



## 2023 MID-YEAR CORPORATE REPORT

### LETTER FROM CEO, KEN GREGG

Dear Partners and Customers,

As I reflect on the first half of the year, we achieved some major accomplishments that will serve as Orion180's foundation over the long term and represent our commitment to both our current markets and future expansion. More importantly, these milestones will enable Orion180 to further establish and earn its reputation as a premier provider of insurance solutions.

#### **TRANSITION TO STANDALONE CARRIER**

Firstly, I am thrilled we have successfully launched our E&S carrier, Orion180 Insurance Company (OIC), in Alabama, Georgia, Mississippi, and the Carolinas. This milestone represents a significant achievement for our organization, and it opens new avenues for providing comprehensive insurance solutions to our clients. The launch of Orion180 Insurance Company demonstrates our deep commitment to enhancing our underwriting capabilities and expanding our E&S footprint.

Additionally, we have received the certificate of authority for our Admitted Carrier, Orion180 Select Insurance Company (OSI). This formation of OSI further solidifies our position in the industry, allowing us to offer a broader range of admitted insurance products to meet the diverse needs of our clients. I am pleased to share that Orion180 Select Insurance Company has received multiple state approvals and is expected to write its first policies in the third quarter.

#### **CAPITAL INVESTMENT AND FINANCIAL STRENGTH**

To support our premium growth and financial stability, we secured a \$42.5 million senior secured credit facility from Regions Bank. This debt capital bolsters our equity invested into the insurance companies and provides us with the necessary resources to support our expansion plans. It is also a validation of Orion180's financial-health and business plan to procure this from such a reputable commercial lender.

In line with our commitment to risk management, I am pleased to report that we have placed a \$455 million reinsurance tower with the participation of 43 global reinsurance partners. The tower was complemented by a 75% net quota share agreement in-place with four other global reinsurance providers. This strategic move ensures that we are well-prepared to handle major catastrophic weather events and underscores our dedication to providing our clients with comprehensive coverage and peace of mind.

Furthermore, I am delighted to share that we have procured OIC financial stability ratings from Demotech, with a rating of A, and Kroll Bond Rating Agency, with a rating of BBB+. These ratings, from Nationally Recognized Statistical Rating Organizations (NRSRO's), reaffirm our financial strength and stability, which should instill confidence in our agency partners and customers alike.

## **COMMITMENT TO INNOVATION AND CUSTOMER CARE**

To support our growing operations and meet the evolving needs of our clients, we have added approximately 40 new team members year-to-date, which brings us to about 120 full-time employees. These talented individuals bring a wealth of experience and expertise to our organization, further enhancing our ability to deliver exceptional service and innovative insurance solutions. We do anticipate our organization to continue growing to more than 150 members in early 2024.

## **EXPANSION PLANS**

We are actively pursuing new state expansions into Indiana, Ohio, Arizona, New Mexico, and Florida. These strategic initiatives aim to broaden our reach, allowing us to offer our products to a wider customer base.

Lastly, our dedicated product and technology teams are actively working on bringing new products to our platform. Through their innovative efforts, we aim to provide a wider selection of both personal and commercial lines insurance offerings, not only from our own carriers, but also through partnerships with other reputable providers. This expansion of our product portfolio will enable us to better cater to the unique needs of our clients and further diversify our product portfolio.

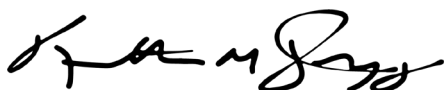
As always, we highly value your input and ideas. If you have any suggestions, concerns, or opportunities for collaboration, please do not hesitate to reach out to your Territory Manager. Your feedback is crucial in shaping our future endeavors and ensuring that our partnership continues to thrive.

Once again, I extend my deepest gratitude for your continued support and trust, especially as we've navigated this transition from our previous fronting provider. Together, we have successfully navigated through one of the most challenging periods since Orion180's formation, and I am confident that our partnership will continue to grow and prosper. Let us seize the opportunities ahead and embark on this exciting journey together.

Thank you for your unwavering commitment and partnership.

Warm regards,

Ken Gregg  
CEO, Orion180

A handwritten signature in black ink, appearing to read 'Ken Gregg', is positioned below the typed name and title.