As of June 30, 2018, unless otherwise noted

\*\* Market data as of March 31, 2018 (Source: Florida OIR)

# LONG-TERM TRACK RECORD OF BOOK VALUE GROWTH



\* Impacted by Hurricane Matthew

\*\* Impacted by Hurricane Irma

Source: Company Filings and SNL Financial

Note: Based on GAAP financial information





# IMPACT OF HURRICANE IRMA

- **The strongest hurricane to make continental US landfall in over a decade**
  - Over \$20B of insurable property loss
  - FedNat losses estimated at \$630M
  - \$21M retention (recorded in 3Q17)
  - 36,000+ claims received, spanning 61 counties, over 93% of which have been closed
- **Storm-related income has substantially reduced our net retention**
  - Claims handling revenue of \$12M
  - Incremental reinsurance brokerage income from reinstated layers of \$3M
  - To date, have recovered over 70% of our net retention, resulting in a (\$4M) after-tax net impact from the storm

# EXIT FROM NON-CORE LINES OF BUSINESS

## Automobile

- All regulatory approvals received
- Largest remaining block transferred via novation agreement
- Immaterial amount of GWP after August 1
- Expect <\$2.5M of NEP through 1Q19 – no in-force premium projected thereafter

## Commercial General Liability

- All regulatory approvals received
- Slower run-off than Auto due to annual policies
- No projected GEP by end of 2019
- \$4M of Unearned Premium Reserves as of June 30
- Expect declining NEP through 2Q19 (was \$2.3M in 2Q18)

# SUCCESSFULLY MITIGATING AOB HEADWIND

**AOB has been a significant drag on FL HO providers, but FedNat's multi-pronged strategy has positioned the company for improved underwriting profitability.**

## **The Assignment of Benefits ("AOB") Challenge**

- Incurred loss ratios for FL homeowners increased by more than 5 points in 2016, primarily driven by AOB
- AOB unlikely to see legislative solution near-term but significant rate increases have been approved by OIR
- Combining 2016 storm activity and attritional loss pressure, the FL HO industry reported an aggregate combined ratio of 107% in 2016 vs. 90% in 2015
- 2016 upward trend has leveled off with higher frequency and lower severity
- Minimal additional rate needed to further mitigate effects of AOB

## **FedNat's AOB Strategy**

- Achieved aggregate 16+% compounded homeowners rate increase
- Proactive management, training and engagement
- Educating policyholders on reporting claims upon occurrence
- Analyze expected costs and work directly with AOB contractors and preferred FNHC vendors to arrive at a fair payment, else invoke policy appraisal clause
- Reducing litigation and mitigation expense risk
  - Aggressively pursuing Alternative Dispute Resolution practices
  - FNHC instituted FL OIR approved policy language changes that restrict emergency mitigation expenses

## SECOND QUARTER KEY FINANCIAL HIGHLIGHTS

- Strong year-over-year and sequential EPS growth to \$0.67, excluding investment gains
- Best combined ratio in 2 years – 99.0% compared with 110.6% in 2Q17 and 100.3% in 1Q18
- Homeowners net earned premiums increased 6% driven by strong non-Florida performance (up 50%)
- Significantly reduced Auto loss as business line winds down
- \$5 million capital investment in stock re-purchases, year-to-date
- Book value grew to \$17.31, excluding Accumulated Other Comprehensive Income
- Annualized ROE of 16.4%, excluding investment gains

# FORWARD FINANCIAL MOMENTUM

## Incremental drivers of earnings growth through 2H18 and into 2019:

- Homeowners net earned premiums will benefit from two key factors:
  - Rate increase of 10% effective 8/1/17 now being fully earned
  - \$2 million of incremental Gross Earned Premium in 3Q18 vs. 2Q18
- Lower ceded premiums as a result of new re-insurance program
  - 10% less hurricane exposure
  - 5 points lower ceded premium ratio (34% down to 29%)
  - Represents \$30 million of catastrophe reinsurance costs savings over the coming treaty year\*
- Financial savings and benefits of operating efficiency initiatives
  - \$1M per quarter run-rate savings beginning with 3Q18
- Reduced losses from unprofitable Auto and CGL business lines

\* \$27M benefit, net of reduced brokerage income. Subject to adjustments for change in exposure over treaty year.



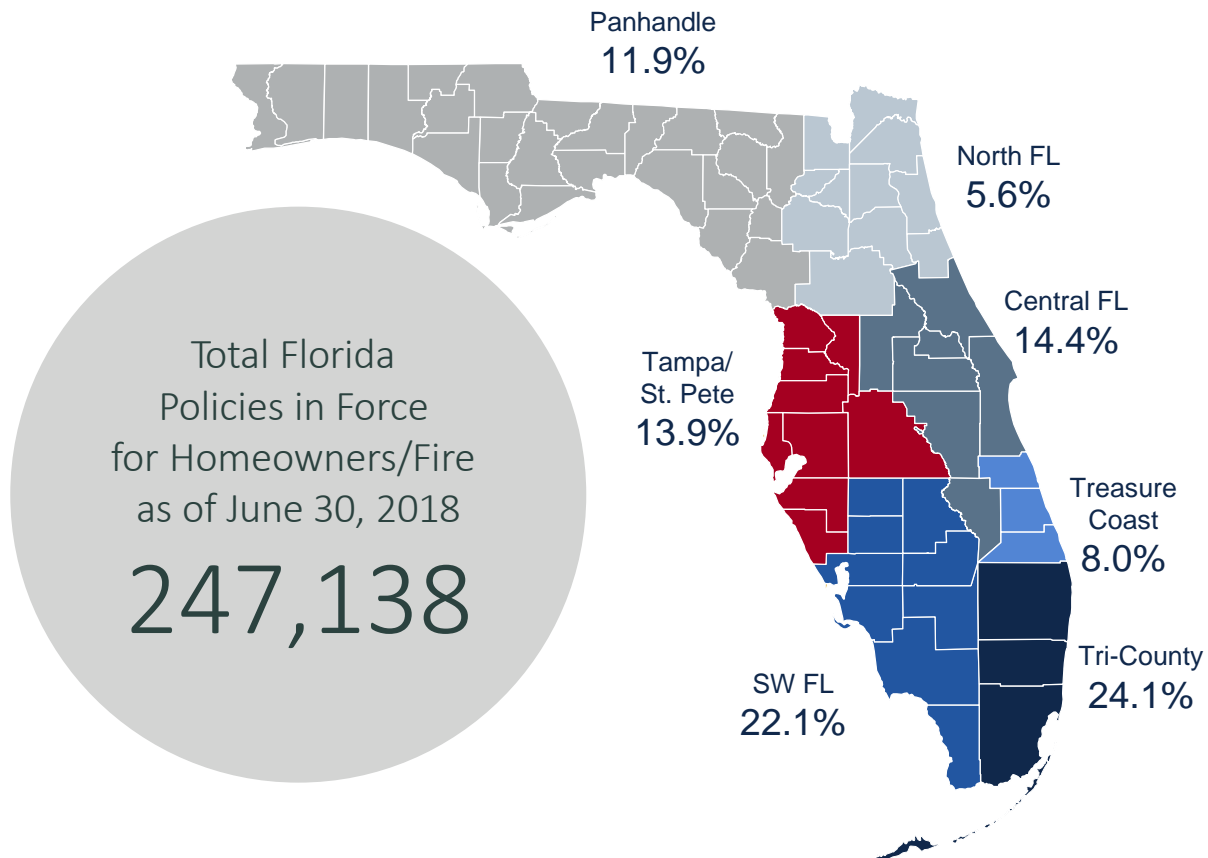
# VALUE CREATION STRATEGY

# 2018 & BEYOND: BUILDING FOUNDATION FOR LONG-TERM VALUE CREATION

- ★ Re-focusing on FNHC's core strengths
- ★ Maintain market leadership in Florida top tier
- ★ Selectively expanding into markets in other coastal states
- ★ Expand into \$4.6B Florida risk adjusted market through Monarch
- ★ Rigorous focus on profitability of our book driving lower catastrophe exposure as evidenced in our 2018-2019 reinsurance program
- ★ Continued investments in people, processes and technology

# FLORIDA: BROADENING REGIONAL PENETRATION

## FedNat Insurance Company – Florida Market for Homeowners



- Statewide offering of HO3, HO6, HO4 and DP-3 Forms
- Risk Management through utilization of both analytics and geographic exposure management
- Distribute through independent retail partner agents and national carrier affinities
- Managed catastrophe exposure by ceding risk through reinsurance treaties



# DIVERSIFYING FLORIDA BOOK - MONARCH

## Full Ownership of Monarch offers path to large, untapped market segment

### Monarch National Insurance Overview

- Established in 2015 as joint venture (JV)
- Consolidated JV in February 2018 for \$16.7 million in cash and retired \$5 million note
- Strategy: Leverage FedNat's agent network to access risk-adjusted class of FL HO market
- Enhancing underwriting process and risk management by deploying sophisticated scoring and leveraging reinsurance partnerships

### Ownership Benefits

- Full control in executing on the Monarch opportunity
- Provides second prong to FL diversification strategy, expanding access to 50% of the FL HO market of which we are underweight
- Long term non-Florida expansion opportunities
- Opportunity to expand and deepen partner agent relationships
- Improved capital efficiency with Monarch National stacked under FedNat

# MIDDLE MARKET OPPORTUNITY

Vast middle-market growth opportunity  
~50% of total HO Insurance Market

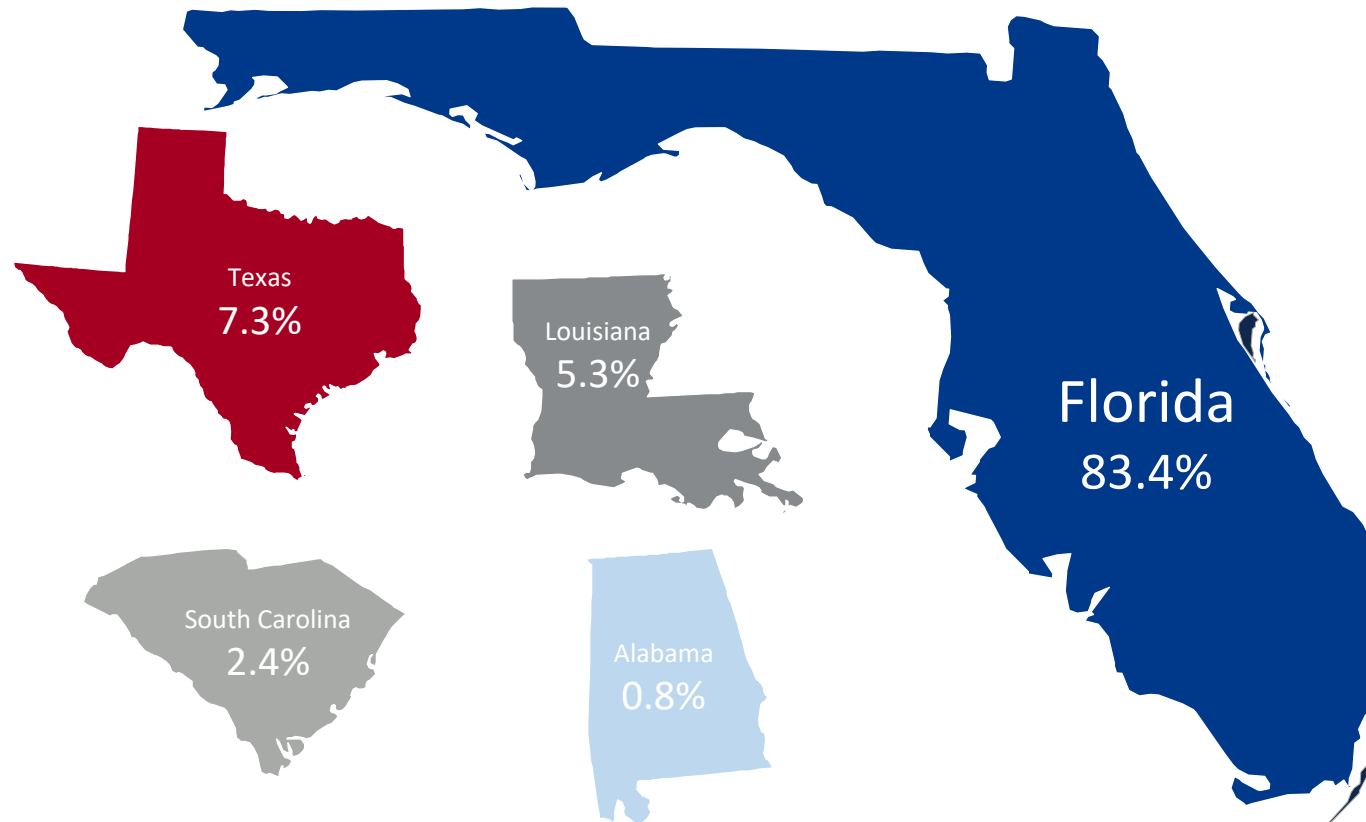
HO Insurance Market Segments

FedNat Current Share of Market Segment

High-end Segment High Quality Well Mitigated Risk	Our Focus
Middle Market Segment Risk Adjusted Houses	Underweight
Low-end Segment Poorly/Un-Mitigated Risk	Not our Focus

# COASTAL STATE DIVERSIFICATION

## FedNat In-Force Policy Counts - Regionally



- Limited to Gulf and Atlantic coastal states offering P&C policies
- Focus on hurricane zones 1 and 2 where need is greatest
- Leveraging best practices developed over our 20+ years of experience
- Distributed through partner general agent and national carrier affinities

Note: Based on homeowners/fire lines of business



# **MARKET POSITION & OPERATING APPROACH**

# LEADING POSITION IN FRAGMENTED FLORIDA MARKET

Market dominated by “specialists”, with limited national P&C carrier presence

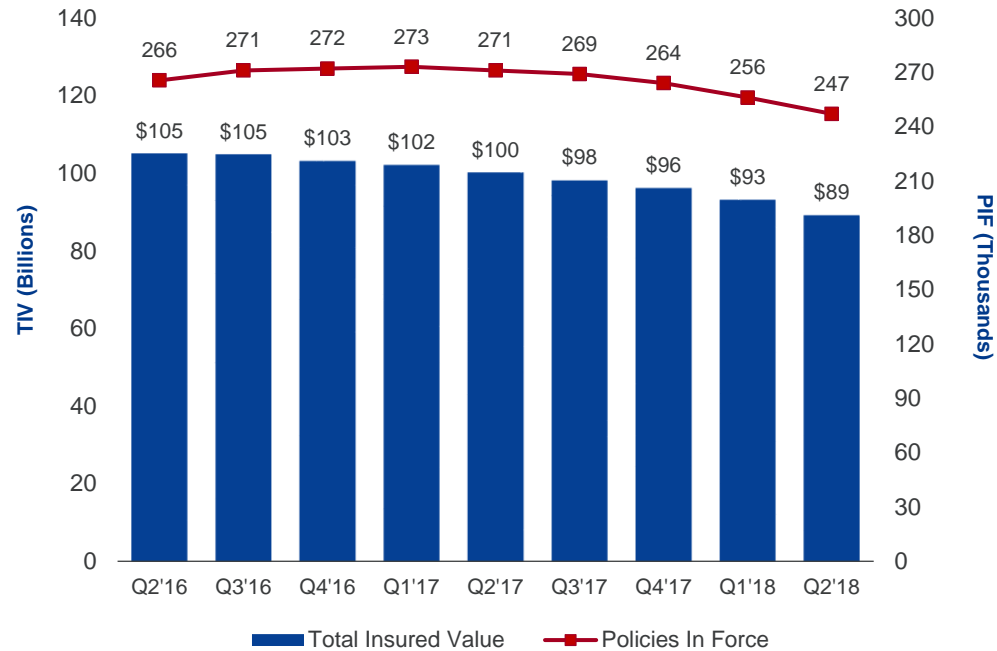
Rank	Insurer	2018 Q1 FL HO DWP (\$ mm)	FL HO Mkt Share (%)
1	Universal Insurance	950	9.9
2	Citizens Property Insurance	771	8.0
<b>3</b>	<b>FedNat Insurance</b>	<b>467</b>	<b>4.9</b>
4	Heritage Insurance	432	4.5
5	Security First Insurance	393	4.1
6	Homeowner's Choice Insurance	338	3.5
7	First Protective Insurance	312	3.2
8	American Integrity	296	3.1
9	United Property & Casualty	291	3.0
10	St. John's Insurance	269	2.8
11	United Services Auto	258	2.7
12	Florida Peninsula	239	2.5
13	Tower Hill Prime Insurance	238	2.5
14	People's Trust Insurance	232	2.4
15	Federal Insurance	207	2.2
16	ASI Preferred	173	1.8
17	AIG Property Casualty	172	1.8
18	Safepoint Insurance	147	1.5
19	Olympus Insurance	142	1.5
20	Tower Hill Signature	134	1.4
21	USAA Casualty	127	1.3
22	Tower Hill Preferred	107	1.1
23	Gulfstream P&C Insurance	104	1.1
24	Auto Club Insurance	104	1.1
25	Southern Fidelity P&C	104	1.1
	Others	2,609	26.2
	<b>Total</b>	<b>\$9,616</b>	<b>100.0</b>

- Nation's third largest state
- Population growth has averaged 1,000 people per day
- \$9.6 billion HO insurance market
- Highly fragmented market with national players comprising less than 20%, none with higher market share than FedNat
- FedNat's focus is on high quality, well-mitigated homes (built after 1994) – we have ~20% of homes in this class statewide
- With Citizens policies reduced by ~two-thirds since 2011, carriers pursuing geographic expansion and new products

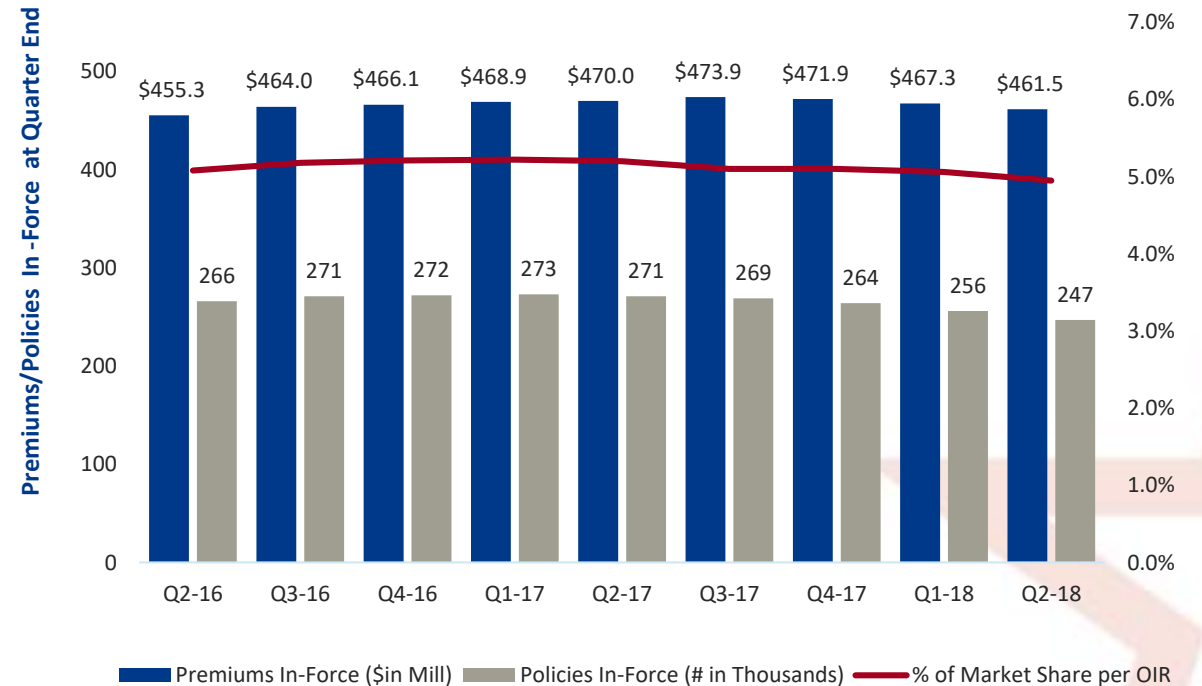


# STRONG, PROFITABLE FLORIDA BOOK

## FNIC Total Insured Value and Policies In-Force



## FNIC Homeowners Florida Market Share Premiums in Force and % Market Share



**Disciplined underwriting driving increased profitability on flat premiums**

OIR = Florida Office of Insurance Regulation  
 % Market share per OIR for Q1 and Q2-17 unavailable as of 8/17/2017.



# DISCIPLINED UNDERWRITING APPROACH

**FedNat's meticulous underwriting approach allows the Company to manage its current exposures while profitably underwriting new risks.**

- Focus on properties with more advanced wind / hurricane mitigation features and lower All Other Peril (non-catastrophe) losses
- Generalized Linear Model ("GLM") used to derive pre-quote pass/fail position based on each risk's associated expenses, CAT and non-CAT exposure, cost of capital and risk concentration
  - Manual reviews of every bound risk to ensure accuracy of information
  - Regulatory approved use of our GLM-based analytics to provide a layer of pre-binding portfolio optimization management
- Rates on every policy a function of FNIC's historical loss experience, concentration of risk, expenses and current market conditions
  - All risks are subject to an annual review to ensure low performing risks are not offered a renewal
- Business written by MNIC utilizes a similar disciplined approach as its policies are also underwritten by FedNat Underwriters ("FNU"), the Company's wholly owned MGA

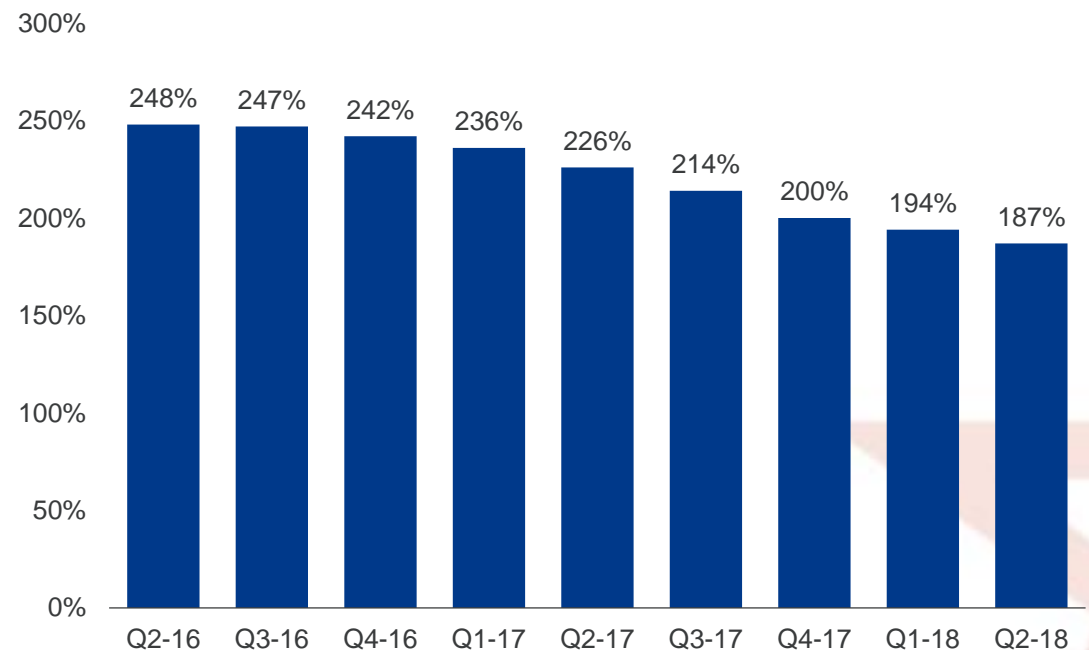
# BENEFITTING FROM RIGOROUS EXPOSURE MANAGEMENT

## Excess-of-Loss Cat Reinsurance

- \$30M\* lower spend for the treaty year ending 6/30/19 versus the preceding period
- Homeowners ceded premium ratio for catastrophe coverage will drop 5 points to 29%
- Same purchasing methodology and level of coverage as preceding years

\* \$27M benefit, net of reduced brokerage income.  
Subject to adjustments for change in exposure over treaty year.

All States 1-in-100 Year Probable Maximum Loss / In-Force Premium (“PML to Premium”)



Notes: PML modeled using average of AIR and RMS.  
Includes Monarch National from Q1-18 forward.  
Assumptions: LT, No LA, No SS



# 2018-2019 REINSURANCE STRUCTURE

Full indemnity reinsurance with highly rated reinsurers, many with multi-year relationships



## Program Highlights

~\$1.8 billion  
of aggregate coverage with  
maximum single event  
coverage of approximately  
\$1.3 billion

Per occurrence  
pretax  
retention of  
\$23 million

80+  
reinsurance partners, all of which  
are rated "A-" or higher  
by A.M. Best or fully  
collateralized

Program expected to drive 7 point improvement in HO combined ratio in 2H18

# FINANCIAL OVERVIEW

The image features a dark blue background with a large, stylized blue star graphic on the right side. The star has a layered, 3D effect. A red triangle is positioned on the right edge of the frame, partially overlapping the blue background.

# EARNINGS MOMENTUM DRIVERS

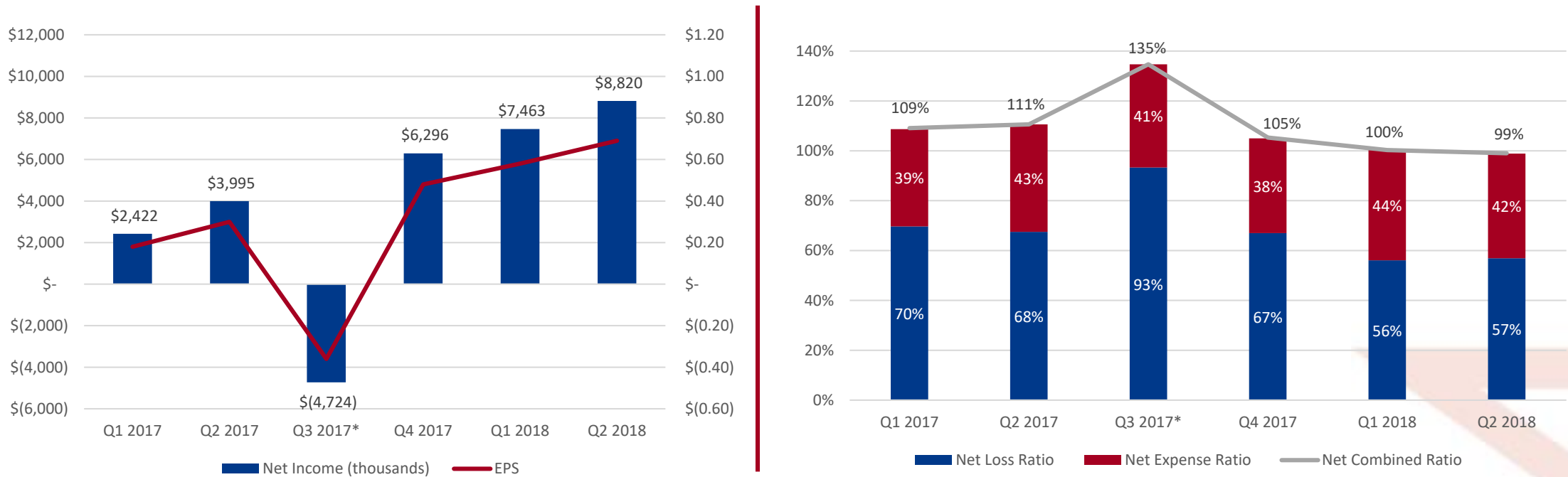
- Better rate environment in Florida Homeowners market mitigating AOB
- Steady improvement in underwriting profitability over the last three quarters
- Improved operating efficiency and reduced staff levels leading to meaningful expense reductions
- Exiting unprofitable non-core auto and commercial general liability lines
- Renewed focus on building core Florida and coastal states Homeowners book
- Significantly reduced our hurricane exposure, as evidenced by our reduced 2018/2019 reinsurance program costs
- Expanded Total Addressable Market longer-term with Monarch consolidation
- Effective capital management

# FINANCIAL HIGHLIGHTS

(in thousands)	Q117	Q217	Q317*	Q417	Q118	Q218
<b>Income Statement Data:</b>						
Gross Premiums Written	\$146,051	\$168,692	\$154,782	\$133,892	\$134,395	\$166,734
Net Premiums Earned	81,660	83,554	80,764	87,503	82,109	83,557
Net Investment Income	2,318	2,560	2,603	2,773	2,943	2,978
Pre-Tax Income (Loss)	3,884	5,655	(10,179)	9,567	9,616	12,016
Net Income (Loss)	2,422	3,995	(4,724)	6,296	7,463	8,820
<b>Balance Sheet Data:</b>						
Cash and Investments	505,956	534,305	524,879	530,249	506,861	532,084
Shareholders Equity	218,770	217,492	208,576	211,637	208,080	215,028
Book Value per Share	\$16.23	\$16.65	\$15.98	\$16.29	\$16.36	\$16.89
<b>Financial Ratios:</b>						
Net Loss Ratio	69.7%	67.5%	93.3%	67.3%	56.1%	56.9%
Net Expense Ratio	39.4%	43.1%	41.4%	38.0%	44.2%	42.1%
Net Combined Ratio	109.1%	110.6%	134.7%	105.3%	100.3%	99.0%

\*Impacted by Hurricane Irma

# SIGNIFICANTLY IMPROVED UNDERWRITING PROFITABILITY



**Steady improvement in net combined ratio for the last three quarters; Stable net loss and expense ratio**

\*Impacted by Hurricane Irma

# EXIT FROM NON-CORE LINES DRIVING RAPID EARNINGS IMPROVEMENT

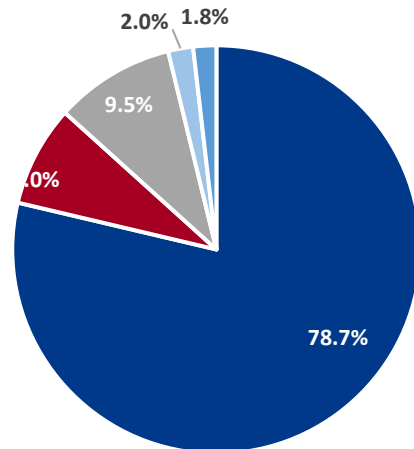
	Q2 2017				Q1 2018				Q2 2018			
	HO	Auto	Other	Consolidated	HO	Auto	Other	Consolidated	HO	Auto	Other	Consolidated
<b>Total Revenue</b>	\$79,862	\$8,949	\$9,348	\$98,159	\$83,305	\$4,166	\$5,606	\$93,077	\$85,474	\$3,341	\$6,927	\$95,742
<b>Costs and expenses:</b>												
Losses and loss adjustment expenses	49,095	8,547	(1,225)	56,417	41,955	2,236	1,880	46,071	42,617	1,932	3,021	47,570
All other expenses	29,808	4,022	2,257	36,087	32,345	1,985	3,060	37,390	31,566	1,691	2,899	36,156
<b>Total costs and expenses</b>	<b>78,903</b>	<b>12,569</b>	<b>1,032</b>	<b>92,504</b>	<b>74,300</b>	<b>4,221</b>	<b>4,940</b>	<b>83,461</b>	<b>74,183</b>	<b>3,623</b>	<b>5,920</b>	<b>83,726</b>
<b>Income before income taxes</b>	<b>959</b>	<b>(3,620)</b>	<b>8,316</b>	<b>5,655</b>	<b>9,005</b>	<b>(55)</b>	<b>666</b>	<b>9,616</b>	<b>11,291</b>	<b>(282)</b>	<b>1,007</b>	<b>12,016</b>
Income taxes	371	(1,396)	3,013	1,988	2,282	(14)	103	2,371	2,861	(71)	406	3,196
<b>Net income</b>	<b>588</b>	<b>(2,224)</b>	<b>5,303</b>	<b>3,667</b>	<b>6,723</b>	<b>(41)</b>	<b>563</b>	<b>7,245</b>	<b>8,430</b>	<b>(211)</b>	<b>601</b>	<b>8,820</b>
Net loss attributable to noncontrolling interest	(328)	-	-	(328)	(218)	-	-	(218)	-	-	-	-
<b>Net income attributable to FNHC shareholders</b>	<b>\$916</b>	<b>(\$2,224)</b>	<b>\$5,303</b>	<b>\$3,995</b>	<b>\$6,941</b>	<b>(\$41)</b>	<b>\$563</b>	<b>\$7,463</b>	<b>\$8,430</b>	<b>(\$211)</b>	<b>\$601</b>	<b>\$8,820</b>

**Q2 earnings from Homeowners up \$7.5M YoY and \$1.5M sequentially**

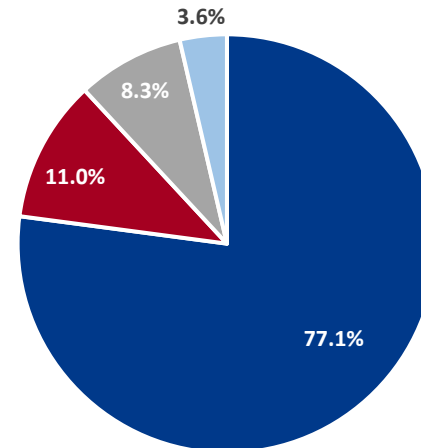
# FAVORABLE PREMIUM COMPOSITION

1H 2017

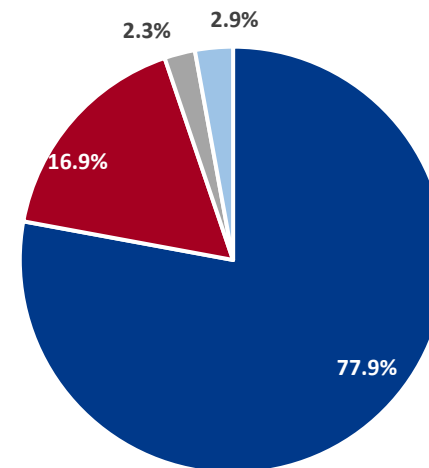
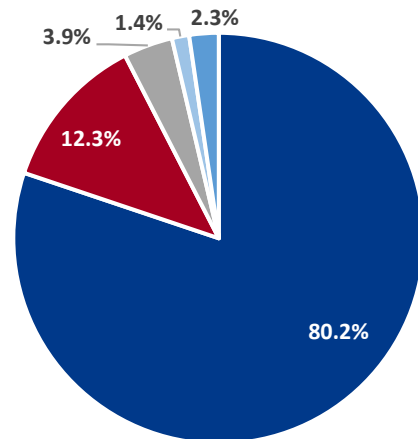
Gross Premiums Written



Net Premiums Earned

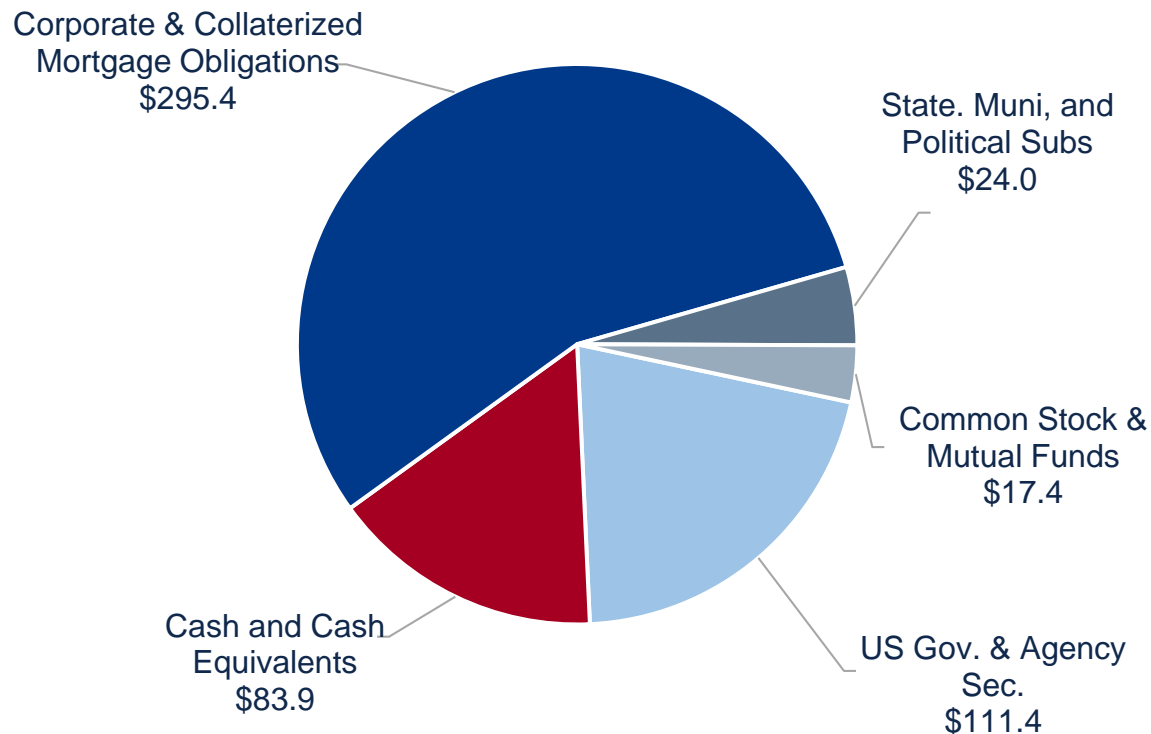


1H 2018



- Florida Homeowners
- Non-Florida Homeowners
- Auto
- CGL
- Other

# INVESTMENT PORTFOLIO COMPOSITION



as of June 30, 2018  
(in millions)

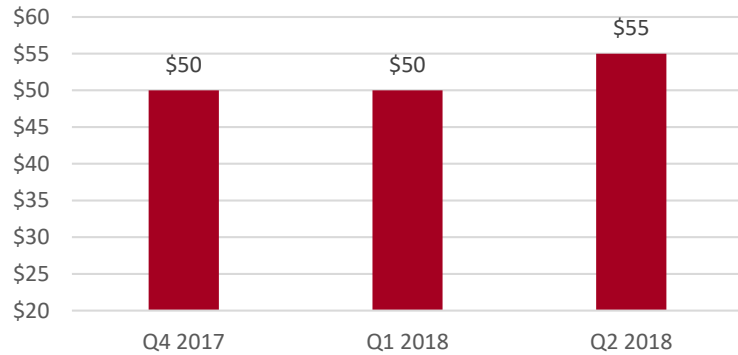
- Designed to preserve capital, maximize after-tax investment income, maintain liquidity and minimize risk
- As of 6/30/2018, 97.8% of the Company's fixed income portfolio was rated investment grade
  - Average duration: 3.976 years
  - Composite rating: A- (S&P Composite)
  - YTM: 3.40%
  - Book yield: 2.90%
- Historical total returns on cash and investments as of 6/30/2018
  - 1 Year: 0.48%
  - 2 Years: 0.96%



# LIQUIDITY & LEVERAGE

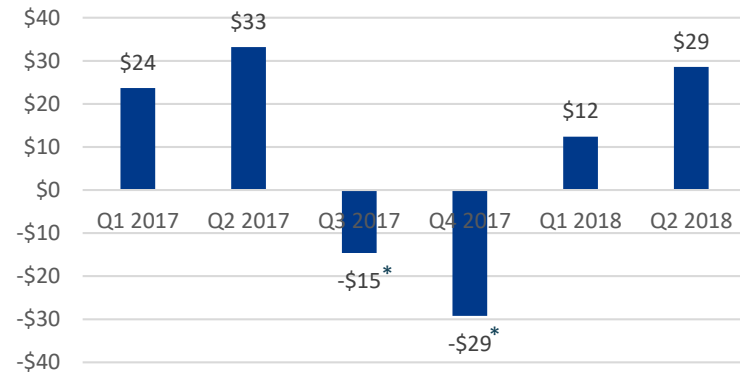
## Non-insurance Liquidity

\$ in millions



## Cash Flow from Operations

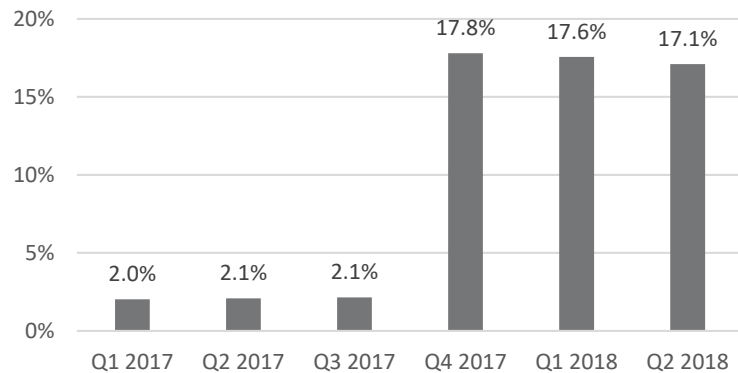
\$ in millions



\* Impacted by Hurricane Irma.

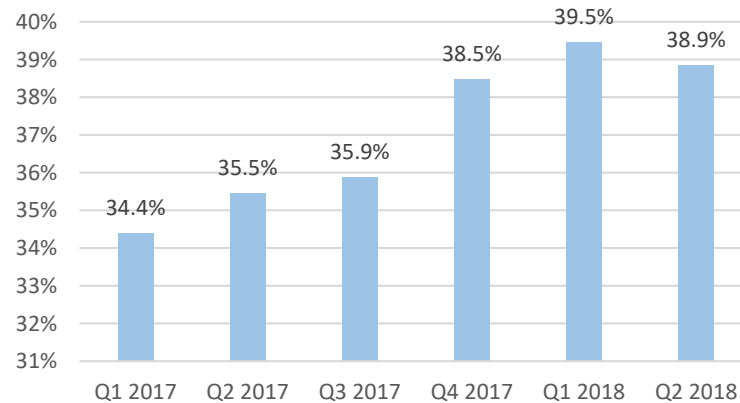
## Financial Leverage

Debt/Capital

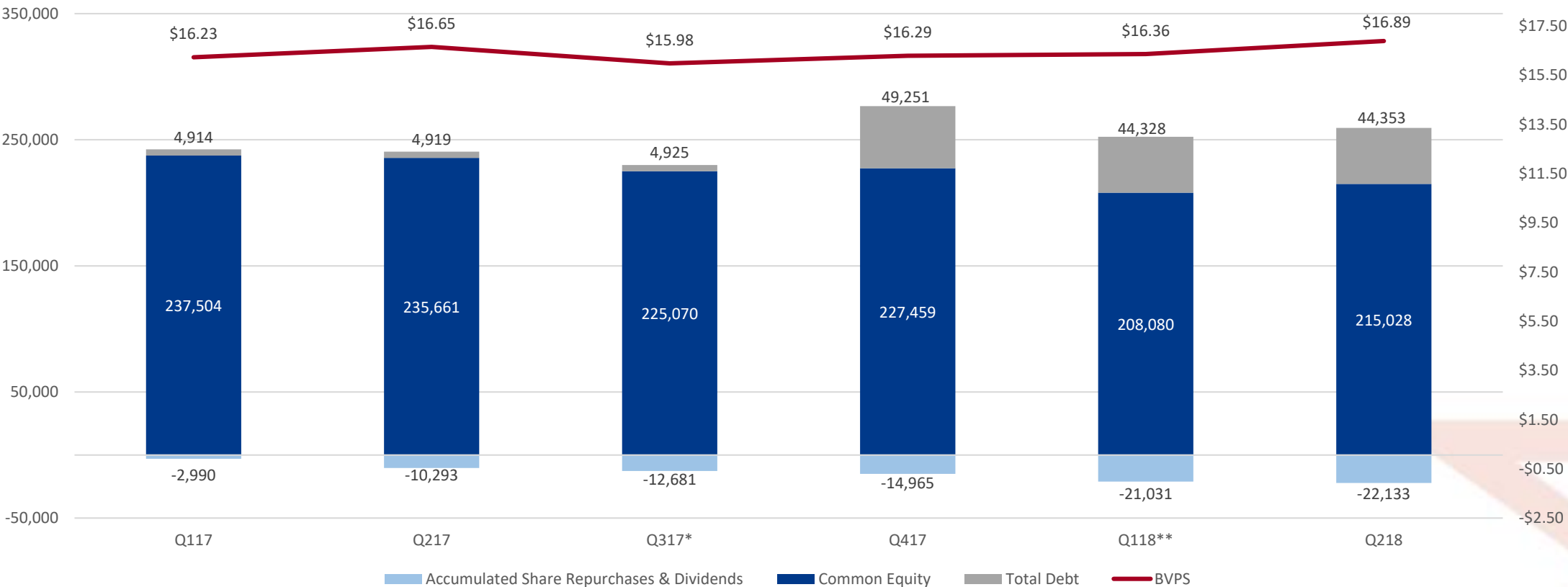


## Underwriting Leverage

NPE/Equity



# EFFECTIVE CAPITAL MANAGEMENT



**\$10M share repurchase program authorized March 2017; Additional \$10M program authorized December 2017**



\* Impacted by Hurricane Irma  
 \*\* Acquired the non-controlling interest in Monarch National during 1Q18

# Questions?

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