FILED

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INSURANCE REGULATION
Docketed by: EP

OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

Index: OIR 2025-16

IN THE MATTER OF:

CASE NO.: 400846-25-CO

Application for the Issuance of a License to
COASTAL CASUALTY & INDEMNITY, INC.,
as a Domestic Captive Insurer
_____/

CONSENT ORDER

THIS CAUSE came for consideration upon the filing of an application with the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") for the issuance of a License to COASTAL CASUALTY & INDEMNITY, INC. ("APPLICANT"), to form and operate as a domestic captive insurer, pursuant to chapter 628, Part V, Florida Statutes, to write the (0010) Fire and (0170) Other Liability lines of insurance coverage in this state ("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 the present and continuing satisfaction of the requirements, terms, and conditions established herein, met all of the conditions precedent to the granting of a License to APPLICANT to operate as a domestic captive insurer in Florida, pursuant to the requirements set forth for licensure by the Florida Insurance Code.

3. The Application represents that prior to licensure, APPLICANT will be formed as a Florida stock corporation with 50,000 shares of common stock authorized, each share having a par value of $1.00 United States Dollar ("USD"). All of APPLICANT's issued voting stock will

be held by WYNNE BUILDING CORPORATION ("WYNNE BUILDING"), a Florida corporation, which is owned 12.37% by Joel Wynne, 38.812% by Matthew Wynne, 38.812% by Eric Wynne, and 10% by Harvey Newman.

4. 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 or WYNNE BUILDING 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 License of APPLICANT without further proceedings, pursuant to sections 120.569(2)(n) and 120.60(6), Florida Statutes. Such failure by APPLICANT or WYNNE BUILDING to take corrective action shall further constitute grounds to deny APPLICANT a License.

5. APPLICANT has filed with its Application a Plan of Operation, biographical information, legal documents, and other supporting documents for the purpose of obtaining a License. In deciding to issue a License to APPLICANT, the OFFICE has relied on the accuracy and truthfulness of the documents and information provided by APPLICANT and WYNNE BUILDING in this matter. APPLICANT and WYNNE BUILDING represent that the Application filed with the OFFICE and all related submissions and responses have been reviewed by APPLICANT and WYNNE BUILDING and that these documents, as amended to date, are complete and correct in all respects. APPLICANT and WYNNE BUILDING further represent that they have disclosed and provided, or will disclose and provide, to the OFFICE copies of all current understandings and agreements relating to the formation, funding, and future transaction of

insurance by APPLICANT which will be entered into by APPLICANT or any of its incorporators, officers, or directors for such purposes.

6. The Application represents that APPLICANT will be initially capitalized with $35,000,000 USD. APPLICANT has provided evidence to the OFFICE that said funds are available to APPLICANT.

7. Pursuant to sections 628.907(1)(a) and 628.908(1)(a), Florida Statutes, APPLICANT has provided evidence to the OFFICE that at the time of licensure it will possess unimpaired paid-in capital of $100,000 USD and unimpaired surplus of $150,000 USD. APPLICANT and WYNNE BUILDING acknowledge that APPLICANT must at all times maintain at least $100,000 USD in unimpaired paid-in capital, and at least $150,000 USD in unimpaired surplus, as required by sections 628.907(1)(a) and 628.908(1)(a), respectively.

8. Final approval and issuance of APPLICANT's License shall be granted in writing by the OFFICE at such time as the OFFICE is satisfied that APPLICANT has complied with all provisions of this Consent Order, the OFFICE has received the following documents within 60 days of the execution of this Consent Order, unless otherwise specified herein, and the OFFICE is satisfied that the documents meet any requisite statutory and rule requirements:

a) Executed triplicate originals of its proposed Articles of Incorporation, pursuant to section 628.910(4), Florida Statutes. Once the OFFICE has accepted and stamped the Articles of Incorporation, APPLICANT shall file them with, and submit to the OFFICE a copy certified by, the Florida Department of State;

b) A resolution of the Board of Directors adopting APPLICANT's Bylaws;

c) An executed copy of APPLICANT's Bylaws certified by its Secretary;

d) A Certificate of Status issued by the Florida Secretary of State;

e) APPLICANT's Federal Employer Identification Number (FEIN);

f) Evidence that APPLICANT's Board of Directors has ratified the execution of this Consent Order on APPLICANT's behalf by Joel Wynne, as President, and indicated its willingness to be bound by the terms, conditions, and representations stated herein; and

g) Executed copies of all agreements, with all addendums, relating to the operations and management of APPLICANT not already provided in the Application.

9. If, at the time of submitting documents for its License, there are any new officers, directors, or 10% or greater shareholders of APPLICANT, then APPLICANT shall file with the OFFICE biographical affidavits, fingerprint cards, authority for release of information forms, and background investigation reports for these individuals at such time.

10. If the OFFICE determines that the documents specified in paragraph 8 above are not submitted as required, or are incomplete, or do not meet the requisite statutory or rule requirements, the OFFICE shall hold the License component of the Application in abeyance and withdraw the Application from consideration until such time as the required documentation has been submitted to the OFFICE for review.

11. Upon the issuance of a License to APPLICANT, APPLICANT shall further comply with the following:

a) APPLICANT shall comply with its Plan of Operation and supporting documents as submitted with the Application. Written approval must be secured from the OFFICE prior to any material deviation from said Plan of Operation;

b) APPLICANT shall hold at least one board of directors' meeting each year in Florida, pursuant to section 628.905(2)(b), Florida Statutes;

c) APPLICANT shall maintain its principal place of business in Florida, pursuant to section 628.905(2)(c), and shall make available to the OFFICE complete records of its affairs. APPLICANT shall also maintain its office, records, and assets in Florida, pursuant to section 628.271. The physical form, if any, of the assets shall also be maintained in Florida, or in compliance with section 628.511;

d) APPLICANT shall pay an annual renewal fee of $1,000 USD on or before March 1st of each year, pursuant to sections 628.905(4)(a), and 628.905(5);

e) APPLICANT shall file, pursuant to section 628.911, its report of financial condition on an annual basis within 60 days after the end of its fiscal year, verified under oath by 2 executive officers, in a form acceptable to the OFFICE;

f) APPLICANT shall maintain sufficient and adequate internal controls and supervision of any external contractors providing services in connection with the insurance transactions of APPLICANT, and shall further assume responsibility for the actions of said contractors as they relate to any performance under the service agreements;

g) APPLICANT shall, within 6 months, file with the Division of Investigative and Forensic Services an acceptable anti-fraud / SIU plan that complies with section 626.981, and chapter 69D-2, Florida Administrative Code. Further, APPLICANT shall thereafter maintain such plan;

h) APPLICANT acknowledges that any reinsurance agreement it enters into shall maintain compliance with section 624.610;

i) APPLICANT acknowledges that any dividend or other distribution shall only be paid in accordance with sections 628.907(6) and 628.908(3);

j) For the first 3 years following issuance of a License to APPLICANT, any change in the officers and directors of APPLICANT shall be subject to the prior written approval of the OFFICE. Thereafter, APPLICANT shall adhere to section 628.261;

k) APPLICANT shall file with the OFFICE a completed and executed copy of any custody account agreement into which it enters, and a completed and executed copy of any investment management agreement into which it enters. Every custody account agreement entered into by APPLICANT shall contain all of the required provisions of Rule 69O-143.042, Florida Administrative Code; and

l) APPLICANT shall at all times comply with the applicable provisions of the Florida Insurance Code, pursuant to section 628.909(2).

12. APPLICANT or WYNNE BUILDING shall notify the OFFICE within 10 business days of any breach, non-performance of, or default under, any servicing agreement with affiliates or third-party vendors providing services, directly or indirectly, to APPLICANT that could result in or cause a material adverse change in the financial condition, business, performance, operations, or property of APPLICANT.

13. APPLICANT and WYNNE BUILDING affirm and represent that all information, explanations, representations, statements, and documents provided 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 formation, licensure, and future operation of APPLICANT. APPLICANT and WYNNE BUILDING 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.

14. 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 approval must be requested in writing prior to any proposed deviation from the terms of this Consent Order.

15. APPLICANT and WYNNE BUILDING affirm that all requirements set forth herein are material to the issuance of this Consent Order.

16. APPLICANT and WYNNE BUILDING 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 and WYNNE BUILDING hereby knowingly and voluntarily waive all rights to challenge or 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.

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

18. APPLICANT and WYNNE BUILDING agree that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result in the OFFICE revoking, suspending, or taking other action as the OFFICE deems appropriate upon APPLICANT's License in in this state in accordance with sections 120.569(2)(n) and 120.60(6).

19. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed a copy of this Consent Order bearing the notarized signatures of the authorized representatives of APPLICANT and WYNNE BUILDING.

WHEREFORE, subject to the terms and conditions set forth above, the Application for the issuance of a License to COASTAL CASUALTY & INDEMNITY, INC., as a domestic captive insurer, pursuant to Part V of chapter 628, Florida Statutes, is APPROVED.

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

DONE and ORDERED this 14th day of February, 2025.

Michael Yaworsky, Commissioner
Office of Insurance Regulation

By execution hereof, COASTAL CASUALTY & INDEMNITY, 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 COASTAL CASUALTY & INDEMNITY, INC., to the terms and conditions of this Consent Order.

COASTAL CASUALTY & INDEMNITY, INC.

By: _____

[Corporate Seal]

Print Name: Joel Wynne

Title: President

Date: 2.11.25

STATE OF Florida

COUNTY OF St Lucie

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 11 day of February 2025, by Joel F Wynne (name of person) as President (type of authority; e.g., officer, trustee, attorney in fact) for Coastal Casualty + Indemnity, Inc. (company name)

_____
(Signature of the Notary)

SUSAN LAFLEUR
MY COMMISSION # HH 325165
EXPIRES: February 23, 2027

_____
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ✓ OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires February 23, 2027

By execution hereof, WYNNE BUILDING CORPORATION 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 WYNNE BUILDING CORPORATION to the terms and conditions of this Consent Order.

WYNNE BUILDING CORPORATION

By: _____

[Corporate Seal]

Print Name: Joel F. Wynne

Title: President

Date: 2/11/2025

STATE OF Florida

COUNTY OF St Lucie

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 11 day of February 2025, by Joel F. Wynne
(name of person)

as President (type of authority; e.g., officer, trustee, attorney in fact) for Wynne Building Corp. (company name)

_____
(Signature of the Notary)

NOTARY PUBLIC STATE OF FLORIDA
SUSAN LAFLEUR
MY COMMISSION # HH 325155
EXPIRES: February 23, 2027

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ✓ OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires February 23, 2027

COPIES FURNISHED TO:

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