



FEDNAT ANNOUNCES MEL RUSSELL TO JOIN THE LEADERSHIP TEAM AT MONARCH NATIONAL INSURANCE COMPANY

Sunrise, Florida, June 26, 2019 – FedNat Holding Company (NASDAQ: FNHC), an insurance holding company, today announced the appointment of Mel Russell to Vice President at Monarch National Insurance Company, its wholly-owned subsidiary. Mr. Russell will lead Monarch, starting with the relaunch of its homeowner and condo programs in Florida, which represents an approximate \$9 billion insurance market. His appointment is effective immediately and he will report directly to Michael H. Braun, FedNat’s President and Chief Executive Officer.

“We are elated to bring Mel on board to lead Monarch,” said Mr. Braun. “Mel has extensive underwriting knowledge with over 40 years of experience, 20 of which was in the Florida homeowners market as well as other east coast states. His industry experience and extensive agent relationships position Monarch to gain share in the robust Florida homeowners insurance market. We are excited about the opportunity to relaunch our Monarch program with significant updates and enhancements under Mel’s leadership.”

Mr. Mel Russell added, “I look forward to working closely with Mike, the operating team, and partner agents to build Monarch and make the program a strong contributor to FedNat’s future success in the marketplace.”

Since 2016, Mr. Russell has served as President and CEO of Russell Insurance Consulting in St. Petersburg, Florida. From 2013 to 2016, he served as Executive Vice President and Chief Underwriting Officer at Heritage Property and Casualty Insurance Company. He was previously a founding employee and held the titles of Chief Underwriting Officer and President of United Property and Casualty Insurance Company, where he spent 14 years. He spent his first 12 years in the New England market, initially with Fireman’s Fund and subsequently with General Accident Insurance Company, where he held several positions of increasing responsibilities. Mr. Russell currently serves on the Board of Directors of Buildfax Inc. and holds the Certified Insurance Counselor (CIC) designation.

About the Company

The Company is an insurance holding company that controls substantially all aspects of the insurance underwriting, distribution and claims processes through our subsidiaries and contractual relationships with independent agents and general agents. The Company, through our wholly owned subsidiaries, are authorized to underwrite, and/or place homeowners multi-peril, federal flood and other lines of insurance in Florida and other states. We market, distribute and service our own and third-party insurers’ products and other services through a network of independent and general agents.

The Company’s supplemental line of business information is designed to afford users greater transparency into our results. The “Homeowners” line of business consists of our homeowners, mobile homeowners, and fire property and casualty insurance business, which currently operates in Florida, Alabama, Texas, Louisiana and South Carolina. The “Other” line of business primarily consists of our federal flood businesses, along with corporate and investment operations.

Forward-Looking Statements

Certain statements made by FedNat Holding Company or on its behalf may contain “forward-looking statements” within 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 or other variations thereof, 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, risks and uncertainties related to estimates, assumptions and projections generally; the nature of the Company’s business and its ability to integrate the operations to be acquired; 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 compliance with 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; the impact that the results of our subsidiaries’ operations may have on our results of operations; 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. The Company does 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.

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