

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

OXBRIDGE RE HOLDINGS Ltd

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

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Fiscal Year Ended December 31, 2020

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For The Transition Period From _____ To _____

Commission File Number 1-36346

OXBRIDGE RE HOLDINGS LIMITED
(Exact name of registrant as specified in its charter)

Cayman Islands
(State or other jurisdiction of incorporation or organization)

98-1150254
(I.R.S. Employer Identification No.)

Suite 201
42 Edward Street
P.O. Box 469
Grand Cayman, Cayman Islands
(Address of principal executive offices)

KY1-9006
(Zip Code)

Registrant's telephone number, including area code: (345) 749-7570

Securities Registered Pursuant to Section 12(b) of the Exchange Act:

Title of Each Class	Trading Symbols	Name of Each Exchange on Which Registered
Ordinary Shares, par value \$0.001 (USD) per share	OXBR	The NASDAQ Capital Market
Warrants	OXBRW	The NASDAQ Capital Market

Securities Registered Pursuant to Section 12(g) of the Exchange Act: None

Indicate by check mark whether the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company
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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the voting common equity held by non-affiliates of the registrant was \$1,020,885 (based upon the quoted closing sale price per share of the registrant's ordinary shares on The NASDAQ Capital Market) on the last business day of the registrant's most recently completed second fiscal quarter (June 30, 2020). For purposes of this calculation, the registrant has assumed that its directors and executive officers as of June 30, 2020 were affiliates.

As of March 30, 2021, 5,733,587 ordinary shares, par value \$0.001 (USD) per share, were outstanding.

Documents Incorporated by Reference:

Portions of the Company's proxy statement to be filed with the Securities and Exchange Commission relating to the 2021 Annual Meeting of Shareholders will be incorporated by reference into Part III of this Annual Report on Form 10-K.

OXBRIDGE RE HOLDINGS LIMITED
Index to Annual Report on Form 10-K
Year Ended December 31, 2020

	<u>Page</u>
<u>CAUTIONARY STATEMENTS FOR FORWARD-LOOKING INFORMATION</u>	2
<u>PART I.</u>	
<u>ITEM 1. BUSINESS</u>	2
<u>ITEM 1A. RISK FACTORS</u>	12
<u>ITEM 1B. UNRESOLVED STAFF COMMENTS</u>	26
<u>ITEM 2. PROPERTIES</u>	26
<u>ITEM 3. LEGAL PROCEEDINGS</u>	26
<u>ITEM 4. MINE SAFETY DISCLOSURES</u>	27
<u>PART II.</u>	
<u>ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES</u>	27
<u>ITEM 6. SELECTED FINANCIAL DATA</u>	28
<u>ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	28
<u>ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	37
<u>ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA</u>	37
<u>ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE</u>	37
<u>ITEM 9A. CONTROLS AND PROCEDURES</u>	37
<u>ITEM 9B. OTHER INFORMATION</u>	39
<u>PART III.</u>	
<u>ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE</u>	40
<u>ITEM 11. EXECUTIVE COMPENSATION</u>	40
<u>ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS</u>	40
<u>ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE</u>	40
<u>ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES</u>	40
<u>PART IV.</u>	
<u>ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES</u>	41
<u>ITEM 16. FORM 10-K SUMMARY</u>	41
<u>INDEX TO EXHIBITS</u>	42
<u>SIGNATURES</u>	43

SPECIAL NOTE ABOUT FORWARD-LOOKING STATEMENTS

Unless the context dictates otherwise, references to “we,” “us,” “our,” “our company,” or “the Company” in this Annual Report on Form 10-K refer to Oxbridge Re Holdings Limited and its wholly-owned subsidiaries, Oxbridge Reinsurance Limited and Oxbridge Re NS.

All statements in this Annual Report on Form 10-K, including in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” (refer to Part I, Item 7 of this Annual Report on Form 10-K), other than statements of historical fact, including estimates, projections, statements relating to our business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These forward-looking statements generally are identified by the words such as “believe,” “project,” “predict,” “expect,” “anticipate,” “estimate,” “intend,” “plan,” “may,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from our historical results and the forward-looking statements and you should not place undue reliance on the forward-looking statements. A detailed discussion of risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included in the section entitled “*Risk Factors*” (refer to Part I, Item 1A, of this Annual Report on Form 10-K). We undertake no obligation, other than imposed by law, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on the forward-looking statements which speak only to the dates on which they were made.

PART I

ITEM 1 **BUSINESS**

Overview

We are a Cayman Islands specialty property and casualty reinsurer that provides reinsurance solutions through our subsidiaries, Oxbridge Reinsurance Limited and Oxbridge RE NS. We focus on underwriting fully-collateralized reinsurance contracts primarily for property and casualty insurance companies in the Gulf Coast region of the United States, and from time to time, we may undertake global exposure through industry loss warranty (“ILW”) contracts. We specialize in underwriting medium frequency, high severity risks, where we believe sufficient data exists to analyze effectively the risk/return profile of reinsurance contracts. We were organized in April 2013 as an exempted company under the laws of the Cayman Islands.

We underwrite reinsurance contracts on a selective and opportunistic basis as opportunities arise based on our goal of achieving favorable long-term returns on equity for our shareholders. Our goal is to achieve long-term growth in book value per share by writing business that generates attractive underwriting profits relative to the risk we bear. Unlike other insurance and reinsurance companies, we do not intend to pursue an aggressive investment strategy and instead will focus our business on underwriting profits rather than investment profits. However, we intend to complement our underwriting profits with investment profits on an opportunistic basis.

Our primary business focus is on fully collateralized reinsurance contracts for property catastrophes, primarily in the Gulf Coast region of the United States.

Within that market and risk category, we attempt to select the most economically attractive opportunities across a variety of property and casualty insurers. As we attempt to grow our capital base, we expect that we will consider growth opportunities in other geographic areas and risk categories.

Our level of profitability is primarily determined by how adequately our premiums assumed and investment income cover our costs and expenses, which consist primarily of acquisition costs and other underwriting expenses, claim payments and general and administrative expenses. One factor leading to variation in our operational results is the timing and magnitude of any follow-on offerings we undertake (if any), and issuance of participating notes to third-party investors, as we would be able to deploy new capital to collateralize new reinsurance treaties and consequently, earn additional premium revenue. In addition, our results of operations may be seasonal in that hurricanes and other tropical storms typically occur during the period from June 1 through November 30. Further, our results of operations may be subject to significant variations due to factors affecting the property and casualty insurance industry in general, which include competition, legislation, regulation, general economic conditions, judicial trends, and fluctuations in interest rates and other changes in the investment environment.

Because we employ an opportunistic underwriting and investment philosophy, period-to-period comparisons of our underwriting results may not be meaningful. In addition, our historical investment results may not necessarily be indicative of future performance. Due to the nature of our reinsurance and investment strategies, our operating results will likely fluctuate from period to period.

We organized our Oxbridge Re NS subsidiary on December 22, 2017 to function as a reinsurance sidecar which increases the underwriting capacity of Oxbridge Reinsurance Limited. Oxbridge Re NS commenced operations on June 1, 2018 and has since issued participating notes to third-party and related-party investors, the proceeds of which were utilized to collateralize a quota-share of Oxbridge Reinsurance Limited's reinsurance obligations.

Our Business Strategy

Our goal is to achieve attractive risk-adjusted returns for our shareholders through the prudent management of underwriting risks relative to our capital base. To achieve this objective, the following are the principal elements of our business strategy.

- **Maintain a Commitment to Disciplined Underwriting.** We employ a disciplined and data-driven underwriting approach to select a diversified portfolio of risks that we believe will generate an attractive return to our shareholders over the long term. Neither our underwriting nor our investment strategies are designed to generate smooth or predictable quarterly earnings, but rather to optimize growth in book value per share over the long term.
- **Focus on Risk Management.** We treat risk management as an integral part of our underwriting and business management processes. All of our reinsurance contracts contain loss limitation provisions that limit our losses to the value of the assets collateralizing our reinsurance contracts.
- **Deployment of Capital.** In order to eliminate the possibility of complete losses, we intend to place only a portion of our total capital at risk in any single year. This means that we expect lower returns than some of our competitors in years where there are lower than average catastrophe losses but that our capital will not be completely eroded in the event of multiple large losses.

- **Take Advantage of Market Opportunities.** Although our business is initially focused on catastrophe coverage for Gulf Coast insurers and globally through ILW's, we intend to continuously evaluate various market opportunities in which our business may be strategically or financially expanded or enhanced in the future. Such opportunities could take the form of further diversifying our business into other geographic or market areas, could include quota share reinsurance contracts, joint ventures, renewal rights transactions, corporate acquisitions of other insurers or reinsurers, or the formation of insurance or reinsurance platforms in new markets.

We believe the environment in the reinsurance and insurance markets will continue to produce opportunities for us, either through organic expansion, through acquisitions, or a combination of both.

The Reinsurance Industry

General

Reinsurance is an arrangement in which an insurance company, referred to as the reinsurer, agrees to assume from another insurance company, referred to as the ceding company or cedant, all or a portion of the insurance risks that the ceding company has underwritten under one or more insurance contracts. In return, the reinsurer receives a premium for the insured risks that it assumes from the ceding company, although reinsurance does not discharge the ceding company from its liabilities to policyholders. It is standard industry practice for primary insurers to reinsure portions of their insurance risks with other insurance companies under reinsurance agreements or contracts. This permits primary insurers to underwrite policies in amounts larger than the risks they are willing to retain. Reinsurance is generally designed to:

- Reduce the ceding company's net liability on individual risks, thereby assisting it in managing its risk profile and increasing its capacity to underwrite business as well as increasing the limit to which it can underwrite on a single risk;
- assist the ceding company in meeting applicable regulatory and rating agency capital requirements;
- assist the ceding company in reducing the short-term financial impact of sales and other acquisition costs; and
- enhance the ceding company's financial strength and statutory capital.

When reinsurance companies purchase reinsurance to cover their own risks assumed from ceding companies, this is known as retrocessional reinsurance. Reinsurance or retrocessional reinsurance can benefit a ceding company or reinsuring company, referred to herein as a "retrocedant," as applicable, in various ways, such as by reducing exposure to individual risks and by providing catastrophe protection from larger or multiple losses. Like ceding companies, retrocedants can use retrocessional reinsurance to manage their overall risk profile or to create additional underwriting capacity, allowing them to accept larger risks or to write more business than would otherwise be possible, absent an increase in their capital or surplus.

Reinsurance contracts do not discharge ceding companies from their obligations to policyholders. Ceding companies therefore generally require their reinsurers to have, and to maintain, either a strong financial strength rating or security, in the form of collateral, as assurance that their claims will be paid.

Insurers generally purchase multiple tranches of reinsurance protection above an initial retention elected by the insurer. The amount of reinsurance protection purchased by an insurer is typically determined by the insurer through both quantitative and qualitative methods. In the event of losses, the amount of loss that exceeds the amount of reinsurance protection purchased is retained by the insurer.

As a program is constructed from the ground up, each tranche added generally has a lower probability of loss than the prior tranche and therefore is generally subject to a lower reinsurance premium charged for the reinsurance protection purchased. Insurer catastrophe programs are typically supported by multiple reinsurers per program.

Reinsurance brokers play an important role in the reinsurance market. Brokers are intermediaries that assist the ceding company in structuring a particular reinsurance program and in negotiating and placing risks with third-party reinsurers. In this capacity, the broker is selected and retained by the ceding company on a contract-by-contract basis, rather than by the reinsurer. Though brokers are not parties to reinsurance contracts, reinsurers generally receive premium payments from brokers rather than ceding companies, and reinsurers that do not provide collateralized reinsurance are frequently required to pay amounts owed on claims under their policies to brokers. These brokers, in turn, pay these amounts to the ceding companies that have reinsured a portion of their liabilities with reinsurers.

Types of Reinsurance Contracts

Property reinsurance products are often written in the form of treaty reinsurance contracts, which are contractual arrangements that provide for the automatic reinsurance of a type or category of risk underwritten. Treaty reinsurance premiums, which are typically due in installments, are a function of the number and type of contracts written, as well as prevailing market prices. The timing of premiums written varies by line of business. The majority of property catastrophe business is written at the January and June annual renewal periods, depending on the type and location of the risks covered. Most hurricane and wind-storm coverage, particularly in the Gulf Coast region of the United States, is written at the June annual renewal periods.

Property catastrophe reinsurance contracts are typically "all risk" in nature, providing protection to the ceding company against losses from hurricanes and other natural and man-made catastrophes such as floods, earthquakes, tornadoes, storms and fires, referred to herein collectively as "perils." The predominant exposures covered by these contracts are losses stemming from property damage and business interruption resulting from a covered peril. Coverage can also vary from "all natural" perils, which is the most expansive form, to more limited types such as windstorm-only coverage.

Property catastrophe reinsurance contracts are typically written on an "excess-of-loss" basis, which provides coverage to the ceding company when aggregate claims and claim expenses from a single occurrence for a covered peril exceed an amount that is specified in a particular contract. The coverage provided under excess-of-loss reinsurance contracts may be on a worldwide basis or may be limited in scope to specific regions or geographical areas. Under these contracts, protection is provided to an insurer for a portion of the total losses in excess of a specified loss amount, up to a maximum amount per loss specified in the contract.

Excess-of-loss contracts are typically written on a losses-occurring basis, which means that they cover losses that occur during the contract term, regardless of when the underlying policies came into force. Premiums from excess-of-loss contracts are earned ratably over the contract term, which is ordinarily 12 months. Most excess-of-loss contracts provide for a reinstatement of coverage following a covered loss event in return for an additional premium.

Our Reinsurance Contracts and Products

We write primarily property catastrophe reinsurance. We currently expect that substantially all of the reinsurance products we write in the foreseeable future will be in the form of treaty reinsurance contracts. When we write treaty reinsurance contracts, we do not evaluate separately each of the individual risks assumed under the contracts and are therefore largely dependent on the individual underwriting decisions made by the cedant. Accordingly, as part of our initial review and renewal process, we carefully review and analyze the cedant's risk management and underwriting practices in evaluating whether to provide treaty reinsurance and in appropriately pricing the treaty.

Our portfolio of business continues to be characterized by relatively large transactions with a relatively few number of cedants. We do not consider any single contract to be material to our business as the loss of any single contract can easily be supplemented by contributing the additional capacity across one or more of our other contracts. We anticipate that our business will continue to be characterized by a relatively small number of reinsurance contracts for the foreseeable future.

Our contracts are written on an excess-of-loss basis, generally with a per-event cap. We generally receive the premium for the risk assumed and indemnify the cedant against all or a specified portion of losses and expenses in excess of a specified dollar or percentage amount. Our contracts are generally both single-year or multi-year contracts and our policy years generally commence on June 1 of each year and end on May 31 of the following year.

The bulk of our portfolio of risks is assumed pursuant to traditional reinsurance contracts. However, from time to time we take underwriting risk by purchasing a catastrophe-linked bond, or via a transaction booked as an industry loss warranty (as described below) or an indemnity swap. An indemnity swap is an agreement which provides for the exchange between two parties of different portfolios of catastrophe exposure with similar expected loss characteristics (for example, U.S. earthquake exposure for Asian earthquake exposure).

We believe our most attractive near-term opportunity is in property catastrophe reinsurance coverage for insurance companies. In addition to seeking profitable pricing, we manage our risks with contractual limits on our exposure. Property catastrophe reinsurance contracts are typically "all risk" in nature, meaning that they protect against losses from earthquakes and hurricanes, as well as other natural and man-made catastrophes such as tornados, fires, winter storms, and floods (where the contract specifically provides for such coverage). Losses on these contracts typically stem from direct property damage and business interruption. We generally write property catastrophe reinsurance on an excess-of-loss basis. These contracts typically cover only specific regions or geographical areas.

We are not licensed or admitted as an insurer in any jurisdiction other than the Cayman Islands. In addition, we do not have a financial rating and do not expect to have one in the near future. Many jurisdictions such as the United States do not permit clients to take credit for reinsurance on their statutory financial statements if such reinsurance is obtained from unlicensed or non-admitted insurers without appropriate collateral. As a result, we anticipate that all of our clients will require us to fully collateralize the reinsurance contracts we bind with them. Each of our contracts are fully collateralized and separately structured, with our liability being limited to the value of the assets held in the trust. We are generally not required to top-up the value of the assets held as collateral in respect of a particular reinsurance agreement, unless such collateral is subject to market risk. For each reinsurance agreement, a reinsurance trust is established in favor of the cedant, and the trustee of the reinsurance trust is a large bank that is agreed upon by our company and the cedant.

The premium for the contract is ordinarily deposited into the trust, together with additional capital from our company, up to the coverage limit. Each reinsurance contract contains express limited recourse language to the effect that the liabilities of the relevant reinsurance contract are limited to the realizable value of the collateral held in respect of that contract. Upon the expiration of the reinsurance contract, the assets of the trust net of insured losses and other expenses are transferred to our company.

Underwriting and Retrocessional Coverage

Most of our reinsurance contracts have other reinsurers participating as lead underwriters, and these lead underwriters generally set the premium for the risk. We follow the premium pricing of the lead underwriters in most cases subject to the guidance of the Underwriting Committee of our Board of Directors. Each quarter, our Board of Directors will set parameters for the maximum level of capital to be deployed for the quarter and the expected premium and risk profile that each of our contracts must meet.

Marketing and Distribution

We expect that, in the future, the majority of our business will be sourced through reinsurance brokers. Brokerage distribution channels provide us with access to an efficient, variable distribution system without the significant time and expense that would be incurred in creating an in-house marketing and distribution network. Reinsurance brokers receive a brokerage commission that is usually a percentage of gross premiums written.

We intend to build relationships with global reinsurance brokers and captive insurance companies located in the Cayman Islands. Our management team has significant relationships with most of the primary and specialty broker intermediaries in the reinsurance marketplace in our target market. We believe that maintaining close relationships with brokers will give us access to a broad range of reinsurance clients and opportunities.

Brokers do not have the authority to bind us to any reinsurance contract. We review and approve all contract submissions in our corporate offices located in the Cayman Islands. From time to time, we may also enter into relationships with managing general agents who could bind us to reinsurance contracts based on narrowly defined underwriting guidelines.

Investment Strategy

Our company's business focus is primarily on underwriting profit. However, we remain opportunistic with respect to investment income, and intend to increase shareholder value through supplemental investment income when favorable opportunities are available. The Company, from time to time, and dependent upon favorable investment conditions and our investment guidelines, may invest in real estate and other ventures that have the potential to increase shareholder value.

Currently, most of our company's capital is held in trust accounts that collateralize the reinsurance policies that we write. The investment parameters for capital held in such trust accounts are generally established by the cedant for the relevant policy. Our current investments are held in cash and equity securities.

Funds that are not held in collateralized trust accounts are generally invested in a relatively conservative manner, with a focus on generating income while equally being liquid.

Our Board of Directors periodically reviews our investment policy and returns.

Claims Management

Claims are managed internally by the company's management team. Management reviews and responds to initial loss reports, administers claims databases, determines whether further investigation is required and where appropriate, retains outside claims counsel, establishes case reserves and approves claims for payment. In addition, we may conduct audits of any significant client throughout the year, and in the process, evaluate our clients' claims handling abilities, reserving philosophies, loss notification processes and the overall quality of our clients' performance.

Upon receipt, claims notices are recorded within our underwriting, financial and claims systems. When we are notified of insured losses or discover potential losses as part of our claims' audits, we record a case reserve as appropriate for the estimated amount of the exposure at that time. The estimate reflects the judgment of management based on general reserving practices, the experience and knowledge of the manager regarding the nature of the specific claim and, where appropriate, advice of outside counsel. Reserves are also established to provide for the estimated expense of settling claims, including legal and other fees and the general expenses of administering the claims adjustment process.

Loss Reserves

Loss reserves represent estimates, including actuarial and statistical projections at a given point in time, of the ultimate settlement and administration costs of claims incurred (including claims incurred but not reported ("IBNR")). Estimates are not precise in that, among other things, they are based on predictions of future developments and estimates of future trends in claims severity and frequency and other variable factors such as inflation. It is likely that the ultimate liability will be greater or less than such estimates and that, at times, this variance will be material.

For our property and other catastrophe policies, we initially establish our loss reserves based on loss payments and case reserves reported by ceding companies. As we are not the only reinsurer on most contracts, the lead reinsurer will set the loss amount estimates for the contract and the cedant will have the ability to pay for case losses consistent with that amount on our pro-rata share of the contract.

We then add to these case reserves our estimates for IBNR. To establish our IBNR estimates, in addition to the loss information and estimates communicated by cedants, we also use the services of an independent actuary. We may also use our computer-based vendor and proprietary modeling systems to measure and estimate loss exposure under the actual event scenario, if available. Although the loss modeling systems assist with the analysis of the underlying loss, and provide us with information and the ability to perform an enhanced analysis, the estimation of claims resulting from catastrophic events is inherently difficult because of the variability and uncertainty of property catastrophe claims and the unique characteristics of each loss.

If IBNR estimates are made, we assess the validity of the assumptions we use in the reserving process on a quarterly basis during an internal review process. During this process actuaries verify that the assumptions we have made continue to form what they consider to be a sound basis for projection of future liabilities.

Although we believe that we are prudent in our assumptions and methodologies, we cannot be certain that our ultimate payments will not vary, perhaps materially, from the estimates we have made. If we determine that adjustments to an earlier estimate are appropriate, such adjustments are recorded in the quarter in which they are identified. The establishment of new reserves, or the adjustment of reserves for reported claims, could result in significant upward or downward changes to our financial condition or results of operations in any particular period. We regularly review and update these estimates, using the most current information available to us.

Our estimates are reviewed quarterly by an independent actuary in order to provide additional insight into the reasonableness of our loss reserves.

Competition

The reinsurance industry is highly competitive. We expect to compete with major reinsurers, most of which are well established with significant operating histories, strong financial strength ratings and long-standing client relationships.

Our competitors include Third Point Reinsurance Ltd., Blue Capital Reinsurance Holdings Ltd., ACE Ltd., Everest Re, General Re Corporation, Hannover Re Group, Munich Reinsurance Company, Partner Re Ltd., Swiss Reinsurance Company, Transatlantic Reinsurance Company, Berkshire Hathaway, PartnerRe Ltd, Aeolus, and Nephila. Although we seek to provide coverage where capacity and alternatives are limited, we directly compete with these larger companies due to the breadth of their coverage across the property and casualty market in substantially all lines of business. We also compete with smaller companies and other niche reinsurers from time to time.

While we have a limited operating history, we believe that our unique approach to multi-year underwriting will allow us to be successful in underwriting transactions against more established competitors.

Employees

As of March 23, 2021, we had three employees, all of which are full-time, and we are not in the process of hiring additional resources at this time. We believe that our relations with our employees are good. None of our employees are subject to collective bargaining agreements, and we are not aware of any current efforts to implement such agreements. We believe that we will continue to have relatively few employees and intend to outsource some functions to specialist firms in the Cayman Islands if and when we determine that such functions are necessary. We intend to use the expertise of our Board of Directors and where necessary, external consultants to provide any other service we may require from time to time.

Legal Proceedings

We are not currently involved in any litigation or arbitration. We anticipate that, similar to the rest of the insurance and reinsurance industry, we will be subject to litigation and arbitration in the ordinary course of business.

Regulation and Capital Requirements

Our wholly-owned subsidiaries, Oxbridge Reinsurance Limited and Oxbridge Re NS, each holds a Class C Insurer's License issued in accordance with the terms of the Insurance Law (as revised) of the Cayman Islands (the "Law"), and is subject to regulation by the Cayman Islands Monetary Authority ("CIMA"), in terms of the Law. As the holder of a Class C Insurer's License, Oxbridge Reinsurance Limited and Oxbridge Re NS are permitted to undertake insurance business approved by CIMA.

Oxbridge Reinsurance Limited and Oxbridge Re NS are subject to minimum capital and surplus requirements, and our failure to meet these requirements could subject us to regulatory action. Pursuant to The Insurance (Capital and Solvency) (Classes B, C and D Insurers) Regulations, 2012 (the "Capital and Solvency Regulations") published under the Law, Oxbridge Reinsurance Limited and Oxbridge Re NS are required to maintain the statutory minimum capital requirement (as defined under the Capital and Solvency Regulations) of \$500 and prescribed capital requirement (as defined under the Capital and Solvency Regulations) of \$500, and a minimum margin of solvency equal to or in excess of the total prescribed capital requirement. Any failure to meet the applicable requirements or minimum statutory capital requirements could subject us to further examination or corrective action by CIMA, including restrictions on dividend payments, limitations on our writing of additional business or engaging in finance activities, supervision or liquidation.

CIMA may at any time direct Oxbridge Reinsurance Limited and Oxbridge Re NS, in relation to a policy, a line of business or the entire business, to cease or refrain from committing an act or pursuing a course of conduct and to perform such acts as in the opinion of CIMA are necessary to remedy or ameliorate the situation. See the discussion in "*Risk Factors*" under the heading "*Any suspension or revocation of our reinsurance license would materially impact our ability to do business and implement our business strategy*" for more information.

In addition, as a Cayman Islands exempted company, we may not carry on business or trade locally in the Cayman Islands except in furtherance of our business outside the Cayman Islands, and we are prohibited from soliciting the public of the Cayman Islands to subscribe for any of our securities or debt. We are further required to file a return with the Registrar of Companies in January of each year and to pay an annual registration fee at that time.

The Cayman Islands has no exchange controls restricting dealings in currencies or securities.

Available Information

Our website is located at www.oxbridgere.com. Copies of our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to these reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are available, free of charge, on our website as soon as reasonably practicable after we file such material electronically with or furnish it to the Securities and Exchange Commission (the "SEC"). The SEC also maintains a website that contains our SEC filings. The address of the SEC's website is www.sec.gov.

Risks Relating to Our Business

We will need additional capital in the future in order to grow and operate our business. Such capital may not be available to us or may not be available to us on favorable terms. Furthermore, our raising additional capital could dilute your ownership interest in our company.

We expect that we will need to raise additional capital in the future through public or private equity or debt offerings or otherwise in order to:

- further capitalize our reinsurance subsidiary and implement our growth strategy;
- fund liquidity needs caused by underwriting or investment losses;
- replace capital lost in the event of significant reinsurance losses or adverse reserve developments;
- meet applicable statutory jurisdiction requirements; and/or
- respond to competitive pressures.

Additional capital may not be available on terms favorable to us, or at all. Further, any additional capital raised through the sale of equity could dilute your ownership interest in our company and may cause the market price of our ordinary shares and warrants to decline. Additional capital raised through the issuance of debt may result in creditors having rights, preferences and privileges senior or otherwise superior to those of our ordinary shares and warrants.

Our results of operations will fluctuate from period to period and may not be indicative of our long-term prospects.

We anticipate that the performance of our reinsurance operations and our investment portfolio will fluctuate from period to period. Fluctuations will result from a variety of factors, including:

- reinsurance contract pricing;
- our assessment of the quality of available reinsurance opportunities;
- the volume and mix of reinsurance products we underwrite;
- loss experienced on our reinsurance liabilities;
- our ability to assess and integrate our risk management strategy properly; and
- the performance of our investment portfolio.

In particular, we plan to underwrite products and make investments to achieve favorable return on equity over the long term. In addition, our opportunistic nature and focus on long-term growth in book value will result in fluctuations in total premiums written from period to period as we concentrate on underwriting contracts that we believe will generate better long-term, rather than short-term, results. Accordingly, our short-term results of operations may not be indicative of our long-term prospects.

Failure to become rated by A.M. Best, or receipt of a negative rating, could significantly and negatively affect our ability to grow.

Companies, insurers and reinsurance brokers use ratings from independent ratings agencies as an important means of assessing the financial strength and quality of reinsurers. This rating reflects the rating agency's opinion of our financial strength, operating performance and ability to meet obligations. It is not an evaluation directed toward the protection of investors or a recommendation to buy, sell or hold our securities. A.M. Best assigns ratings based on its analysis of balance sheet strength, operating performance and business profile.

Currently, A.M Best has not assigned us a financial strength rating, and we do not intend to seek a rating in the foreseeable future. Without a rating, or if we received a negative rating, our growth potential and business strategy will be limited because of the need to collateralize the insurance policies that we write.

Established competitors with greater resources may make it difficult for us to effectively market our products or offer our products at a profit.

The reinsurance industry is highly competitive. We compete with major reinsurers, all of which have substantially greater financial, marketing and management resources than we do. Competition in the types of business that we seek to underwrite is based on many factors, including:

- premium charges;
- the general reputation and perceived financial strength of the reinsurer;
- relationships with reinsurance brokers;
- terms and conditions of products offered;
- ratings assigned by independent rating agencies;
- speed of claims payment and reputation; and
- the experience and reputation of the members of our underwriting team in the particular lines of reinsurance we seek to underwrite.

Additionally, although the members of our underwriting team have general experience across many property and casualty lines, they may not have the requisite experience or expertise to compete for all transactions that fall within our strategy of offering customized frequency and severity contracts at times and in markets where capacity and alternatives may be limited.

Our competitors include Third Point Reinsurance Ltd., Blue Capital Reinsurance Holdings Ltd., ACE Ltd., Everest Re, General Re Corporation, Hannover Re Group, Munich Reinsurance Company, Partner Re Ltd., Swiss Reinsurance Company, Transatlantic Reinsurance Company, Berkshire Hathaway, PartnerRe Ltd, Aeolus, and Nephila, as well as smaller companies and other niche reinsurers. Although we seek to provide coverage where capacity and alternatives are limited, we will directly compete with these larger companies due to the breadth of their coverage across the property and casualty market in substantially all lines of business.

We cannot assure you that we will be able to compete successfully in the reinsurance market. Our failure to compete effectively could significantly and negatively affect our financial condition and results of operations and may increase the likelihood that we may be deemed to be a passive foreign investment company or an investment company.

If actual renewals of our existing contracts do not meet expectations, our premiums assumed in future years and our future results of operations could be materially adversely affected.

Many of our contracts are generally written for a one-year term. In our financial forecasting process, we make assumptions about the renewal of our prior year's contracts. The insurance and reinsurance industries have historically been cyclical businesses with periods of intense competition, often based on price. If actual renewals do not meet expectations or if we choose not to write on a renewal basis because of pricing conditions, our premiums assumed in future years and our future operations would be materially adversely affected.

Reputation is an important factor in the reinsurance industry, and our lack of an established reputation may make it difficult for us to attract or retain business.

Reputation is a very important factor in the reinsurance industry, and competition for business is, in part, based on reputation. Although our reinsurance policies will be fully collateralized, we are a relatively newly formed reinsurance company and do not yet have a well-established reputation in the reinsurance industry. Our lack of an established reputation may make it difficult for us to attract or retain business. In addition, we do not have or currently intend to obtain financial strength ratings, which may discourage certain counterparties from entering into reinsurance contracts with us.

If our losses and loss adjustment expenses greatly exceed our loss reserves, our financial condition may be significantly and negatively affected.

Our results of operations and financial condition will depend upon our ability to accurately assess the potential losses and loss adjustment expenses associated with the risks we reinsure. Reserves are estimates at a given time of claims an insurer ultimately expects to pay, based upon facts and circumstances then known, predictions of future events, estimates of future trends in claim severity and other variable factors. The inherent uncertainties of estimating loss reserves are generally greater for reinsurance companies as compared to primary insurers, primarily due to:

- the lapse of time from the occurrence of an event to the reporting of the claim and the ultimate resolution or settlement of the claim;
- the diversity of development patterns among different types of reinsurance treaties; and
- the necessary reliance on the client for information regarding claims.

Our estimation of reserves may be less reliable than the reserve estimations of a reinsurer with a greater volume of business and an established loss history. Our actual losses and loss adjustment expenses paid may deviate substantially from the estimates of our loss reserves and could negatively affect our results of operations. If our loss reserves are later found to be inadequate, we would increase our loss reserves with a corresponding reduction in our net income and capital in the period in which we identify the deficiency, and such a reduction would also negatively affect our results of operations. If our losses and loss adjustment expenses greatly exceed our loss reserves, our financial condition may be significantly and negatively affected.

The property and casualty reinsurance market may be affected by cyclical trends and over-supply.

We write reinsurance in the property and casualty markets, which tend to be cyclical in nature. Ceding company underwriting results, prevailing general economic and market conditions, liability retention decisions of companies and ceding companies and reinsurance premium rates each influence the demand for property and casualty reinsurance. Prevailing prices and available surplus to support assumed business then influence reinsurance supply. Supply may fluctuate in response to changes in return on capital realized in the reinsurance industry, the frequency and severity of losses and prevailing general economic and market conditions.

Continued increases in the supply of reinsurance may have consequences for the reinsurance industry generally and for us, including lower premium rates, increased expenses for customer acquisition and retention, less favorable policy terms and conditions and/or lower premium volume. Furthermore, unpredictable developments, including courts granting increasingly larger awards for certain damages, increases in the frequency of natural disasters (such as hurricanes, windstorms, tornados, earthquakes, wildfires and floods), fluctuations in interest rates, changes in the investment environment that affect market prices of investments and inflationary pressures, affect the industry's profitability. The effects of cyclical trends could significantly and negatively affect our financial condition and results of operations.

Due to the influx of new risk capital from alternative capital market participants such as hedge funds and pension funds, we believe that the reinsurance industry is currently over-capitalized and will continue in this trend for the foreseeable future. The over-capitalization of the market is not uniform as there are a number of insurers and reinsurers that have suffered and continue to suffer from capacity issues. We continue to assess the opportunities that may be available to us with insurance and reinsurance companies with this profile. If the reinsurance market continues to soften, our strategy is to reduce premium writings rather than accept mispriced risk and conserve our capital for a more opportune environment. Significant rate increases could occur if financial and credit markets experience adverse shocks that result in the loss of capital of insurers and reinsurers, or if there are major catastrophic events, especially in North America.

Our operations could be materially and adversely affected by measures implemented by the Cayman Islands' government, as well as international federal, state and local governments to cope with public health issues such as the outbreak of COVID-19, resulting in a material impact to our financial position and results of operations.

The measures undertaken by governmental authorities to combat a serious public health issue could significantly disrupt or prevent us from operating our business in the ordinary course for an extended period and could materially affect our financial position and operating results.

On March 11, 2020, the World Health Organization characterized the outbreak of COVID-19 as a global pandemic. On March 25, 2020, the Cayman Islands' government implemented curfew restrictions to control the spread of COVID-19. Wide-ranging actions undertaken by local and international government authorities include full lockdowns, airport shutdowns, travel restrictions, quarantines and stay-at-home orders. As a result, people are forced to substantially restrict daily activities resulting in businesses having to curtail or cease normal operations and furlough or terminate employees. Such measures cause concerns over the stability of global markets and threaten prospects for economic growth.

In response to the pandemic, we temporarily closed our offices and asked our employees to work from home until further notice. Since then the Cayman Islands government have issued stay at home orders for non-essential workers. We however, reopened our offices in May 2020 after receiving government's approval with minimal impact on our operations.

Furthermore, the disruption of global commercial activities across all market sectors and the significant declines and volatility in financial markets could result in a material adverse impact on our financial position, results of operations and cash flows. Possible effects may include, but are not limited to a decline the value of equity securities held by us, and disruption to cash inflows from our reinsurance business.

Our property and property catastrophe reinsurance operations will make us vulnerable to losses from catastrophes and may cause our results of operations to vary significantly from period to period.

Our reinsurance operations expose us to claims arising out of unpredictable catastrophic events, such as hurricanes, hailstorms, tornados, windstorms, earthquakes, floods, fires, explosions, and other natural or man-made disasters. The incidence and severity of catastrophes are inherently unpredictable but the loss experience of property catastrophe reinsurers has been generally characterized as low frequency and high severity. Claims from catastrophic events could reduce our earnings and cause substantial volatility in our results of operations for any fiscal quarter or year and adversely affect our financial condition. Corresponding reductions in our surplus levels could impact our ability to write new reinsurance policies.

Catastrophic losses are a function of the insured exposure in the affected area and the severity of the event. Because accounting standards do not permit reinsurers to reserve for catastrophic events until they occur, claims from catastrophic events could cause substantial volatility in our financial results for any fiscal quarter or year and could significantly and negatively affect our financial condition and results of operations.

We could face unanticipated losses from war, terrorism, and political unrest, and these or other unanticipated losses could have a material adverse effect on our financial condition and results of operations.

Like other reinsurers, we face potential exposure to large, unexpected losses resulting from man-made catastrophic events, such as acts of war, acts of terrorism and political instability. These risks are inherently unpredictable and recent events may indicate that the frequency and severity of these types of losses may increase. It is difficult to predict the timing of these events or to estimate the amount of loss that any given occurrence will generate. To the extent that losses from these risks occur, our financial condition and results of operations could be significantly and negatively affected.

We depend on our clients' evaluations of the risks associated with their insurance underwriting, which may subject us to reinsurance losses.

In the proportional reinsurance business, in which we assume an agreed percentage of each underlying insurance contract being reinsured, or quota share contracts, we do not separately evaluate each of the original individual risks assumed under these reinsurance contracts. Therefore, we are largely dependent on the original underwriting decisions made by ceding companies. We are subject to the risk that the clients may not have adequately evaluated the insured risks and that the premiums ceded may not adequately compensate us for the risks we assume. We also do not separately evaluate each of the individual claims made on the underlying insurance contracts under quota share arrangements. Therefore, we are dependent on the original claims decisions made by our clients.

Changing climate conditions may adversely affect our financial condition, profitability or cash flows.

Climate change, to the extent it produces extreme changes in temperatures and changes in weather patterns, could impact the frequency or severity of weather events and wildfires. Further, it could impact the affordability and availability of homeowners insurance, which could have an impact on pricing. Changes in weather patterns could also affect the frequency and severity of other natural catastrophe events to which we may be exposed. The occurrence of these events would significantly and negatively affect our financial condition and results of operations.

Operational risks, including human or systems failures, are inherent in our business.

Operational risks and losses can result from, among other things, fraud, errors, failure to document transactions properly or to obtain proper internal authorization, failure to comply with regulatory requirements, information technology failures or external events.

We believe that our modeling, underwriting and information technology and application systems are critical to our business and our growth prospects. Moreover, we rely on our information technology and application systems to further our underwriting process and to enhance our ability to compete successfully. A major defect or failure in our internal controls or information technology and application systems could result in management distraction, harm to our reputation or increased expenses.

The effect of emerging claim and coverage issues on our business is uncertain.

As industry practices and legal, judicial and regulatory conditions change, unexpected issues related to claims and coverage may emerge. It is possible that certain provisions of our future reinsurance contracts, such as limitations or exclusions from coverage or choice of forum, may be difficult to enforce in the manner we intend, due to, among other things, disputes relating to coverage and choice of legal forum. These issues may adversely affect our business by either extending coverage beyond the period that we intended or by increasing the number or size of claims. In some instances, these changes may not manifest themselves until many years after we have issued insurance or reinsurance contracts that are affected by these changes. As a result, we may not be able to ascertain the full extent of our liabilities under our insurance or reinsurance contracts for many years following the issuance of our contracts. The effects of unforeseen development or substantial government intervention could adversely impact our ability to adhere to our goals.

We are required to maintain sufficient collateral accounts, which could significantly and negatively affect our ability to implement our business strategy.

We are not licensed or admitted as a reinsurer in any jurisdiction other than the Cayman Islands. Certain jurisdictions, including the United States, do not permit insurance companies to take credit for reinsurance obtained from unlicensed or non-admitted insurers on their statutory financial statements unless appropriate security measures are implemented. Consequently, we must continue to maintain sufficient funds in escrow accounts to serve as collateral for our reinsurance contracts. Because we intend to continue to utilize our funds (rather than utilizing the credit markets) to serve as collateral for our reinsurance obligations, we may not be able to fully utilize our capital to expand our reinsurance coverage as rapidly as other reinsurers.

The inability to obtain business provided from brokers could adversely affect our business strategy and results of operations.

We anticipate that a substantial portion of our business will be placed primarily through brokered transactions, which involve a limited number of reinsurance brokers. If we are unable to identify and grow the brokered business provided through one or more of these reinsurance brokers, many of whom may not be familiar with our Cayman Islands jurisdiction, this failure could significantly and negatively affect our business and results of operations.

The involvement of reinsurance brokers may subject us to their credit risk.

As a standard practice of the reinsurance industry, reinsurers frequently pay amounts owed on claims under their policies to reinsurance brokers, and these brokers, in turn, remit these amounts to the ceding companies that have reinsured a portion of their liabilities with the reinsurer. In some jurisdictions, if a broker fails to make such a payment, the reinsurer might remain liable to the client for the deficiency notwithstanding the broker's obligation to make such payment. Conversely, in certain jurisdictions, when the client pays premiums for policies to reinsurance brokers for payment to the reinsurer, these premiums are considered to have been paid and the client will no longer be liable to the reinsurer for these premiums, whether or not the reinsurer has actually received them. Consequently, we assume a degree of credit risk associated with the brokers that we do business with.

We may be unable to purchase reinsurance for the liabilities we reinsure, and if we successfully purchase such reinsurance, we may be unable to collect, which could adversely affect our business, financial condition and results of operations.

Retrocessional coverage (reinsurance for the liabilities we reinsure) may not always be available to us. From time to time, we expect that we will purchase retrocessional coverage for our own account in order to mitigate the effect of a potential concentration of losses upon our financial condition. The insolvency or inability or refusal of a reinsurer of reinsurance to make payments under the terms of its agreement with us could have an adverse effect on us because we remain liable to our client. From time to time, market conditions have limited, and in some cases have prevented, reinsurers from obtaining the types and amounts of retrocession that they consider adequate for their business needs. Accordingly, we may not be able to obtain our desired amounts of retrocessional coverage or negotiate terms that we deem appropriate or acceptable or obtain retrocession from entities with satisfactory creditworthiness. Our failure to establish adequate retrocessional arrangements or the failure of our retrocessional arrangements to protect us from overly concentrated risk exposure could significantly and negatively affect our business, financial condition and results of operations.

U.S. and global economic downturns could harm our business, our liquidity and financial condition and the price of our securities.

Weak economic conditions may adversely affect (among other aspects of our business) the demand for and claims made under our products, the ability of customers, counterparties and others to establish or maintain their relationships with us, our ability to access and efficiently use internal and external capital resources and our investment performance. Volatility in the U.S. and other securities markets may adversely affect our investment portfolio and our resulting results of operations.

Our ability to implement our business strategy could be delayed or adversely affected by Cayman Islands employment restrictions.

Under Cayman Islands law, persons who are not Caymanian, do not possess Caymanian status, or are not otherwise entitled to reside and work in the Cayman Islands pursuant to provisions of the Immigration Law (2015 Revision) of the Cayman Islands, which we refer to as the Immigration Law, may not engage in any gainful occupation in the Cayman Islands without an appropriate governmental work permit. Although Jay Madhu and Wrendon Timothy have obtained Permanent Residency in the Cayman Islands, the failure to obtain work permits, or extensions thereof, for other employee(s) could prevent us from continuing to implement our business strategy seamlessly.

Security breaches and other disruptions could compromise our information and expose us to liability, which would cause our business and reputation to suffer.

In the ordinary course of our business, we may collect and store sensitive data, including proprietary business, in our data centers and on our networks. The secure processing, maintenance and transmission of this information is critical to our operations and business strategy. Despite our security measures, our information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Any such breach could compromise our networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, disrupt our operations, and damage our reputation, which could adversely affect our business, revenues and competitive position.

If we lose or are unable to retain our senior management and other key personnel and are unable to attract qualified personnel, our ability to implement our business strategy could be delayed or hindered, which, in turn, could significantly and negatively affect our business.

Although we only employ three individuals, two of whom are members of senior management, our future success may depend to a significant extent on the efforts of our senior management and other key personnel (who have not yet been hired) to implement our business strategy. We believe there are only a limited number of available, qualified executives with substantial experience in our industry. In addition, we will need to add personnel, including underwriters, to implement our business strategy. We could face challenges attracting personnel to the Cayman Islands. Accordingly, the loss of the services of one or more of the members of our senior management or other key personnel (when hired), or our inability to hire and retain other key personnel, could delay or prevent us from fully implementing our business strategy and, consequently, significantly and negatively affect our business.

We do not currently maintain key man life insurance with respect to any of our senior management. If any member of senior management dies or becomes incapacitated, or leaves the Company to pursue employment opportunities elsewhere, we would be solely responsible for locating an adequate replacement for such senior management and for bearing any related cost. To the extent that we are unable to locate an adequate replacement or are unable to do so within a reasonable period of time, our business may be significantly and negatively affected.

There are differences under Cayman Islands corporate law and Delaware corporate law with respect to interested party transactions which may benefit certain of our shareholders at the expense of other shareholders.

Under Cayman Islands corporate law, a director may vote on a contract or transaction where the director has an interest as a shareholder, director, officer or employee provided such interest is disclosed. None of our contracts will be deemed to be void because any director is an interested party in such transaction and interested parties will not be held liable for monies owed to the company. In contracts, under Delaware law, interested party transactions are potentially voidable.

Risks Relating to Insurance and Other Regulations

Any suspension or revocation of our reinsurance license would materially impact our ability to do business and implement our business strategy.

Oxbridge Reinsurance Limited is licensed as an insurer only in the Cayman Islands by the CIMA, and we do not intend to obtain a license in any other jurisdiction. The suspension or revocation of our license to do business as a reinsurance company in the Cayman Islands for any reason would mean that we would not be able to enter into any new reinsurance contracts until the suspension ended or we became licensed in another jurisdiction. Any such suspension or revocation of our license would negatively impact our reputation in the reinsurance marketplace and could have a material adverse effect on our results of operations.

As a regulated insurance company, Oxbridge Reinsurance Limited is subject to the supervision of CIMA and CIMA may at any time direct Oxbridge Reinsurance Limited, in relation to a policy, a line of business or the entire business, to cease or refrain from committing an act or pursuing a course of conduct and to perform such acts as in the opinion of CIMA are necessary to remedy or ameliorate the situation.

Furthermore, in certain circumstances, including when CIMA is of the opinion that:

- a licensee either is or appears to be likely to become unable to meet its obligations as they fall due;
- a licensee is carrying on its business in a manner which is seen as detrimental to the general public interest or to the interests of its creditors or policy holders;
- the activities of any member of the licensee's insurance group are detrimental to those interests of the licensee's creditors, as well as its policy holders;
- a licensee has contravened the Law or the Money Laundering Regulations (2015 Revision) of the Cayman Islands;
- the licensee has failed to comply with a condition of its license such as maintaining a margin of solvency as prescribed by CIMA;
- the direction and/or management of the licensee's business has not been conducted in a fit and proper manner;
- a director, manager or officer of the licensee's business is not someone who would qualify or be seen as a person suitable to hold the respective position;
- any person who is either holding or acquiring control or ownership of the licensee is not a fit and proper person to have such control or ownership;
- the licensee has ceased to carry on business; or
- the licensee is placed in liquidation or is dissolved;

CIMA may take one of a number of steps, including:

- requiring the licensee to take steps to rectify the matter;
- suspending the license of the licensee pending a full inquiry into the licensee's affairs;
- revoking the license;
- imposing conditions upon the licensee in terms of decisions made by it, including the suspension of voting rights or nullification of votes cast by it, and amending or revoking any such condition;

- requiring the substitution or removal of any director, manager or officer of the licensee, at the expense of the licensee;
- appointing a person to advise the licensee on the proper conduct of its affairs, at the expense of the licensee;
- appointing a person to assume control of the licensee's affairs; or
- otherwise requiring such action to be taken by the licensee as CIMA considers necessary.

Failures to comply with a direction given by CIMA may be punishable by a fine of up to five hundred thousand Cayman Islands dollars (US\$609,756.10 based on the Cayman Islands' pegged exchange rate of CI\$0.82 per US\$1.00 as of March 23, 2021) or imprisonment for a term of five years or both, and a fine of an additional ten thousand Cayman Islands dollars (US\$12,195.12) for every day after conviction on which the offense so continues.

Our reinsurance subsidiaries are subject to minimum capital and surplus requirements, and our failure to meet these requirements could subject us to regulatory action.

Pursuant to the Capital and Solvency Regulations, Oxbridge Reinsurance Limited and Oxbridge Re NS, our reinsurance subsidiaries, are each required to maintain the statutory minimum capital requirement (as defined under the Capital and Solvency Regulations) of \$500 and prescribed capital requirement (as defined under the Capital and Solvency Regulations) of \$500, and a minimum margin of solvency equal to or in excess of the total prescribed capital requirement. Any failure to meet the applicable requirements or minimum statutory capital requirements could subject us to further examination or corrective action by CIMA, including restrictions on dividend payments, limitations on our writing of additional business or engaging in finance activities, supervision or liquidation.

As a holding company, we will depend on the ability of our subsidiaries to pay dividends.

We are a holding company and do not have any significant operations or assets other than our ownership of the shares of our subsidiaries Oxbridge Reinsurance Limited and Oxbridge Re NS. Dividends and other permitted distributions from our subsidiaries will be our primary source of funds to meet ongoing cash requirements, including future debt service payments, if any, and other expenses, and to pay dividends to our shareholders if we choose to do so. Our subsidiaries will be subject to applicable law as well as significant regulatory restrictions limiting their ability to declare and pay dividends. The inability of our subsidiaries to pay dividends in an amount sufficient to enable us to meet our cash requirements at the holding company level could have an adverse effect on our operations and our ability to pay dividends to our shareholders if we choose to do so and/or meet our debt service obligations, if any.

We are subject to the risk of possibly becoming an investment company under U.S. federal securities law.

In the United States, the Investment Company Act of 1940, as amended (the "Investment Company Act"), regulates certain companies that invest in or trade securities. We rely on an exemption under the Investment Company Act for an entity organized and regulated as a foreign insurance company which is engaged primarily and predominantly in the reinsurance of risks on insurance agreements. The law in this area is subjective and there is a lack of guidance as to the meaning of "primarily and predominantly" under the relevant exemption to the Investment Company Act. For example, there is no standard for the amount of premiums that need to be written relative to the level of an entity's capital in order to qualify for the exemption. If this exception were deemed inapplicable, we would have to seek to register under the Investment Company Act as an investment company, which, under the Investment Company Act, would require an order from the SEC. Our inability to obtain such an order could have a significant adverse impact on our business, as we might have to cease certain operations or risk substantial penalties for violating the Investment Company Act.

Registered investment companies are subject to extensive, restrictive and potentially adverse regulation relating to, among other things, capital structure, leverage, management, dividends and transactions with affiliates. Registered investment companies are not permitted to operate their business in the manner in which we operate (and intend to operate) our business. Specifically, if we were required to register under the Investment Company Act, provisions of the Investment Company Act would limit (and in some cases even prohibit) our ability to raise additional debt and equity securities or issue options or warrants (which could impact our ability to compensate key employees), limit our ability to use financial leverage, limit our ability to incur indebtedness, and require changes to the composition of our Board of Directors. Provisions of the Investment Company Act would also prohibit (subject to certain exceptions) transactions with affiliates.

Accordingly, if we were required to register as an investment company, we would not be permitted to have many of the relationships that we have or expect that we may have with affiliated companies.

If at any time it were established that we had been operating as an investment company in violation of the registration requirements of the Investment Company Act, there would be a risk, among other material adverse consequences, that we could become subject to monetary penalties or injunctive relief, or both, or that we would be unable to enforce contracts with third parties or that third parties could seek to obtain rescission of transactions with us undertaken during the period in which it was established that we were an unregistered investment company.

To the extent that the laws and regulations change in the future so that contracts we write are deemed not to be reinsurance contracts, we will be at greater risk of not qualifying for the Investment Company Act exemption. Additionally, it is possible that our classification as an investment company would result in the suspension or revocation of our reinsurance license.

Insurance regulations to which we are, or may become, subject, and potential changes thereto, could have a significant and negative effect on our business.

Although we do not presently expect that we will conduct business in any jurisdiction other than the Cayman Islands, we cannot assure you that insurance regulators in the United States or elsewhere will not review our activities and claim that we are subject to such jurisdiction's insurance licensing requirements. In addition, we are subject to indirect regulatory requirements imposed by jurisdictions that may limit our ability to provide reinsurance. For example, our ability to write reinsurance may be subject, in certain cases, to arrangements satisfactory to applicable regulatory bodies, and proposed legislation and regulations may have the effect of imposing additional requirements upon, or restricting the market for, non-U.S. reinsurers such as Oxbridge Reinsurance Limited and Oxbridge Re NS, with whom domestic companies may place business. We do not know of any such proposed legislation pending at this time.

Furthermore, we may not be able to comply fully with, or obtain desired exemptions from, revised statutes, regulations and policies that currently, or may in the future, govern the conduct of our business. Failure to comply with, or to obtain desired authorizations and/or exemptions under, any applicable laws could result in restrictions on our ability to do business or undertake activities that are regulated in the jurisdictions in which we operate and could subject us to fines and other sanctions. In addition, changes in the laws or regulations to which our reinsurance subsidiary is subject or may become subject, or in the interpretations thereof by enforcement or regulatory agencies, could have a material adverse effect on our business, our business plans, and our growth strategy.

We will likely be exposed to credit risk due to the possibility that counterparties may default on their obligations to us.

Due to our investments in our portfolio, we are exposed to credit risk due to the possibility that counterparties may default on their obligations to us. Issuers or borrowers whose securities or debt we hold, customers, reinsurers, clearing agents, exchanges, clearing houses and other financial intermediaries and guarantors may default on their obligations to us due to bankruptcy, insolvency, lack of liquidity, adverse economic conditions, operational failure, fraud or other reasons. Such defaults could have a significant and negative effect on our results of operations, financial condition and cash flows.

Risks Relating to our Securities

Provisions of our Third Amended and Restated Memorandum and Articles of Association (“Articles”) could adversely affect the value of our securities.

Our Articles permit our Board of Directors to allot, issue, grant options over or otherwise dispose of further shares (including fractions of such share) with or without preferred, deferred or other rights or restrictions, whether in regard to dividend or other distribution, voting, return of capital or otherwise and to such persons, at such times and on such other terms as they consider appropriate. Accordingly, our Board of Directors may authorize the issuance of preferred shares with terms and conditions and under circumstances that could have an effect of discouraging a takeover or other transaction, deny shareholders the receipt of a premium on their ordinary shares in the event of a tender or other offer for ordinary shares and have a depressive effect on the value of our ordinary shares.

Provisions of the Companies Law of the Cayman Islands could prevent a merger or takeover of our company.

As compared to mergers under corporate law in the United States, it may be more difficult to consummate a merger of two or more companies in the Cayman Islands or the merger of one or more Cayman Islands companies with one or more overseas companies, even if such transaction would be beneficial to our shareholders. The Companies Law of the Cayman Islands, as amended (the “Companies Law”), permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) “merger” means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company and (b) a “consolidation” means the combination of two or more constituent companies into a combined company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of the shareholders of each constituent company, and (b) such other authorization, if any, as may be specified in such constituent company’s articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the shareholders and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

In addition, there are statutory provisions that facilitate the reconstruction and amalgamation of companies, provided that the arrangement is approved by a majority in number of each class of shareholders or creditors (representing 75% by value) with whom the arrangement is to be made and who must, in addition, represent three-fourths in value of each such class of shareholders or creditors, as the case may be, that are present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

- the statutory provisions as to the required majority vote have been met;
- the shareholders have been fairly represented at the meeting in question and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;
- the arrangement is such that may be reasonably approved by an intelligent and honest man of that class acting in respect of his interest; and
- the arrangement is not one that would more properly be sanctioned under some other provision of the Companies Law.

When a takeover offer is made and accepted by holders of 90% of the shares within four months, the offeror may, within a two-month period commencing on the expiration of such four-month period, require the holders of the remaining shares to transfer such shares on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands, but such objection is unlikely to succeed in the case of an offer which has been so approved unless there is evidence of fraud, bad faith or collusion.

If an arrangement and reconstruction is thus approved, the dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of certain corporations incorporated in the United States, including Delaware corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

Holders of our securities may have difficulty obtaining or enforcing a judgment against us, and they may face difficulties in protecting their interests because we are incorporated under Cayman Islands law.

Because we are a Cayman Islands company, there is uncertainty as to whether the Grand Court of the Cayman Islands would recognize or enforce judgments of United States courts obtained against us predicated upon the civil liability provisions of the securities laws of the United States or any state thereof, or be competent to hear original actions brought in the Cayman Islands against us predicated upon the securities laws of the United States or any state thereof.

We are incorporated as an exempted company limited by shares under the Companies Law. A significant amount of our assets are located outside of the United States. As a result, it may be difficult for persons purchasing our securities to effect service of process within the United States upon us or to enforce judgments against us or judgments obtained in U.S. courts predicated upon the civil liability provisions of the federal securities laws of the United States or any state of the United States.

Although there is no statutory enforcement in the Cayman Islands of judgments obtained in the United States, the courts of the Cayman Islands will, based on the principle that a judgment by a competent foreign court will impose upon the judgment debtor an obligation to pay the sum for which judgment has been given, recognize and enforce a foreign judgment of a court of competent jurisdiction if such judgment is final, for a liquidated sum, not in respect of taxes or a fine or penalty if not inconsistent with a Cayman Islands judgment in respect of the same matters, and was not obtained in a manner, and is not of a kind, the enforcement of which is contrary to the public policy of the Cayman Islands. There is doubt, however, as to whether the courts of the Cayman Islands will, in an original action in the Cayman Islands, recognize or enforce judgments of U.S. courts predicated upon the civil liability provisions of the securities laws of the United States or any state of the United States on the grounds that such provisions are penal in nature. Furthermore, a Cayman Islands court may stay proceedings if concurrent proceedings are being brought elsewhere.

Unlike many jurisdictions in the United States, Cayman Islands law does not specifically provide for shareholder appraisal rights on a merger or consolidation of an entity. This may make it more difficult for shareholders to assess the value of any consideration they may receive in a merger or consolidation or to require that the offeror give a shareholder additional consideration if he believes the consideration offered is insufficient. In addition, shareholders of Cayman Islands exempted companies such as ours have no general rights under Cayman Islands law to inspect corporate records and accounts. Our directors have discretion under our Articles to determine whether or not, and under what conditions, the corporate records may be inspected by shareholders, but are not obligated to make them available to shareholders. This fact may make it more difficult for shareholders to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest. Finally, subject to limited exceptions, under Cayman Islands law, a minority shareholder may not bring a derivative action against our Board of Directors.

Provisions of our Articles may reallocate the voting power of our ordinary shares.

In certain circumstances, the total voting power of our ordinary shares held by any one person will be reduced to less than 9.9% of the total voting power of the total issued and outstanding ordinary shares. In the event a holder of our ordinary shares acquires shares representing 9.9% or more of the total voting power of our total ordinary shares, there will be an effective reallocation of the voting power of the ordinary shares as described in the Articles.

We do not currently have an effective registration statement registering the issuance of the shares underlying our publicly traded warrants, and therefore you may not be able to exercise the warrants in a cash exercise.

For you to be able to effect a cash exercise our publicly traded warrants, the sale of the ordinary shares to be issued to you upon exercise of the warrants must be covered by an effective and current registration statement. We have not maintained a current registration statement relating to the sale of the shares of common stock underlying the warrants. As a result, you would be unable to exercise the warrants in a cash exercise and will be required to engage in a cashless exercise in which a number of warrant shares equal to the fair market value of the exercised shares will be withheld. In those circumstances, we may, but are not required to, redeem the warrants by payment in cash. Consequently, there is a possibility that you will never be able to exercise the warrants and receive the underlying ordinary shares. This potential inability to exercise the warrants in a cash exercise, our right to cancel the warrants under certain circumstances, and the possibility that we may redeem the warrants for nominal value, may have an adverse effect on demand for the warrants and the prices that can be obtained from reselling them.

Risks Relating to Taxation

We may become subject to taxation in the Cayman Islands which would negatively affect our results.

Under current Cayman Islands law, we are not obligated to pay any taxes in the Cayman Islands on either income or capital gains. The Governor-in-Cabinet of Cayman Islands has granted us an exemption from the imposition of any such tax on us for twenty years from April 23, 2013. We cannot be assured that after such date we would not be subject to any such tax. If we were to become subject to taxation in the Cayman Islands, our financial condition and results of operations could be significantly and negatively affected.

We may be subject to United States federal income taxation.

We are incorporated under the laws of the Cayman Islands and intend to operate in a manner that will not cause us to be treated as engaging in a United States trade or business and will not cause us to be subject to current United States federal income taxation on our income. However, because there are no definitive standards provided by the Internal Revenue Code of 1986, as amended (the "Code"), regulations or court decisions as to the specific activities that constitute being engaged in the conduct of a trade or business within the United States, and as any such determination is essentially factual in nature, we cannot assure you that the United States Internal Revenue Service, or the IRS, will not successfully assert that we are engaged in a trade or business in the United States and thus are subject to current United States federal income taxation.

We may be treated as a PFIC, in which case a U.S. holder of our ordinary shares should be subject to disadvantageous rules under U.S. federal income tax laws.

Significant potential adverse United States federal income tax consequences generally apply to any United States person who owns shares in a "passive foreign investment company", or PFIC. In general, a non-U.S. corporation is classified as a PFIC for a taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to certain look-through rules, either (i) 75% or more of its gross income is passive income, or (ii) 50% or more of the average quarterly value of its gross assets is attributable to assets that produce passive income or are held for the production of passive income.

Passive income generally includes interest, dividends and other investment income. However, the income derived in the active conduct of an insurance business is excluded from the term “passive income” if (i) for years before 2020, the income is earned by a corporation that is predominantly engaged in an insurance business, and (ii) for years after 2019, the income is earned by a “qualifying insurance corporation”. In order for a non-U.S. property and casualty insurance company to be treated as a “qualifying insurance corporation” for a taxable year, the company’s “applicable insurance liabilities” generally must be greater than 25% of the company’s assets for the taxable year. In the case of a non-U.S. property and casualty insurance company, the term “applicable insurance liabilities” means the amount of loss and loss adjustment expenses, but shall not exceed the amount reported to the applicable regulator in an applicable financial statement. It is not clear whether the term “applicable insurance liabilities” includes not only the unpaid loss and loss adjustment expenses, but also includes the paid loss and loss adjustment expenses during the taxable year. If each of Oxbridge Reinsurance Limited and Oxbridge Re NS is a “qualified insurance corporation” for a taxable year, then neither Oxbridge Re Holdings Limited, nor Oxbridge Reinsurance Limited, nor Oxbridge Re NS should be deemed to be a PFIC for the taxable year.

Regardless of whether the term “applicable insurance liabilities” includes not only the unpaid loss and loss adjustment expenses but also the paid loss and loss adjustment expenses, we believe that each of Oxbridge Reinsurance Limited and Oxbridge Re NS met the requirements for being a “qualified insurance corporation” for the 2020 year. For years prior to 2020, we also believe that each of those corporations met the requirement of being predominantly engaged in an insurance business. Accordingly, we believe that we have not been a PFIC during 2020 or prior years. We do not have an expectation, however, as to whether or not we may be a PFIC in years after 2020. If you are a United States person, we urge you to consult your own tax advisor concerning the potential tax consequences to you under the PFIC rules.

We may be treated as a CFC and may be subject to the rules for related person insurance income, and in either case this may subject a U.S. holder of our ordinary shares to disadvantageous rules under U.S. federal income tax laws.

Controlled Foreign Corporation. United States persons who, directly or constructively through attribution rules, own 10% or more of the voting power or value of our ordinary shares, which we refer to as United States 10% shareholders, may be subject to the controlled foreign corporation, or CFC, rules. Under the controlled foreign corporation rules of the Code, each United States 10% shareholder must annually include his pro rata share of the controlled foreign corporation’s “Subpart F income,” even if no distributions are made. In general, a foreign insurance company will be treated as a controlled foreign corporation only if United States 10% shareholders collectively own, directly or constructively, more than 25% of the total combined voting power or total value of the company’s shares. If you are a United States person we urge you to consult your own tax advisor concerning the controlled foreign corporation rules. We believe that certain United States persons may be deemed to own, directly or constructively (including through the ownership of warrants), 10% or more of the voting power or value of our ordinary shares, and we believe that those United States persons collectively own, directly or constructively, more than 25% of the voting power or value of our ordinary shares.

Related Person Insurance Income. A different definition of CFC is applicable in the case of a foreign corporation which earns “related person insurance income” (“RPII”). RPII is a Code Subpart F insurance income attributable to insurance policies or reinsurance contracts where the person that is directly or indirectly insured or reinsured is a RPII shareholder or a related person to the RPII shareholder. A “RPII shareholder” is a United States person who owns, directly or indirectly through foreign entities, any amount of our ordinary shares. Generally, for purposes of the RPII rules, a related person is someone who controls or is controlled by the RPII shareholder or someone who is controlled by the same person or persons which control the RPII shareholder. Control is measured by either more than 50% in value or more than 50% in voting power of shares after applying certain constructive ownership rules. For purposes of taking into account RPII, and subject to the exceptions described below, Oxbridge Reinsurance Limited or Oxbridge Re NS will be treated as a CFC if our RPII shareholders collectively own, indirectly, 25% or more of the total combined voting power or value of their respective shares on any day during a taxable year. If Oxbridge Reinsurance Limited or Oxbridge Re NS is a CFC at any time during a taxable year under the special RPII rules, any U.S. Holder that owns ordinary shares on the last day of any such taxable year must include in gross income for U.S. federal income tax purposes the U.S. Holder’s allocable share of the RPII of Oxbridge Reinsurance Limited for the entire taxable year, subject to certain modifications. Among other exceptions, the RPII rules do not apply if the insurance company’s RPII, determined on a gross basis, is less than 20% of such respective entity’s gross insurance income for such taxable year. We do not believe that the 20% gross insurance income threshold will be met. However, we cannot assure you that this is or will continue to be the case. Consequently, we cannot assure you that a person who is a direct or indirect United States shareholder will not be required to include amounts in its income in respect of RPII in any taxable year.

United States tax-exempt organizations who own ordinary shares may recognize unrelated business taxable income.

If you are a United States tax-exempt organization you may recognize unrelated business taxable income if a portion of our Code Subpart F insurance income is allocated to you. In general, Code Subpart F insurance income will be allocated to you if we are a CFC as discussed above and you are a United States 10% shareholder or there is related person insurance income and certain exceptions do not apply. If you are a United States tax-exempt organization, we advise you to consult your own tax advisor regarding the risk of recognizing unrelated business taxable income.

Changes in United States tax laws may be retroactive and could subject us, and/or United States persons who own ordinary shares to United States income taxation on our undistributed earnings.

The tax laws and interpretations regarding whether a company is engaged in a United States trade or business, is a CFC, has RPII, or is a PFIC are subject to change, possibly on a retroactive basis. There are currently no regulations regarding the application of the PFIC rules to an insurance company and the regulations regarding RPII are still in proposed form. New regulations or pronouncements interpreting or clarifying such rules may be forthcoming from the IRS. We are not able to predict if, when or in what form such guidance will be provided and whether such guidance will have a retroactive effect.

We do not intend to resume paying cash dividends in the foreseeable future.

On November 12, 2017, our board of directors decided to suspend our regular quarterly cash dividend. The board of directors intends to reconsider in the future the payment of a quarterly cash dividend, but the timing of such reconsideration has not been determined, and there is no intention to resume dividend payments in the foreseeable future, if at all. Any decision to resume dividend payments will be dependent upon a variety of factors, including the state of our business as well as general market conditions at the time of reconsideration, and there is no assurance that dividend payments will recommence.

ITEM 1B UNRESOLVED STAFF COMMENTS

The Company has no unresolved written comments regarding its periodic or current reports from the staff of the SEC.

ITEM 2 PROPERTIES

We previously leased office space at 2nd Floor, Strathvale House, Georgetown, Grand Cayman, Cayman Islands. Effective March 1, 2019, we lease office space at Suite 201, 42 Edward Street, Georgetown Grand Cayman. We believe that our current office is suitable and sufficient for us to conduct our operations for the foreseeable future.

ITEM 3 LEGAL PROCEEDINGS

We are not currently involved in any litigation or arbitration. We anticipate that, similar to the rest of the insurance and reinsurance industry, we will be subject to litigation and arbitration in the ordinary course of business.

ITEM 4 **MINE SAFETY DISCLOSURES**

Not applicable.

PART II**ITEM 5** **MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES****Market Information for Ordinary Shares**

The following table sets forth the high and low sales price per share of our ordinary shares as reported on The NASDAQ Capital Market for the periods indicated:

	2020		2019	
	High	Low	High	Low
First Quarter	\$ 1.86	\$ 0.72	\$ 2.93	\$ 0.65
Second Quarter	\$ 3.89	\$ 0.77	\$ 2.55	\$ 0.96
Third Quarter	\$ 9.62	\$ 0.95	\$ 1.46	\$ 0.70
Fourth Quarter	\$ 3.54	\$ 1.54	\$ 1.31	\$ 0.70

Holders of Record and Tax Information

As of March 23, 2021, there were 19 holders of record of our ordinary shares. There are no current applicable Cayman Islands laws, decrees or regulations relating to restrictions on the import or export of capital or exchange controls affecting remittances of dividends, interest and other payments to non-resident holders of our ordinary shares. There are no existing laws or regulations of the Cayman Islands imposing taxes or containing withholding provisions to which United States holders of our ordinary shares are subject. There are no reciprocal tax treaties between the Cayman Islands and the United States.

Dividend Policy

The declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on our results of operations and cash flows, our financial position and capital requirements, general business conditions, rating agency guidelines (if applicable), any legal, tax, regulatory and contractual restrictions on the payment of dividends, and any other factors considered relevant by our Board of Directors. Our ability to pay dividends will also depend on the requirements of any future financing agreements to which we may be a party and the ability of our reinsurance subsidiaries, or other subsidiaries, to pay dividends to us. Although Oxbridge Re Holdings Limited is not subject to any significant legal prohibitions on the payment of dividends, Oxbridge Reinsurance Limited and Oxbridge Re NS, our reinsurance subsidiaries, are subject to Cayman Islands regulatory constraints that affect their ability to pay dividends to us and include a minimum net worth requirement. Currently, the minimum net worth requirement for Oxbridge Reinsurance Limited and Oxbridge Re NS is \$500. As of December 31, 2020, both subsidiaries exceeded the minimum requirement. By law, Oxbridge Reinsurance Limited and Oxbridge Re NS is restricted from paying a dividend if such a dividend would cause its net worth to drop to less than the required minimum.

We paid no dividends in both 2020 and 2019.

On November 12, 2017, the Company's board of directors decided to suspend the Company's regular \$0.12 quarterly cash dividend. Any future determination to declare cash dividends will be made at the discretion of our Board of Directors, subject to applicable laws, and will depend on a number of factors, including our financial condition, results of operations, capital requirements, contractual restrictions, general business conditions and other factors that our Board of Directors may deem relevant.

Unregistered Sales of Equity Securities

There were no sales of unregistered securities during the year ended December 31, 2020.

Issuer Purchases of Equity Securities

The Company did not repurchase any ordinary shares or warrants in 2020.

ITEM 6 SELECTED FINANCIAL DATA

As a smaller reporting company as defined by Rule 229.10(f)(1) of the Exchange Act, we are not required to provide the information under this item and we have elected to exclude this information as our operating history does not cover the requisite five-year period.

ITEM 7 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following management discussion and analysis is intended to help the reader understand our business, financial condition, results of operations, liquidity and capital resources. You should read this discussion in conjunction with our Consolidated Financial Statements and the related notes contained elsewhere in this Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

This discussion contains forward-looking statements that are not historical facts, including statements about our beliefs and expectations. These statements are based upon current plans, estimates and projections. Our actual results may differ materially from those projected in these forward-looking statements as a result of various factors. See "*Forward Looking Statements*" appearing at the beginning of this Annual Report on Form 10-K and Item 1A, "*Risk Factors*."

General

The following is a discussion and analysis of our results of operations for the years ended December 31, 2020 and 2019 and our financial condition as of December 31, 2020 and 2019. The following discussion should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K. References to "we," "us," "our," "our company," or "the Company" refer to Oxbridge Re Holdings Limited and its wholly-owned subsidiaries, Oxbridge Reinsurance Limited and Oxbridge Re NS, unless the context dictates otherwise.

Overview and Trends

We are a Cayman Islands specialty property and casualty reinsurer that provides reinsurance solutions through our reinsurance subsidiaries, Oxbridge Reinsurance Limited and Oxbridge Re NS. Our more recently organized subsidiary, Oxbridge Re NS, was incorporated on December 22, 2017 to function as a reinsurance sidecar which increases the underwriting capacity of Oxbridge Reinsurance Limited. Oxbridge Re NS commenced operations on June 1, 2018 and has since issued participating notes to third-party investors, the proceeds of which was utilized to collateralize a quota-share of Oxbridge Reinsurance Limited's reinsurance obligations. We focus on underwriting fully-collateralized reinsurance contracts primarily for property and casualty insurance companies in the Gulf Coast region of the United States. We specialize in underwriting medium frequency, high severity risks, where we believe sufficient data exists to analyze effectively the risk/return profile of reinsurance contracts.

We underwrite reinsurance contracts on a selective and opportunistic basis as opportunities arise based on our goal of achieving favorable long-term returns on equity for our shareholders. Our goal is to achieve long-term growth in book value per share by writing business that generates attractive underwriting profits relative to the risk we bear. Unlike other insurance and reinsurance companies, we do not intend to pursue an aggressive investment strategy and instead will focus our business on underwriting profits rather than investment profits. However, we intend to complement our underwriting profits with investment profits on an opportunistic basis. Our primary business focus is on fully collateralized reinsurance contracts for property catastrophes, primarily in the Gulf Coast region of the United States. Within that market and risk category, we attempt to select the most economically attractive opportunities across a variety of property and casualty insurers. As our capital base grows, however, we expect that we will consider further growth opportunities in other geographic areas and risk categories.

Our level of profitability is primarily determined by how adequately our premiums assumed and investment income cover our costs and expenses, which consist primarily of acquisition costs and other underwriting expenses, claim payments and general and administrative expenses. One factor leading to variation in our operational results is the timing and magnitude of any follow-on offerings we undertake (if any), and issuance of participating notes to third-party investors, as we are able to deploy new capital to collateralize new reinsurance treaties and consequently, earn additional premium revenue. In addition, our results of operations may be seasonal in that hurricanes and other tropical storms typically occur during the period from June 1 through November 30. Further, our results of operations may be subject to significant variations due to factors affecting the property and casualty insurance industry in general, which include competition, legislation, regulation, general economic conditions, judicial trends, and fluctuations in interest rates and other changes in the investment environment.

Because we employ an opportunistic underwriting and investment philosophy, period-to-period comparisons of our underwriting results may not be meaningful. In addition, our historical investment results may not necessarily be indicative of future performance. Due to the nature of our reinsurance and investment strategies, our operating results will likely fluctuate from period to period.

Due to the continued influx of new risk capital from alternative capital market participants such as hedge funds and pension funds, we believe that the reinsurance industry is currently over-capitalized and will continue in this trend for the foreseeable future. The over-capitalization of the market is not uniform as there are a number of insurers and reinsurers that have suffered and continue to suffer from capacity issues. We continue to assess the opportunities that may be available to us with insurance and reinsurance companies with this profile.

The property and casualty reinsurance industry historically has been cyclical in nature, owing to fluctuations in the supply of capital. During 2020, several developments have caused an increase in the demand for capital, including natural catastrophes in the Caribbean and Japan, increased capital requirements at some Lloyd's syndicates, and the voluntary withdrawal of capital from some under-performing business.

Compared to most of our competitors, we are small and have low overhead expenses. We believe that our expense efficiency, agility and existing relationships support our competitive position and allows us to profitably participate in lines of business that fit within our strategy. Over time we expect our expense advantage to erode as the industry acts to reduce frictional costs.

PRINCIPAL REVENUE AND EXPENSE ITEMS

Revenues

We derive our most significant revenues from three principal sources:

- premiums assumed from reinsurance on property and casualty business;
- income from investments; and
- other fee income from management and underwriting performance of the reinsurance side-car.

Premiums Assumed

Premiums assumed include all premiums received by a reinsurance company during a specified accounting period, even if the policy provides coverage beyond the end of the period. Premiums are earned over the term of the related policies. At the end of each accounting period, the portion of the premiums that are not yet earned are included in the unearned premiums reserve and are realized as revenue in subsequent periods over the remaining term of the policy. Our policies typically have a term of twelve months. Thus, for example, for a policy that is written on July 1, 2020, typically one-half of the premiums will be earned in 2020 and the other half will be earned during 2021. However, in the event of limit losses on our policies, premium recognition will be accelerated to match losses incurred in the period, when there is no possibility of any future treaty-year losses under the contracts.

Premiums from reinsurance on property and casualty business assumed are directly related to the number, type and pricing of contracts we write.

Premiums assumed are recorded net of change in loss experience refund, which consists of changes in amounts due to the cedants under two of our reinsurance contracts. These contracts contain retrospective provisions that adjust premiums in the event losses are minimal or zero. We recognize a liability pro-rata over the period in which the absence of loss experience obligates us to refund premiums under the contracts, and we will derecognize such liability in the period in which a loss experience arises. The change in loss experience refund is negatively correlated to loss and loss adjustment expenses described below.

Investment Income and Industry Loss Warranties

Income from our investments is primarily comprised of interest income, dividends and net realized and unrealized gains (losses) on investment securities. Such income is primarily from the Company's investments, which includes investments held in trust accounts that collateralize the reinsurance policies that we write. The investment parameters for trust accounts are generally be established by the cedant for the relevant policy.

The Company may buy and sell industry loss warranties as a way to access certain risks. An industry loss warranty is a financial instrument designed to protect insurers or reinsurers from severe losses due to natural and man-made catastrophes and can take the form of either an insurance contract or a swap agreement. Under both forms, a premium is paid at the inception of the contract and, in return, a payout is made if a catastrophic event causes loss to the insurance industry in excess of a predetermined trigger amount. Industry loss warranties may also be triggered by other parametric measurements defined in the contract such as observed wind speeds, measured seismic activity or other factors. Industry loss warranties in the form of an insurance contract (also referred to as the "indemnity form") are typically dual-trigger instruments and, in addition to requiring a loss to the industry, require that the buyer of the protection actually suffer a loss from the triggering event. The Company may buy and sell industry loss warranties in the form of an insurance contract or in the form of a derivative contract.

Fee income

The Company earns management fee income from providing administrative and management services for the reinsurance side-car operations. The Company is also entitled to a performance fee should the side-car underwriting results be profitable for a specific treaty period.

Expenses

Our expenses consist primarily of the following:

- losses and loss adjustment expenses;
- policy acquisition costs and underwriting expenses; and
- general and administrative expenses.

Loss and Loss Adjustment Expenses

Loss and loss adjustment expenses are a function of the amount and type of reinsurance contracts we write and of the loss experience of the underlying coverage. As described below, loss and loss adjustment expenses are based on the claims reported by our Company's ceding insurers, and may include an actuarial analysis of the estimated losses, including losses incurred during the period and changes in estimates from prior periods. Depending on the nature of the contract, loss and loss adjustment expenses may be paid over a period of years.

Policy Acquisition Costs and Underwriting Expenses

Policy acquisition costs and underwriting expenses consist primarily of brokerage fees, ceding commissions, premium taxes and other direct expenses that relate to our writing of reinsurance contracts. We amortize deferred acquisition costs over the related contract term.

General and Administrative Expenses

General and administrative expenses consist of salaries and benefits and related costs, including costs associated with our professional fees, rent and other general operating expenses consistent with operating as a public company.

RESULTS OF OPERATIONS

The following table summarizes our results of operations for the years ended December 31, 2020 and 2019 (dollars in thousands, except per share amounts):

	Years Ended December 31,	
	2020	2019
Revenue		
Assumed premiums	\$ 864	1,057
Change in unearned premiums reserve	29	(440)
Net premiums earned	893	617
Net investment and other income	102	230
Net realized investment gain	374	3
Change in fair value of equity securities	(155)	25
Net gain on commutation	-	106
Total revenue	1,214	981
Expenses		
Policy acquisition costs and underwriting expenses	98	64
General and administrative expenses	1,028	1,067
Total expenses	1,126	1,131
Income/(Loss) before underwriting income attributable to noteholders	\$ 88	(150)
Underwriting income attributable to noteholders	(138)	(155)
Net loss	(50)	(305)
Loss per share		
Basic and Diluted	\$ (0.01)	(0.05)
Weighted-average shares outstanding		
Basic and Diluted	5,733,587	5,733,587
Dividends paid per share	\$ -	-
Performance ratios to net premiums earned:		
Loss ratio	0.0%	0.0%
Acquisition cost ratio	11.0%	10.4%
Expense ratio	126.1%	183.3%
Combined ratio	126.1%	183.3%

Comparison of the Year Ended December 31, 2020 to Year Ended December 31, 2019

General. Net loss for the year ended December 31, 2020 was \$50 thousand or (\$0.01) basic and diluted loss per share compared to a net loss of \$305 thousand or (\$0.05) basic and diluted earnings per share for the year ended December 31, 2019. The decrease in net loss is primarily due net realized gains on investments earned during the year ended December 31, 2020.

Premium Income. Net premiums earned typically reflects the pro-rata inclusion into income of premiums assumed (net of loss experience refund and premiums ceded) over the life of the reinsurance contracts. Net premiums earned for the year ended December 31, 2020 increased \$276 thousand, to \$893 thousand, from \$617 thousand for the year ended December 31, 2019. The increase is due to only one month premium recognized during the previous period as a result of previous accelerated premium recognition, when compared to the normal recognition of premium during current year.

Losses Incurred. There were no losses incurred during the years ended December 31, 2020 and December 31, 2019.

Policy Acquisition Costs and Underwriting Expenses. Acquisition costs represent the amortization of the brokerage fees and federal excise taxes incurred on reinsurance contracts placed. Policy acquisition costs and underwriting expenses for the year ended December 31, 2020 increased by \$34 thousand, to \$98 thousand from \$64 thousand for the year ended December 31, 2019. The increase is wholly due to the normal recognition of policy acquisition costs during the current year, when compared with no recognition in the prior year period due to the previous acceleration of such costs upon suffering limit losses on reinsurance contracts.

General and Administrative Expenses. General and administrative expenses for the year ended December 31, 2020 decreased by \$39 thousand to \$1.03 million from \$1.07 million for the year ended December 31, 2019. The decrease is due to general cost savings initiatives implemented by the Company.

MEASUREMENT OF RESULTS

We use various measures to analyze the growth and profitability of business operations. For our reinsurance business, we measure growth in terms of premiums assumed and we measure underwriting profitability by examining our loss, underwriting expense and combined ratios. We analyze and measure profitability in terms of net income and return on average equity.

Premiums Assumed. We use gross premiums assumed to measure our sales of reinsurance products. Gross premiums assumed also correlates to our ability to generate net premiums earned. See also the analysis above relating to the growth in premiums assumed.

Loss Ratio. The loss ratio is the ratio of losses and loss adjustment expenses incurred to premiums earned and measures the underwriting profitability of our reinsurance business. The loss ratio for the year ended December 31, 2020 and December 31, 2019 was 0%. This is due to no loss and loss adjustment expenses incurred in the years ended December 31, 2020 and December 31, 2019.

Acquisition Cost Ratio. The acquisition cost ratio is the ratio of policy acquisition costs and other underwriting expenses to net premiums earned. The acquisition cost ratio measures our operational efficiency in producing, underwriting and administering our reinsurance business. The acquisition cost ratio increased from 10.4% for the year ended December 31, 2019 to 11.0% for the year ended December 31, 2020. The increase is due to the overall marginally higher weighted-average acquisition costs on reinsurance contracts in force during the year ended December 31, 2020, compared with the prior fiscal year.

Expense Ratio. The expense ratio is the ratio of policy acquisition costs, other underwriting expenses and general and administrative expenses to net premiums earned. We use the expense ratio to measure our operating performance. The expense ratio decreased from 183.3% for the year ended December 31, 2019 to 126.1% for the year ended December 31, 2020. The decrease is due primarily to reduced general and administrative expenses coupled with a higher denominator in net premiums earned as recorded during the year ended December 31, 2020, when compared with the prior fiscal year.

Combined Ratio. We use the combined ratio to measure our underwriting performance. The combined ratio is the sum of the loss ratio and the expense ratio. If the combined ratio is at or above 100%, we are not underwriting profitably and may not be profitable. The combined ratio decreased from 183.3% for the year ended December 31, 2019 to 126.1% for the year ended December 31, 2020. The decrease in the combined ratio is wholly due to a higher denominator in net premiums earned and reduced total expenses as recorded during year ended December 31, 2020 as mentioned above, when compared with the prior fiscal year.

FINANCIAL CONDITION – DECEMBER 31, 2020 COMPARED TO DECEMBER 31, 2019

Restricted Cash and Cash Equivalents. As of December 31, 2020, our restricted cash and cash equivalents decreased by \$140 thousand, or 6.8%, to \$1.9 million, from \$2 million as of December 31, 2019. The decrease is the net result of the withdrawal of collateral deposit on expiry of contract during the year and collateral deposits made during the year ended December 31, 2020.

Investments. As of December 31, 2020, our total investments increased by \$95 thousand, or 13.7%, to \$787 thousand, from \$692 thousand as of December 31, 2019. The increase is primarily a result of net purchase of equity securities during the year ended December 31, 2020.

Reserve for Losses and Loss Adjustment Expenses. As of December 31, 2020, there was no change in reserve for losses and loss adjustment expenses from December 31, 2019. The reserve remained at \$0 due to the fact that there were no significant events and no reported claims in the year to necessitate a reserve.

Notes Payable. As of December 31, 2020, our notes payable decreased to \$216 thousand, from \$600 thousand at December 31, 2019. The decrease is the net result of the redemption of Series 2019-1 participating notes coupled with issuance of Series 2020-1 participating notes by our reinsurance sidecar subsidiary, Oxbridge Re NS, during the year ended December 31, 2020.

Unearned Premiums Reserve. As of December 31, 2020, our unearned premiums reserve decreased by \$29 thousand, or 6.6%, to \$411 thousand, from \$440 at December 31, 2019. The decrease is due wholly to the recognition of premium income on in-force reinsurance contracts during the year ending December 31, 2020.

LIQUIDITY AND CAPITAL RESOURCES

General

We are organized as a holding company and provide administrative and management services to our subsidiaries. Our insurance operations are conducted through our reinsurance subsidiaries, Oxbridge Reinsurance Limited and Oxbridge Re NS which underwrites risks associated with our property and casualty reinsurance programs. We have minimal continuing cash needs at the holding company level, with such expenses principally being related to the payment of administrative expenses, and shareholder dividends, if any. There are restrictions on Oxbridge Reinsurance Limited's and Oxbridge Re NS' ability to pay dividends which are described in more detail below.

Sources and Uses of Funds

Our sources of funds primarily consist of premium receipts (net of brokerage fees and federal excise taxes, where applicable) and investment income, including interest, dividends and realized gains. We use cash to pay losses and loss adjustment expenses, other underwriting expenses, dividends, and general and administrative expenses. Substantially all of our surplus funds, net of funds required for cash liquidity purposes, are invested in accordance with our investment guidelines. Our investment portfolio is primarily comprised of cash and highly liquid securities, which can be liquidated, if necessary, to meet current liabilities. We believe that we have sufficient flexibility to liquidate any long-term securities that we own in a rising market to generate liquidity.

As of December 31, 2020, we believe we had sufficient cash flows from operations to meet our liquidity requirements. We expect that our operational needs for liquidity will be met by cash, investment income and funds generated from underwriting activities. We have no plans to issue debt and expect to fund our operations for the foreseeable future from operating cash flows, as well as from potential future equity offerings. However, we cannot provide assurances that in the future we will not incur indebtedness to implement our business strategy, pay claims or make acquisitions.

Although Oxbridge Re Holdings Limited is not subject to any significant legal prohibitions on the payment of dividends, Oxbridge Reinsurance Limited and Oxbridge Re NS are subject to Cayman Islands regulatory constraints that affect their ability to pay dividends to us and include a minimum net worth requirement. Currently, the minimum net worth requirement for each subsidiary is \$500. As of December 31, 2020, Oxbridge Reinsurance Limited and Oxbridge Re NS exceeded the minimum required. By law, Oxbridge Reinsurance Limited and Oxbridge Reinsurance NS are restricted from paying a dividend if such a dividend would cause its net worth to drop to less than the required minimum.

Cash Flows

Our cash flows from operating, investing and financing activities for the years ended December 31, 2020 and 2019 are summarized below.

Cash Flows for the Year ended December 31, 2020 (in thousands)

Net cash used in operating activities for the year ended December 31, 2020 totaled \$267, which consisted primarily of cash received from investments and net written premiums less cash disbursed for operating expenses. Net cash provided by investing activities of \$111 was primarily due to the net proceeds from sale of equity securities. Net cash used in financing activities totaled \$384 which is the net result of redemption of Series 2019-1 participating notes and proceeds on issuance of Series 2020-1 participating notes.

Cash Flows for the Year ended December 31, 2019 (in thousands)

Net cash used in operating activities for the year ended December 31, 2019 totaled \$4,371, which consisted primarily of cash received from net written premiums less cash disbursed for operating expenses and net loss payments. Net cash provided by investing activities of \$488 was primarily due to the net proceeds from sale of fixed-maturity securities. Net cash provided by financing activities totaled \$600 representing the proceeds on issuance of the Series 2019-1 participating notes during the year ended December 31, 2019.

OFF-BALANCE SHEET ARRANGEMENTS

As of December 31, 2020, we had no off-balance sheet arrangements as defined in Item 303(a)(4) of Regulation S-K.

EXPOSURE TO CATASTROPHES

As with other reinsurers, our operating results and financial condition could be adversely affected by volatile and unpredictable natural and man-made disasters, such as hurricanes, windstorms, earthquakes, floods, fires, riots and explosions. Although we attempt to limit our exposure to levels we believe are acceptable, it is possible that an actual catastrophic event or multiple catastrophic events could have a material adverse effect on our financial condition, results of operations and cash flows. As described under “CRITICAL ACCOUNTING POLICIES—*Reserves for Losses and Loss Adjustment Expenses*” below, under United States generally accepted accounting principles (“U.S. GAAP”), we are not permitted to establish loss reserves with respect to losses that may be incurred under reinsurance contracts until the occurrence of an event which may give rise to a claim. As a result, only loss reserves applicable to losses incurred up to the reporting date may be established, with no provision for a contingency reserve to account for expected future losses.

CRITICAL ACCOUNTING POLICIES

We are required to make estimates and assumptions in certain circumstances that affect amounts reported in our Consolidated Financial Statements and related notes. We evaluate these estimates and assumptions on an on-going basis based on historical developments, market conditions, industry trends and other information that we believe to be reasonable under the circumstances. These accounting policies pertain to premium revenues and risk transfer, reserve for loss and loss adjustment expenses and reporting of deferred acquisition costs.

Premium Revenue and Risk Transfer. We record premiums revenue as earned pro-rata over the terms of the reinsurance agreements and the unearned portion at the balance sheet date is recorded as unearned premiums reserve. A reserve is made for estimated premium deficiencies to the extent that estimated losses and loss adjustment expenses exceed related unearned premiums. Investment income is not considered in determining whether or not a deficiency exists.

We account for reinsurance contracts in accordance with ASC 944, “Financial Services – Insurance.” Assessing whether or not a reinsurance contract meets the conditions for risk transfer requires judgment. The determination of risk transfer is critical to reporting premiums written. If we determine that a reinsurance contract does not transfer sufficient risk, we must account for the contract as a deposit liability.

Loss experience refund payable. Certain contracts include retrospective provisions that adjust premiums or result in profit commissions in the event losses are minimal or zero. Under such contracts, the Company expects to recognize aggregate liabilities payable to the ceding insurers assuming no losses occur during the contract period. In accordance with U.S. GAAP, the Company will recognize a liability in the period in which the absence of loss experience obligates the Company to pay cash or other consideration under the contract. On the contrary, the Company will derecognize such liability in the period in which a loss experience arises. Such adjustments to the liability, which accrue throughout the contract term, will reduce the liability should a catastrophic loss event covered by the Company occur.

Reserves for Losses and Loss Adjustment Expenses. We determine our reserves for losses and loss adjustment expenses on the basis of the claims reported by our ceding insurers and for losses IBNR, we use the assistance of an independent actuary. The reserves for losses and loss adjustment expenses represent management’s best estimate of the ultimate settlement costs of all losses and loss adjustment expenses.

We believe that the amounts are adequate; however, the inherent impossibility of predicting future events with precision, results in uncertainty as to the amount which will ultimately be required for the settlement of losses and loss expenses, and the differences could be material. Adjustments are reflected in the consolidated statements of income in the period in which they are determined.

Under U.S. GAAP, we are not permitted to establish loss reserves until the occurrence of an actual loss event. As a result, only loss reserves applicable to losses incurred up to the reporting date may be recorded, with no allowance for the provision of a contingency reserve to account for expected future losses. Losses arising from future events, which could be substantial, are estimated and recognized at the time the loss is incurred.

As at December 31, 2020 we had no reserves for loss and loss adjustment expenses due to no significant events occurring during the year and no reported claims on contract in force. See Note 7 to the consolidated financial statements.

Our reserving methodology does not lend itself well to a statistical calculation of a range of estimates surrounding the best point estimate of our reserve for loss and loss adjustment expense. Due to the low frequency and high severity nature of claims within much of our business, our reserving methodology principally involves arriving at a specific point estimate for the ultimate expected loss on a contract-by-contract basis, and our aggregate loss reserves are the sum of the individual loss reserves established.

Deferred Acquisition Costs. We defer certain expenses that are directly related to and vary with producing reinsurance business, including brokerage fees on gross premiums assumed, premium taxes and certain other costs related to the acquisition of reinsurance contracts. These costs are capitalized and the resulting asset, deferred acquisition costs, is amortized and charged to expense in future periods as premiums assumed are earned. The method followed in computing deferred acquisition costs limits the amount of such deferral to its estimated realizable value. The ultimate recoverability of deferred acquisition costs is dependent on the continued profitability of our reinsurance underwriting. If our underwriting ceases to be profitable, we may have to write off a portion of our deferred acquisition costs, resulting in a further charge to income in the period in which the underwriting losses are recognized.

ITEM 7A **QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

As a smaller reporting company as defined by Rule 229.10(f)(1) of the Exchange Act, we are not required to provide the information under this item.

ITEM 8 **FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

The financial statements and supplementary data have been filed as a part of this Annual Report on Form 10-K as indicated in the Index to Consolidated Financial Statements and Financial Statement Schedules appearing on page 46 of this Annual Report on Form 10-K.

ITEM 9 **CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

None.

ITEM 9A **CONTROLS AND PROCEDURES**

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our principal executive officer and our principal financial officer, we have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) as of the end of the period covered by this Annual Report on Form 10-K (December 31, 2020). Our disclosure controls and procedures are intended to ensure that the information we are required to disclose in the reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to our management, including the principal executive officer and principal financial officer to allow timely decisions regarding required disclosures.

Based on that evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this Annual Report on Form 10-K, our disclosure controls and procedures were effective.

It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system will be met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events.

Management's Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over our financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) of the Exchange Act). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Our management, with the participation of our principal executive officer and principal financial officer, conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this evaluation, our principal executive officer and principal financial officer concluded that, as of December 31, 2020, our internal control over financial reporting was effective.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

This Annual Report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our independent registered public accounting firm pursuant to scaled disclosure requirements applicable to non-accelerated filers that permit us to provide only management's report in this Annual Report.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the fiscal year ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B **OTHER INFORMATION**

None.

PART III

ITEM 10 DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Other than the information regarding our code of ethics set forth below, the information required by this Item is incorporated herein by reference to the definitive proxy statement for our 2021 Annual Meeting of Shareholders to be filed with the SEC not later than 120 days after December 31, 2020.

We have adopted a code of ethics applicable to all employees and directors, including our principal executive officer, principal financial officer and principal accounting officer. We have posted the text of our code of ethics to our internet website: www.oxbridgere.com. To access our code of ethics, select "Investor Information" on our website and then select "Corporate Governance," then "Code of Conduct." We intend to disclose any change to or waiver from our code of ethics by posting such change or waiver to our internet website within the same section as described above.

ITEM 11 EXECUTIVE COMPENSATION

The information required by this Item is incorporated herein by reference to the definitive proxy statement for our 2021 Annual Meeting of Shareholders to be filed with the SEC not later than 120 days after December 31, 2020.

ITEM 12 SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

The information required by this Item is incorporated herein by reference to the definitive proxy statement for our 2021 Annual Meeting of Shareholders to be filed with the SEC not later than 120 days after December 31, 2020.

ITEM 13 CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this Item is incorporated herein by reference to the definitive proxy statement for our 2021 Annual Meeting of Shareholders to be filed with the SEC not later than 120 days after December 31, 2020.

ITEM 14 PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this Item is incorporated herein by reference to the definitive proxy statement for our 2021 Annual Meeting of Shareholders to be filed with the SEC not later than 120 days after December 31, 2020.

PART IV

ITEM 15 **EXHIBITS, FINANCIAL STATEMENT SCHEDULES**

(a) Documents Filed as Part of the Report

The Consolidated Financial Statements, other financial information, financial statement schedules and report of independent registered public accounting firm have been filed as part of this Annual Report on Form 10-K as indicated in the Index to Consolidated Financial Statements and Financial Statement Schedules appearing on page 46 of this Annual Report on Form 10-K.

(b) Exhibits

Reference is made to the separate exhibit index contained on pages 43 through 44 filed herewith.

(c) Financial Statement Schedules

The financial statement schedules and report of independent registered public accounting firm have been filed as part of this Annual Report on Form 10-K as indicated in the Index to Consolidated Financial Statements and Financial Statement Schedules appearing on page 46 of this Annual Report on Form 10-K.

ITEM 16 **FORM 10-K SUMMARY**

None.

Oxbridge Re Holdings Limited
Index to Exhibits

Exhibit	Title
<u>3</u>	Third Amended and Restated Memorandum and Articles of Association of Oxbridge Re Holdings Limited, as amended through December 19, 2014 (incorporated by reference to Exhibit 3.1 to Oxbridge Re Holdings Limited's Current Report on Form 8-K filed December 24, 2014) (Commission File No. 1-36346).
<u>4.1</u>	Warrant Agreement, dated March 26, 2014, between Oxbridge Re Holdings Limited and Broadridge Corporate Issuer Solutions, Inc. (incorporated by reference to Exhibit 4.1 to Oxbridge Re Holdings Limited's Current Report on Form 8-K filed May 28, 2014) (Commission File No. 1-36346).
<u>4.2</u>	Form of Warrant Agreement issued to investors in May/June 2013 Private Placement (incorporated by reference to Exhibit 4.2 to Oxbridge Re Holdings Limited's Registration Statement on Form S-1 filed January 27, 2014) (Commission File No. 333-193577).
<u>4.3</u>	Amendment #1 to Warrant Agreement between Oxbridge Re Holdings Limited and Broadridge Corporate Issuer Solutions, Inc. (incorporated by reference to Exhibit 4.1 to Oxbridge Re Holdings Limited's Current Report on Form 8-K filed on November 19, 2019) (Commission File No. 1-36346).
<u>4.4</u>	Description of Securities Registered under Section 12 of the Securities Exchange Act of 1934, as amended (incorporated by reference to Exhibit 4.5 to Oxbridge Re Holdings Limited's Annual Report on Form 10-K filed on March 23, 2020) (Commission File No. 1-36346).
<u>10.1</u> #	Lease between The Tropical Building Corporation and Oxbridge Re Holdings Limited dated January 04, 2019 for office space at Suite 201, 42 Edward Street, George Town, Grand Cayman.
<u>10.2</u> *	Oxbridge Re Holdings Limited 2014 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.10 to Oxbridge Re Holdings Limited's Current Report on Form 8-K filed December 24, 2014) (Commission File No. 1-36346).
<u>10.4</u> *	Executive Employment Agreement, dated July 18, 2013, by and between Oxbridge Re Holdings Limited and Jay Madhu (incorporated by reference to Exhibit 10.3 to Oxbridge Re Holdings Limited's Registration Statement on Form S-1 filed January 27, 2014) (Commission File No. 333-193577).
<u>10.5</u> *	Offer of Employment from Oxbridge Re Holdings Limited to Wrendon Timothy, executed on August 1, 2013 (incorporated by reference to Exhibit 10.4 to Oxbridge Re Holdings Limited's Registration Statement on Form S-1 filed January 27, 2014) (Commission File No. 333-193577).
<u>10.6</u> *	Form of Oxbridge Re Holdings Limited 2014 Omnibus Incentive Plan Restricted Share Award (incorporated by reference to Exhibit 10.1 to Oxbridge Re Holdings Limited's Current Report on Form 8-K filed January 28, 2015) (Commission File No. 1-36346).
<u>10.7</u> *	Form of Oxbridge Re Holdings Limited 2014 Omnibus Incentive Plan Share Option Award Agreement (incorporated by reference to Exhibit 10.2 to Oxbridge Re Holdings Limited's Current Report on Form 8-K filed January 28, 2015) (Commission File No. 1-36346).
<u>10.8</u> *	Amendment dated July 19, 2016 to Employment Agreement between Jay Madhu and Oxbridge Re Holdings Limited dated July 18, 2013 (incorporated by reference to Exhibit 10.31 to Oxbridge Re Holdings Limited's Quarterly Report on Form 10-Q filed August 15, 2016) (Commission File No. 1-36346).
<u>10.9</u> *	Amendment dated August 1, 2015 to Employment Agreement between Wrendon Timothy and Oxbridge Re Holdings Limited dated August 1, 2013 (incorporated by reference to Exhibit 10.41 to Oxbridge Re Holdings Limited's Quarterly Report on Form 10-Q filed August 15, 2016) (Commission File No. 1-36346).
<u>21</u>	List of Subsidiaries of Oxbridge Re Holdings Limited (incorporated by reference to Exhibit 21.1 to Oxbridge Re Holdings Limited's Annual Report on Form 10-K filed March 13, 2019) (Commission File No. 1-36346).
<u>31.1</u>	Certifications of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act and Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934.
<u>31.2</u>	Certifications of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act and Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934.
<u>32</u>	Written Statement of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. § 1350.
101	The following materials from Oxbridge Re Holdings Limited's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 are filed herewith, formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Loss (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Changes in Shareholders' Equity and (vi) Notes to Consolidated Financial Statements.

* Indicates a management contract or compensatory plan or arrangement.

Filed herewith.

Consolidated Financial Statements

[Report of Independent Registered Public Accounting Firm](#) F-1

[Consolidated Balance Sheets at December 31, 2020 and 2019](#) F-3

[Consolidated Statements of Operations for the years ended December 31, 2020 and 2019](#) F-4

[Consolidated Statements of Comprehensive Loss for the years ended December 31, 2020 and 2019](#) F-5

[Consolidated Statements of Cash Flows for the years ended December 31, 2020 and 2019](#) F-6

[Consolidated Statements of Changes in Shareholders' Equity for the years ended December 31, 2020 and 2019](#) F-8

[Notes to Consolidated Financial Statements](#) F-9

Financial Statements Schedules

[Schedule I – Summary of Investments – Other than Investments in Related Parties](#) F-28

[Schedule II – Condensed Financial Information of the Registrant](#) F-29

[Schedule III – Supplementary Insurance Information](#) F-32

[Schedule IV – Supplementary Reinsurance Information](#) F-33

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors
Oxbridge Re Holdings Limited
Grand Cayman, Cayman Islands:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Oxbridge Re Holdings Limited and Subsidiaries (the "Company"), as of December 31, 2020 and 2019 and the related consolidated statements of operations, comprehensive loss, changes in shareholders' equity and cash flows for the years then ended and the related notes and the financial statement schedules (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company at December 31, 2020 and 2019, and the consolidated results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Reserve for Loss and Loss Adjustment Expenses

At December 31, 2020, the Company had no reserve for loss and loss adjustment expenses. As described in Notes 2 and 7 of the consolidated financial statements, reserve for loss and loss adjustment expense is determined based on the claims reported by the Company's ceding insurers and for losses incurred but not reported ("IBNR"). Management uses the assistance of an independent actuary (the "Actuary") to determine the estimated reserve for loss and loss adjustment expenses. Inherent in the estimate of ultimate loss and loss adjustment expenses for the property and casualty, including catastrophe events, are the uncertainties of future expected trends in claim severity and frequency which may vary significantly as claims are settled. The uncertainties are primarily due to the preliminary nature of the information, the lapse of time to receive the reporting of the claims and the ultimate settlement of the claims, the diversity of development patterns among different types of reinsurance treaties, and the reliance on the cedents and brokers for information regarding claims. In particular, the estimate of ultimate loss and loss adjustment expenses is sensitive to significant assumptions including the initial expected loss ratio, paid and incurred loss development factors, the selection and weighting of the principal actuarial methods applied to project the ultimate losses, and the estimate of the ultimate loss for a catastrophe event.

Auditing management's estimate of reserve for loss and loss adjustment expenses is complex and involves a high degree of subjectivity in evaluating management's methods and assumptions used in determining the loss and loss adjustment expenses which includes the valuation of the IBNR reserves.

Addressing the matter involved performing audit procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included obtaining an understanding of, and testing over, the Company's estimation process, including the use of the Actuary. Performing these procedures involved testing the completeness and accuracy of data provided by management to the Actuary. Our audit procedures also included, among others, agreeing the key contract terms to the terms used in the reserve calculation (including coverage basis and years of coverage) and agreeing samples of outstanding loss reserves and paid losses to original source documentation.

/s/ HACKER, JOHNSON & SMITH PA

We have served as the Company's auditor since 2013.

Tampa, Florida

March 30, 2021

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARIES
Consolidated Balance Sheets
(expressed in thousands of U.S. Dollars, except per share and share amounts)

	At December 31,	
	2020	2019
Assets		
Equity securities, at fair value (cost : \$965 and \$715)	787	692
Cash and cash equivalents	5,562	5,962
Restricted cash and cash equivalents	1,914	2,054
Accrued interest and dividend receivable	1	12
Premiums receivable	464	506
Deferred policy acquisition costs	45	48
Operating lease right-of-use assets	222	133
Prepayment and other assets	75	79
Property and equipment, net	13	9
Total assets	<u>\$ 9,083</u>	<u>9,495</u>
Liabilities and Shareholders' Equity		
Liabilities:		
Notes payable	216	600
Unearned premiums reserve	411	440
Operating lease liabilities	222	133
Accounts payable and other liabilities	209	279
Total liabilities	<u>1,058</u>	<u>1,452</u>
Shareholders' equity:		
Ordinary share capital, (par value \$0.001, 50,000,000 shares authorized; 5,733,587 shares issued and outstanding)	6	6
Additional paid-in capital	32,294	32,262
Accumulated Deficit	(24,275)	(24,225)
Total shareholders' equity	<u>8,025</u>	<u>8,043</u>
Total liabilities and shareholders' equity	<u>\$ 9,083</u>	<u>9,495</u>

See accompanying Notes to Consolidated Financial Statements

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARIES
Consolidated Statements of Operations
(expressed in thousands of U.S. Dollars, except per share amounts)

	Years Ended December 31,	
	2020	2019
Revenue		
Assumed premiums	\$ 864	1,057
Change in unearned premiums reserve	29	(440)
Net premiums earned	893	617
Net investment and other income	102	230
Net realized investment gain	374	3
Change in fair value of equity securities	(155)	25
Net gain on commutation	-	106
Total revenue	1,214	981
Expenses		
Policy acquisition costs and underwriting expenses	98	64
General and administrative expenses	1,028	1,067
Total expenses	1,126	1,131
Income/(Loss) before underwriting income attributable to noteholders	88	(150)
Underwriting income attributable to noteholders	(138)	(155)
Net loss	\$ (50)	(305)
Loss per share		
Basic and Diluted	\$ (0.01)	(0.05)
Weighted-average shares outstanding		
Basic and Diluted	5,733,587	5,733,587
Dividends paid per share	\$ -	-

See accompanying Notes to Consolidated Financial Statements

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARIES
Consolidated Statements of Comprehensive Loss
(expressed in thousands of U.S. Dollars)

	Years Ended December 31,	
	2020	2019
Net loss	\$ (50)	(305)
Other comprehensive loss:		
Change in unrealized loss on investments:		
Unrealized gain arising during the year	-	1
Reclassification adjustment for net realized investment gains included in net loss	-	(3)
Net change in unrealized loss	-	(2)
Total other comprehensive loss	-	(2)
Comprehensive loss	\$ (50)	(307)

See accompanying Notes to Consolidated Financial Statements

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(expressed in thousands of U.S. Dollars)

	Years ended December 31	
	2020	2019
Operating activities		
Net loss	\$ (50)	(305)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	32	36
Depreciation and amortization	10	10
Net realized investment gains	(374)	(3)
Change in fair value of equity securities	155	(25)
Change in operating assets and liabilities:		
Accrued interest and dividend receivable	11	3
Premiums receivable	42	(506)
Deferred policy acquisition costs	3	(48)
Prepayment and other assets	4	(5)
Reserve for losses and loss adjustment expenses	-	(4,108)
Unearned premiums reserve	(29)	440
Accounts payable and other liabilities	(70)	140
Net cash used in operating activities	<u>\$ (266)</u>	<u>(4,371)</u>
Investing activities		
Purchase of equity securities	(2,592)	(505)
Proceeds from sale of fixed-maturity securities	-	994
Proceeds from sale of equity securities	2,716	-
Purchase of property and equipment	(14)	(1)
Net cash provided by investing activities	<u>\$ 110</u>	<u>488</u>
Financing activities		
Proceeds on issuance of notes payable	216	600
Redemption of notes payable	(600)	-
Net cash (used in) /provided by financing activities	<u>\$ (384)</u>	<u>600</u>

(continued)

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARIES
Consolidated Statements of Cash Flows, continued
(expressed in thousands of U.S. Dollars)

	Years ended December 31	
	2020	2019
Cash and cash equivalents, and restricted cash and cash equivalents:		
Net change during the year	(540)	(3,283)
Balance at beginning of year	8,016	11,299
Balance at end of year	\$ 7,476	8,016
Supplemental disclosure of cash flow information		
Interest paid	\$ -	-
Income taxes paid	\$ -	-
Non-cash investing activities		
Net change in unrealized loss on securities available for sale	\$ -	(2)
Operating lease right-of-use assets	\$ 169	155
Operating lease liabilities	\$ 169	149

See accompanying Notes to Consolidated Financial Statements

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARIES
Consolidated Statements of Changes in Shareholders' Equity
Years ended December 31, 2020 and 2019
(expressed in thousands of U.S. Dollars, except per share amounts)

	Ordinary Share Capital		Additional	Accumulated	Accumulated	Total
	Shares	Amount	Paid-in	Deficit	Other Comprehensive Income (Loss)	Shareholders' Equity
Balance at December 31, 2018	5,733,587	6	32,226	(23,920)	2	8,314
Net loss for the year	-	-	-	(305)	-	(305)
Share-based compensation	-	-	36	-	-	36
Total other comprehensive loss	-	-	-	-	(2)	(2)
Balance at December 31, 2019	<u>5,733,587</u>	<u>6</u>	<u>32,262</u>	<u>(24,225)</u>	<u>-</u>	<u>8,043</u>
Net loss for the year	-	-	-	(50)	-	(50)
Share-based compensation	-	-	32	-	-	32
Balance at December 31, 2020	<u>5,733,587</u>	<u>6</u>	<u>32,294</u>	<u>(24,275)</u>	<u>-</u>	<u>8,025</u>

See accompanying Notes to Consolidated Financial Statements

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARIES
Notes to Consolidated Financial Statements

1. ORGANIZATION AND BASIS OF PRESENTATION

(a) Organization

Oxbridge Re Holdings Limited (the "Company") was incorporated as an exempted company on April 4, 2013 under the laws of the Cayman Islands. Oxbridge Re Holdings Limited owns 100% of the equity interest in Oxbridge Reinsurance Limited, an exempted entity incorporated on April 23, 2013 under the laws of the Cayman Islands and for which a Class "C" Insurer's license was granted on April 29, 2013 under the provisions of the Cayman Islands Insurance Law. Oxbridge Re Holdings Limited also owns 100% of the equity interest in Oxbridge Re NS, an entity incorporated as an exempted company on December 22, 2017 under the laws of the Cayman Islands to function as a reinsurance sidecar facility and to increase the underwriting capacity of Oxbridge Reinsurance Limited. The Company, through its subsidiaries (collectively "Oxbridge Re") provides collateralized reinsurance in the property catastrophe market and invests in various insurance-linked securities. The Company operates as a single business segment through its wholly-owned subsidiaries. The Company's headquarters and principal executive offices are located at Suite 201, 42 Edward Street, Georgetown, Grand Cayman, Cayman Islands, and have their registered offices at P.O. Box 309, Ugland House, Grand Cayman, Cayman Islands. We previously leased office space at 2nd Floor, Strathvale House, 90 North Church Street, Georgetown, Grand Cayman, Cayman Islands.

The Company's ordinary shares and warrants are listed on The NASDAQ Capital Market under the symbols "OXBR" and "OXBRW," respectively.

(b) Basis of Presentation and Consolidation

The accompanying consolidated financial statements for the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). All significant intercompany transactions and balances have been eliminated upon consolidation.

The Company consolidates in these consolidated financial statements the results of operations and financial position of all voting interest entities ("VOE") in which the Company has a controlling financial interest and all variable interest entities ("VIE") in which the Company is considered to be the primary beneficiary. The consolidation assessment, including the determination as to whether an entity qualifies as a VIE or VOE, depends on the facts and circumstances surrounding each entity.

2. SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates: In preparing the consolidated financial statements, management was required to make certain estimates and assumptions that affect the reported amounts of the consolidated assets, liabilities, revenues, expenses and related disclosures at the financial reporting date and throughout the periods being reported upon. Certain of the estimates result from judgments that can be subjective and complex and consequently actual results may differ from these estimates, which would be reflected in future periods. Material estimates that are particularly susceptible to significant change in the near-term relate to the determination of the reserve for losses and loss adjustment expenses, which include amounts estimated for claims incurred but not yet reported. The Company uses various assumptions and actuarial data it believes to be reasonable under the circumstances to make these estimates. In addition, accounting policies specific to valuation of investments and loss experience refund payable involve significant judgments and estimates material to the Company's consolidated financial statements. Although considerable variability is likely to be inherent in these estimates, management believes that the amounts provided are reasonable.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

These estimates are continually reviewed and adjusted if necessary. Such adjustments are reflected in current operations.

Cash and cash equivalents: Cash and cash equivalents are comprised of cash and short-term investments with original maturities of three months or less.

Restricted cash and cash equivalents: Restricted cash and cash equivalents represent funds held in accordance with the Company's trust agreements with ceding insurers and trustees, which requires the Company to maintain collateral with a market value greater than or equal to the limit of liability, less unpaid premium.

Investments: The Company's investments consist of fixed-maturity securities and equity securities, and for which its fixed-maturity securities are classified as available-for-sale. The Company's available-for-sale investments are carried at fair value with changes in fair value included as a separate component of accumulated other comprehensive income in shareholders' equity. For the Company's investment in equity securities, the changes in fair value are recorded within the consolidated statements of operations.

Unrealized gains or losses are determined by comparing the fair market value of the investment with their cost or amortized cost. Realized gains and losses on investments are recorded on the trade date and are included in the consolidated statements of operations. The cost of investment sold is based on the specified identification method. Investment income is recognized as earned and discounts or premiums arising from the purchase of debt securities are recognized in investment income using the interest method over the remaining term of the security.

The Company reviews fixed-maturity securities, if any, for OTTI on a quarterly basis and more frequently when economic or market conditions warrant such review. When the fair value of any investment is lower than its cost, an assessment is made to see whether the decline is temporary or other-than-temporary. If the decline is determined to be other-than-temporary, the investment is written down to fair value and an impairment charge is recognized in operations in the period in which the Company makes such determination. For a fixed-maturity security that the Company does not intend to sell nor is it more likely than not that the Company will be required to sell before recovery of its amortized cost, only the credit loss component is recognized in operations, while impairment related to all other factors is recognized in other comprehensive income. The Company considers various factors in determining whether an individual security is other-than-temporarily impaired.

Fair value measurement: GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GAAP are as follows:

Level 1	Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date;
Level 2	Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active; and
Level 3	Inputs that are unobservable.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. For fixed-maturity securities, inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, broker quotes for similar securities and other factors. The fair value of investments in stocks and exchange-traded funds is based on the last traded price. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the Company's investment custodians. The investment custodians consider observable data to be market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant markets. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument.

Deferred policy acquisition costs ("DAC"): Policy acquisition costs consist of brokerage fees, federal excise taxes and other costs related directly to the successful acquisition of new or renewal insurance contracts and are deferred and amortized over the terms of the reinsurance agreements to which they relate. The Company evaluates the recoverability of DAC by determining if the sum of future earned premiums and anticipated investment income is greater than the expected future claims and expenses. If a loss is probable on the unexpired portion of policies in force, a premium deficiency loss is recognized. At December 31, 2020, the DAC was considered fully recoverable and no premium deficiency loss was recorded.

Property and equipment: Property and equipment are recorded at cost when acquired. Property and equipment are comprised of motor vehicles, furniture and fixtures, computer equipment and leasehold improvements and are depreciated, using the straight-line method, over their estimated useful lives, which are five years for furniture and fixtures and computer equipment and four years for motor vehicles. Leasehold improvements are amortized over the lesser of the estimated useful lives of the assets or remaining lease term. The Company periodically reviews property and equipment that have finite lives, and that are not held for sale, for impairment by comparing the carrying value of the assets to their estimated future undiscounted cash flows. For the years ended December 31, 2020 and 2019, there were no impairments in property and equipment.

Allowance for uncollectible receivables: Management evaluates credit quality by evaluating the exposure to individual counterparties; where warranted management also considers the credit rating or financial position, operating results and/or payment history of the counterparty. Management establishes an allowance for amounts for which collection is considered doubtful. Adjustments to previous assessments are recognized in operations in the year in which they are determined. At December 31, 2020, no receivables were determined to be overdue or impaired, and accordingly, no allowance for uncollectable receivables has been established.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Reserves for losses and loss adjustment expenses: The Company determines its reserves for losses and loss adjustment expenses on the basis of the claims reported by the Company's ceding insurers and for losses incurred but not reported ("IBNR"), management uses the assistance of an independent actuary. The reserves for losses and loss adjustment expenses represent management's best estimate of the ultimate settlement costs of all losses and loss adjustment expenses. Management believes that the amounts are adequate; however, the inherent impossibility of predicting future events with precision, results in uncertainty as to the amount which will ultimately be required for the settlement of losses and loss expenses, and the differences could be material. Adjustments are reflected in the consolidated statements of operations in the period in which they are determined.

Loss experience refund payable: Certain contracts include retrospective provisions that adjust premiums or result in profit commissions in the event losses are minimal or zero. In accordance with GAAP, the Company will recognize a liability in the period in which the absence of loss experience obligates the Company to pay cash or other consideration under the contracts. On the contrary, the Company will derecognize such liability in the period in which a loss experience arises. Such adjustments to the liability, which accrue throughout the contract terms, will reduce the liability should a catastrophic loss event covered by the Company occur.

Premiums assumed: The Company records premiums assumed, net of loss experience refunds, as earned pro-rata over the terms of the reinsurance agreements, or period of risk, where applicable, and the unearned portion at the consolidated balance sheet date is recorded as unearned premiums reserve. A reserve is made for estimated premium deficiencies to the extent that estimated losses and loss adjustment expenses exceed related unearned premiums. Investment income is not considered in determining whether or not a deficiency exists.

Subsequent adjustments of premiums assumed, based on reports of actual premium by the ceding companies, or revisions in estimates of ultimate premium, are recorded in the period in which they are determined. Such adjustments are generally determined after the associated risk periods have expired, in which case the premium adjustments are fully earned when assumed.

Certain contracts allow for reinstatement premiums in the event of a full limit loss prior to the expiration of the contract. A reinstatement premium is not due until there is a full limit loss event and therefore, in accordance with GAAP, the Company records a reinstatement premium as written only in the event that the reinsured incurs a full limit loss on the contract and the contract allows for a reinstatement of coverage upon payment of an additional premium. For catastrophe contracts which contractually require the payment of a reinstatement premium equal to or greater than the original premium upon the occurrence of a full limit loss, the reinstatement premiums are earned over the original contract period. Reinstatement premiums that are contractually calculated on a pro-rata basis of the original premiums are earned over the remaining coverage period.

Unearned Premiums Ceded: The Company may reduce the risk of future losses on business assumed by reinsuring certain risks and exposures with other reinsurers (retrocessionaires). The Company remains liable to the extent that any retrocessionaire fails to meet its obligations and to the extent that the Company does not hold sufficient security for their unpaid obligations.

Ceded premiums are written during the period in which the risk incept and are expensed over the contract period in proportion to the period of protection. Unearned premiums ceded consist of the unexpired portion of the reinsurance obtained. There were no unearned premiums ceded at December 31, 2020 and 2019.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Uncertain income tax positions: The authoritative GAAP guidance on accounting for, and disclosure of, uncertainty in income tax positions requires the Company to determine whether an income tax position of the Company is more likely than not to be sustained upon examination by the relevant tax authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. For income tax positions meeting the more likely than not threshold, the tax amount recognized in the consolidated financial statements, if any, is reduced by the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement with the relevant taxing authority. The application of this authoritative guidance has had no effect on the Company's consolidated financial statements because the Company had no uncertain tax positions at December 31, 2020.

Loss per share: Basic loss per share has been computed on the basis of the weighted-average number of ordinary shares outstanding during the years presented. Diluted loss per share is computed based on the weighted-average number of ordinary shares outstanding and reflects the assumed exercise or conversion of diluted securities, such as stock options and warrants, computed using the treasury stock method.

Share-Based Compensation: The Company accounts for share-based compensation under the fair value recognition provisions of GAAP which requires the measurement and recognition of compensation for all share-based awards made to employees and directors, including stock options and restricted stock issuances based on estimated fair values. The Company measures compensation for restricted stock based on the price of the Company's ordinary shares at the grant date. Determining the fair value of stock options at the grant date requires significant estimation and judgment. The Company uses an option-pricing model (Black-Scholes option pricing model) to assist in the calculation of fair value for stock options. The Company's shares have not been publicly traded for a sufficient length of time to solely use the Company's performance to reasonably estimate the expected volatility. Therefore, when estimating the expected volatility, the Company takes into consideration the historical volatility of similar entities. The Company considers factors such as an entity's industry, stage of life cycle, size and financial leverage when selecting similar entities. The Company uses a sample peer group of companies in the reinsurance industry as well as the Company's own historical volatility in determining the expected volatility. Additionally, the Company uses the full life of the options, ten years, as the estimated term of the options, and has assumed no forfeitures during the life of the options. The Company uses the straight-line attribution method for all grants that include only a service condition. Compensation expense related to all awards is included in general and administrative expenses.

Pending Accounting Updates:

Accounting Standards Update No. 2016-13. In June 2016, the FASB issued ASU 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurements of Credit Losses on Financial Instruments" ("ASU 2016-13"). ASU 2016-13 amends the guidance on reporting credit losses and affects loans, debt securities, trade receivables, reinsurance recoverable and other financial assets that have the contractual right to receive cash. The amendments are effective for annual periods beginning after December 15, 2022 (as amended), and interim periods within those annual periods. The Company is in the process of evaluating the impact of the requirements of ASU 2016-13 on the Company's consolidated financial statements.

Segment Information: Under GAAP, operating segments are based on the internal information that management uses for allocating resources and assessing performance as the source of the Company's reportable segments. The Company manages its business on the basis of one operating segment, Property and Casualty Reinsurance, in accordance with the qualitative and quantitative criteria established under GAAP.

Reclassifications: Any reclassifications of prior period amounts have been made to conform to the current period presentation.

3. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS

	December 31,	
	2020	2019
	(in thousands)	
Cash on deposit	\$ 3,560	\$ 3,456
Cash held with custodians	2,002	2,506
Restricted cash held in trust	1,914	2,054
Total	\$ 7,476	\$ 8,016

Cash and cash equivalents are held by large and reputable counterparties in the United States of America and in the Cayman Islands. Restricted cash held in trust is custodied with Truist Bank, f/k/a SunTrust Bank and is held in accordance with the Company's trust agreements with the ceding insurers and trustees, which require that the Company provide collateral having a market value greater than or equal to the limit of liability, less unpaid premium.

4. INVESTMENTS

The Company from time to time invests in fixed-maturity securities and equity securities, with its fixed-maturity securities classified as available-for-sale. At December 31, 2020 and December 31, 2019, the Company did not hold any available-for-sale securities.

Proceeds received, and the gross realized gains and losses from sales of available-for-sale fixed-maturity securities, and equity securities, for the years ended December 31, 2020 and 2019 are as follows:

	Gross proceeds from sales	Gross Realized Gains (\$ in thousands)	Gross Realized Losses
<i>Year ended December 31, 2020</i>			
Equity securities	\$ 2,716	\$ 377	\$ (3)
<i>Year ended December 31, 2019</i>			
Available-for-sale fixed-maturity securities	\$ 994	\$ 3	\$ -

4. INVESTMENTS (continued)

Assets Measured at Estimated Fair Value on a Recurring Basis

The following table presents information about the Company's financial assets measured at estimated fair value on a recurring basis that is reflected in the consolidated balance sheets at carrying value. The table indicates the fair value hierarchy of the valuation techniques utilized by the Company to determine such fair value as of December 31, 2020 and 2019:

	Fair Value Measurements Using			Total
	(Level 1)	(Level 2)	(Level 3)	
(\$ in thousands)				
As of December 31, 2020				
Financial Assets:				
<i>Cash and cash equivalents</i>	\$ 5,562	\$ -	\$ -	\$ 5,562
<i>Restricted cash and cash equivalents</i>	\$ 1,914	\$ -	\$ -	\$ 1,914
Equity securities	\$ 787	\$ -	\$ -	\$ 787
Total	\$ 8,263	\$ -	\$ -	\$ 8,263

	Fair Value Measurements Using			Total
	(Level 1)	(Level 2)	(Level 3)	
(\$ in thousands)				
As of December 31, 2019				
Financial Assets:				
<i>Cash and cash equivalents</i>	\$ 5,962	\$ -	\$ -	\$ 5,962
<i>Restricted cash and cash equivalents</i>	\$ 2,054	\$ -	\$ -	\$ 2,054
Equity securities	\$ 692	\$ -	\$ -	\$ 692
Total	\$ 8,708	\$ -	\$ -	\$ 8,708

5. TAXATION

Under current Cayman Islands law, no corporate entity, including the Company and the subsidiaries, is obligated to pay taxes in the Cayman Islands on either income or capital gains. The Company and its subsidiaries have an undertaking from the Governor-in-Cabinet of the Cayman Islands, pursuant to the provisions of the Tax Concessions Law, as amended, that, in the event that the Cayman Islands enacts any legislation that imposes tax on profits, income, gains or appreciations, or any tax in the nature of estate duty or inheritance tax, such tax will not be applicable to the Company and its subsidiaries or their operations, or to the ordinary shares or related obligations, until April 23, 2033 and May 17, 2033, respectively.

The Company and its subsidiaries intend to conduct substantially all of their operations in the Cayman Islands in a manner such that they will not be engaged in a trade or business in the U.S. However, because there is no definitive authority regarding activities that constitute being engaged in a trade or business in the U.S. for federal income tax purposes, the Company cannot assure that the U.S. Internal Revenue Service will not contend, perhaps successfully, that the Company or its subsidiaries are engaged in a trade or business in the U.S. A foreign corporation deemed to be so engaged would be subject to U.S. federal income tax, as well as branch profits tax, on its income that is treated as effectively connected with the conduct of that trade or business unless the corporation is entitled to relief under an applicable tax treaty.

6. VARIABLE INTEREST ENTITIES

Oxbridge Re NS. On December 22, 2017, the Company established Oxbridge Re NS, a Cayman domiciled and licensed special purpose insurer, formed to provide additional collateralized capacity to support Oxbridge Reinsurance Limited's reinsurance business. In respect of the debt issued by Oxbridge Re NS to investors, Oxbridge Re NS has entered into a retrocession agreement with Oxbridge Reinsurance Limited effective June 1, 2020. Under this agreement, Oxbridge Re NS receives a quota share of Oxbridge Reinsurance Limited's catastrophe business. Oxbridge Re NS is a non-rated insurer and the risks have been fully collateralized by way of funds held in trust for the benefit of Oxbridge Reinsurance Limited. Oxbridge Re NS is able to provide investors with access to natural catastrophe risk backed by the distribution, underwriting, analysis and research expertise of Oxbridge Re.

The Company has determined that Oxbridge Re NS meets the definition of a VIE as it does not have sufficient equity capital to finance its activities. The Company concluded that it is the primary beneficiary and has consolidated the subsidiary upon its formation, as it owns 100% of the voting shares, 100% of the issued share capital and has a significant financial interest and the power to control the activities of Oxbridge Re NS that most significantly impacts its economic performance. The Company has no other obligation to provide financial support to Oxbridge Re NS. Neither the creditors nor beneficial interest holders of Oxbridge Re NS have recourse to the Company's general credit.

Upon issuance of a series of participating notes by Oxbridge Re NS, all of the proceeds from the issuance are deposited into collateral accounts, to fund any potential obligation under the reinsurance agreements entered into with Oxbridge Reinsurance Limited underlying such series of notes. The outstanding principal amount of each series of notes generally is expected to be returned to holders of such notes upon the expiration of the risk period underlying such notes, unless an event occurs which causes a loss under the applicable series of notes, in which case the amount returned is expected to be reduced by such noteholder's pro rata share of such loss, as specified in the applicable governing documents of such notes. In addition, holders of such notes are generally entitled to interest payments, payable annually, as determined by the applicable governing documents of each series of notes. Oxbridge Re Holdings Limited receives an origination and structuring fee in connection with the formation, operation and management of Oxbridge Re NS.

6. VARIABLE INTEREST ENTITIES (continued)

Notes Payable to Series 2020-1 noteholders

Oxbridge Re NS entered into a retrocession agreement with Oxbridge Reinsurance Ltd on June 1, 2020 and issued \$216 thousand of participating notes which provides quota share support for Oxbridge Re's property catastrophe excess of loss reinsurance business. The participating notes have been assigned Series 2020-1 and are due to mature on June 1, 2023. None of the participating notes were redeemed during the year ending December 31, 2020.

The income from Oxbridge Re NS operations that are attributable to the participating notes noteholders for the year ended December 31, 2020 was \$60,000 and are included within accounts payable and other liabilities at December 31, 2020.

Notes Payable to Series 2019-1 noteholders

Oxbridge Re NS entered into a retrocession agreement with Oxbridge Reinsurance Ltd on June 1, 2019 and issued \$600 thousand of participating notes which provides quota share support for Oxbridge Re's global property catastrophe excess of loss reinsurance business. The participating notes have been assigned Series 2019-1 and were due to mature on June 1, 2022. However, the participating notes were all redeemed during the period ending June 30, 2020.

The income from Oxbridge Re NS operations that are attributable to the participating notes noteholders for the year ended December 31, 2020 and December 31, 2019 was \$78,000 and \$155,000 respectively. The income attributable to the participating notes noteholders for the year ended December 31, 2019 were included within accounts payable and other liabilities at December 31, 2019.

7. RESERVE FOR LOSSES AND LOSS ADJUSTMENT EXPENSES

The following table summarizes the Company's loss and loss adjustment expenses ("LAE") and the reserve for loss and LAE reserve movements for the years ended December 31, 2020 and 2019

	Year ended December 31,	
	2020	2019
	(\$ in thousands)	
Gross balance, beginning of year	\$ -	4,108
Incurred, net of reinsurance, related to:		
Current year	-	-
Prior year ¹	-	(106)
Total incurred	-	(106)
Paid related to:		
Current year	-	-
Prior year	-	(4,002)
Total paid	-	(4,002)
Balance, end of year	\$ -	-

¹ During the year ended December 31, 2019, the Company entered into final commutation agreement with one (1) cedant under which the Company's liabilities were commuted and discharged. The Company recognized a net gain on commutation of \$106,000 which is presented as a separate line item in the Consolidated Statement of Operations.

The reserve for losses and LAE are comprised of case reserves (which are based on claims that have been reported) and IBNR reserves (which are based on losses that are believed to have occurred but for which claims have not yet been reported and include a provision for expected future development on existing case reserves). The Company uses the assistance of an independent actuary in the determination of IBNR and expected future development of existing case reserves. This is performed on a quarterly basis.

The uncertainties inherent in the reserving process and potential delays by cedants and brokers in the reporting of loss information, together with the potential for unforeseen adverse developments, may result in the reserve for losses and LAE ultimately being significantly greater or less than the reserve provided at the end of any given reporting period. The degree of uncertainty is further increased when a significant loss event takes place near the end of a reporting period. Reserve for losses and LAE estimates are reviewed periodically on a contract by contract basis and updated as new information becomes known. Any resulting adjustments are reflected in income in the period in which they become known.

The Company's reserving process is highly dependent on the timing of loss information received from its cedants and related brokers.

7. RESERVE FOR LOSSES AND LOSS ADJUSTMENT EXPENSES (continued)

Reserving methodologies and assumptions

Loss reserves are generally established based on loss payments and case reserves reported by clients when, and if, received. Estimates for IBNR losses are added to the case reserves. To establish IBNR loss estimates, the Company uses quarterly actuarial estimates from its independent actuary, who utilizes loss data reported by the Company along with industry loss data and information, knowledge of the business written and actuary's own professional judgment.

The independent actuary employs standard actuarial methods for its analysis each quarter. Such methods may include the:

- **Reported Loss Development Method.** Ultimate losses are estimated by calculating past reported loss development factors and applying them to exposure periods with further expected reported loss development. Since reported losses include payments and case reserves, changes in both of these amounts are incorporated in this method.
- **Expected Loss Ratio Method.** Ultimate losses are estimated by multiplying earned premiums by an expected loss ratio. The expected loss ratio is selected using industry data, historical company data and actuarial professional judgment. This method is typically used for lines of business and contracts where there are no historical losses or where past loss experience is not credible.
- **Bornhuetter-Ferguson Reported Loss Method.** Ultimate losses are estimated by modifying expected loss ratios to the extent reported losses experienced to date differ from what would have been expected to have been reported based upon the selected reported loss development pattern. This method avoids some of the distortions that could result from a large development factor being applied to a small base of reported losses to calculate ultimate losses.
- **Frequency / Severity Method.** Ultimate losses are estimated under this method by multiplying the ultimate number of claims (i.e. the frequency multiplied by the exposure base on which the frequency has been determined), by the estimated ultimate average cost per claim (i.e. the severity). By analyzing claims experience by its frequency and severity components, the Company can examine trends and patterns in the rates of claims emergence (i.e. reporting) and settlement (i.e. closure) as well as in the average cost of claims.

The approach is valuable because sometimes there is more inherent stability in the frequency and severity data when viewed separately rather than in the total losses

7. RESERVE FOR LOSSES AND LOSS ADJUSTMENT EXPENSES (continued)

In addition, the Company may supplement its analysis with other reserving methodologies that are deemed to be relevant to specific contracts.

For each contract, the Company's independent actuary utilizes reserving methodologies that are deemed appropriate to calculate a best estimate, or point estimate, of reserves. The decision of whether to use a single methodology or a combination of multiple methodologies depends upon the judgment of the independent actuary. The Company's reserving methodology does not require a fixed weighting of the various methods used. Certain methods are considered more appropriate depending on the type and structure of the contract, the age and maturity of the contract, and the duration of the expected paid losses on the contract.

The Company's gross aggregate reserves are the sum of the point estimate reserves of all portfolio exposures. Generally, IBNR loss reserves are calculated by estimating the ultimate incurred losses at any point in time and subtracting cumulative paid claims and case reserves, which incorporate specific exposures, loss payment and reporting patterns and other relevant factors.

There were no significant changes in the actuarial methodology or assumptions relating to the Company's reserve for loss and loss adjustment expenses for the year ended December 31, 2020 or 2019.

Claims Development Tables, IBNR Reserves and Claims Frequency

The following table discloses information about the Company's incurred and paid claims development as of December 31, 2020, as well as cumulative claim frequency and the total of incurred-but-not-reporting and expected development on reported claims included within the net incurred claims amounts. A claim is defined as a reported loss from a cedant on an excess-of-loss reinsurance contract arising from a loss event for which the Company records a paid loss or case reserve. The Company operates a single business segment, being property catastrophe reinsurance.

7. RESERVE FOR LOSSES AND LOSS ADJUSTMENT EXPENSES (continued)

Property Catastrophe Reinsurance

(in thousands)

Incurred Losses and Loss Adjustment Expenses						As of	Cumulative Number of Reported Claims
						December 31, 2020	
Accident Year	2016	2017	2018	2019	2020	Total of Incurred-but- Not- Reported Liabilities Plus Expected Development on Reported Claims (dollars in thousands)	
2016	\$ 14,775	\$ 18,801	\$ 17,795	\$ 17,689	\$ 17,689	\$ -	5
2017		\$ 38,401	\$ 38,401	\$ 38,401	\$ 38,401	\$ -	8
2018			\$ 10,000	\$ 10,000	\$ 10,000	\$ -	2
2019				\$ -	\$ -	\$ -	-
2020					\$ -	\$ -	-
Total					\$ 66,090	\$ -	

Cumulative Paid Losses and Loss Adjustment Expenses

For the Years Ended December 31,

(in thousands)

Accident Year	2016	2017	2018	2019	2020
2016	\$ 6,073	\$ 16,073	\$ 17,687	\$ 17,689	\$ 17,689
2017		\$ 36,293	\$ 38,401	\$ 38,401	\$ 38,401
2018			\$ 6,000	\$ 10,000	\$ 10,000
2019				\$ -	\$ -
2020					\$ -
Total					\$ 66,090

Reserve for loss and loss adjustment expenses at December 31, 2020, net of reinsurance

\$ -

The following table shows the historical average annual percentage payout of claims at December 31, 2020.

Average Annual Percentage Payout of Incurred Claims by Age

Years	1	2	3	4	5
Property Catastrophe Reinsurance	62.9%	34.0%	9.1%	0.0%	0.0%

8. LOSS PER SHARE

A summary of the numerator and denominator of the basic and diluted loss per share is presented below (dollars in thousands except per share amounts):

	Years ended December 31	
	2020	2019
Numerator:		
Net loss	\$ (50)	(305)
Denominator:		
Weighted average shares - basic	5,733,587	5,733,587
Effect of dilutive securities - Stock options	-	-
Shares issuable upon conversion of warrants	-	-
Weighted average shares - diluted	<u>5,733,587</u>	<u>5,733,587</u>
Loss per share - basic	<u>\$ (0.01)</u>	<u>(0.05)</u>
Loss per share - diluted	<u>\$ (0.01)</u>	<u>(0.05)</u>

For the years ended December 31, 2020 and December 31, 2019, options to purchase 540,000 ordinary shares were anti-dilutive due to net loss during the years presented. For the years ended December 31, 2020 and 2019, 8,230,700 warrants to purchase an aggregate of 8,230,700 ordinary shares were anti-dilutive due to net loss during the years presented.

GAAP requires the Company to use the two-class method in computing basic loss per share since holders of the Company's restricted stock have the right to share in dividends, if declared, equally with common stockholders. These participating securities effect the computation of both basic and diluted earnings per share during the years ended December 31, 2020 and 2019.

9. WARRANTS

There were 8,230,700 warrants outstanding at December 31, 2020 and 2019. One warrant may be exercised to acquire one ordinary share at an exercise price equal to \$7.50 per share on or before March 26, 2024. The Company at its option may cancel the warrants in whole or in part, provided that the closing price per ordinary share has exceeded \$9.38 for at least ten trading days within any period of twenty consecutive trading days, including the last trading day of the period. No warrants were exercised during the years ended December 31, 2020 and 2019.

10. DIVIDENDS

As of December 31, 2020, none of the Company's retained earnings were restricted from payment of dividends to the company's shareholders. However, since most of the Company's capital and retained earnings may be invested in its subsidiaries, a dividend from the subsidiaries would likely be required in order to fund a dividend to the Company's shareholders and would require notification to the Cayman Islands Monetary Authority ("CIMA").

Under Cayman Islands law, the use of additional paid-in capital is restricted, and the Company will not be allowed to pay dividends out of additional paid-in capital if such payments result in breaches of the prescribed and minimum capital requirement.

11. SHARE-BASED COMPENSATION

The Company currently has outstanding stock-based awards granted under the 2014 Omnibus Incentive Plan (the "Plan"). Under the Plan, the Company has discretion to grant equity and cash incentive awards to eligible individuals, including the issuance of up to 1,000,000 of the Company's ordinary shares. At December 31, 2020, there were 400,000 shares available for grant under the Plan.

Stock options

Stock options granted and outstanding under the Plan vests quarterly over four years and are exercisable over the contractual term of ten years.

A summary of the stock option activity for the years ended December 31, 2020 and 2019 is as follows (option amounts not in thousands):

	<u>Number of Options</u>	<u>Weighted- Average Exercise Price</u>	<u>Weighted- Average Remaining Contractual Term</u>	<u>Aggregate Intrinsic Value (\$000)</u>
Outstanding at January 1, 2019	250,000	\$ 6.01		
Granted	290,000	\$ 2.00		
Outstanding at December 31, 2019	<u>540,000</u>	\$ 3.86	7.4 years	
Outstanding at December 31, 2020	<u>540,000</u>	\$ 3.86	6.4 years	\$ -
Exercisable at December 31, 2020	<u>395,000</u>	\$ 4.54	5.8 years	\$ -

11. SHARE-BASED COMPENSATION (continued)

Compensation expense recognized for the years ended December 31, 2020 and 2019 totaled \$33,000 and \$36,000, respectively, and is included in general and administrative expenses. At December 31, 2020 and 2019, there was approximately \$53,000 and \$86,000, respectively, of total unrecognized compensation expense related to non-vested stock options granted under the Plan. The Company expects to recognize the remaining compensation expense over a weighted-average period of twenty-four (24) months.

No options were granted during the year ended December 31, 2020. During the year ended December 31, 2019, 290,000 options were granted with fair value estimated on the date of grant using the following assumptions and the Black-Scholes option pricing model:

	2019
Expected dividend yield	0%
Expected volatility	31%
Risk-free interest rate	2.59%
Expected life (in years)	10
Per share grant date fair value of options issued \$	0.36

Restricted Stock Awards

The Company may grant restricted stock awards to eligible individuals in connection with their service to the Company. The terms of the Company's outstanding restricted stock grants may include service, performance and market-based conditions. The fair value of the awards with market-based conditions is determined using a Monte Carlo simulation method, which calculates many potential outcomes for an award and then establishes fair value based on the most likely outcome. The determination of fair value with respect to the awards with only performance or service-based conditions is based on the value of the Company's stock on the grant date.

During the year ended December 31, 2020 and 2019, the Company did not grant any restricted stock. At December 31, 2020 and 2019, there were no unvested restricted stock.

12. NET WORTH FOR REGULATORY PURPOSES

The subsidiaries are subject to a minimum and prescribed capital requirement as established by CIMA. Under the terms of their respective licenses, Oxbridge Reinsurance Limited and Oxbridge Re NS are required to maintain a minimum and prescribed capital requirement of \$500 in accordance with the relevant subsidiary's approved business plan filed with CIMA.

At December 31, 2020, the Oxbridge Reinsurance Limited's net worth of \$775 thousand exceeded the minimum and prescribed capital requirement. For the years ended December 31, 2020 and 2019, Oxbridge Reinsurance Ltd.'s net loss was approximately \$658 thousand and \$817 thousand, respectively.

At December 31, 2020, the Oxbridge Re NS' net worth of \$152 thousand exceeded the minimum and prescribed capital requirement. For the years ended December 31, 2020 and 2019, Oxbridge Re NS' net income was approximately \$47 thousand and \$86 thousand, respectively.

The Subsidiaries are not required to prepare separate statutory financial statements for filing with CIMA, and there were no material differences between the Subsidiaries' GAAP capital, surplus and net income, and its statutory capital, surplus and net income as of December 31, 2020 or for the year then ended.

13. FAIR VALUE AND CERTAIN RISKS AND UNCERTAINTIES

Fair values

With the exception of balances in respect of insurance contracts (which are specifically excluded from fair value disclosures under GAAP) and investment securities and derivative instruments as disclosed in Note 4 and 5 of these consolidated financial statements, the carrying amounts of all other financial instruments, which consist of cash and cash equivalents, restricted cash and cash equivalents, accrued interest and dividends receivable, premiums receivable and other assets and accounts payable and other liabilities, approximate their fair values due to their short-term nature.

Concentration of underwriting risk

A substantial portion of the Company's current reinsurance business ultimately relates to the risks of a limited number of entities; accordingly, the Company's underwriting risks are not diversified.

Concentrations of Credit and Counterparty Risk

The Company markets retrocessional and reinsurance policies worldwide through its brokers. Credit risk exists to the extent that any of these brokers may be unable to fulfill their contractual obligations to the Company. For example, the Company is required to pay amounts owed on claims under policies to brokers, and these brokers, may fail to pay over the money to the cedants. In some jurisdictions, if a broker fails to make such a payment, the Company might remain liable to the ceding company for the deficiency. In addition, in certain jurisdictions, when the ceding company pays premiums for these policies to brokers, these premiums are considered to have been paid and the ceding insurer is no longer liable to the Company for those amounts, whether or not the premiums have actually been received.

The Company remains liable for losses it incurs to the extent that any third-party reinsurer is unable or unwilling to make timely payments under reinsurance agreements. The Company would also be liable in the event that its ceding companies were unable to collect amounts due from underlying third-party reinsurers.

The Company mitigates its concentrations of credit and counterparty risk by using reputable and several counterparties which decreases the likelihood of any significant concentration of credit risk with any one counterparty.

Market risk

Market risk exists to the extent that the values of the Company's monetary assets fluctuate as a result of changes in market prices. Changes in market prices can arise from factors specific to individual securities or their respective issuers, or factors affecting all securities traded in a particular market. Relevant factors for the Company are both volatility and liquidity of specific securities and markets in which the Company holds investments. The Company has established investment guidelines that seek to mitigate significant exposure to market risk.

14. LEASES

We adopted ASU 2016-02, Leases on January 1, 2019, which resulted in the recognition of operating leases on the consolidated balance sheets in 2019 and forward. Right-of-use assets and lease liabilities are disclosed as line items in the consolidated balance sheets. We determine if a contract contains a lease at inception and recognize operating lease right-of-use assets and operating lease liabilities based on the present value of the future minimum lease payments at the commencement date. As our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at the commencement date in determining the present value of future payments. Lease agreements that have lease and non-lease components, are accounted for as a single lease component. Lease expense is recognized on a straight-line basis over the lease term.

The Company has two operating lease obligations namely for the Company's office facilities located at Suite 201, 42 Edward Street Grand Cayman, Cayman Islands and residential space at Turnberry Villas in Grand Cayman, Cayman Islands. The office lease has a remaining lease term of approximately 38 months and includes an option to extend the lease. Under the terms of the lease, the Company also has the right to terminate the lease after thirty-six (36) months upon giving appropriate notice in writing to the Lessor. The residential lease has a remaining lease term of approximately 24 months.

The components of lease expense and other lease information as of and during the year ended December 31, 2020 are as follows:

(in thousands)	Year Ended December 31, 2020	Year Ended December 31, 2019
Operating Lease Cost ⁽¹⁾	\$ 94	\$ 85
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ 96	\$ 93
⁽¹⁾ Includes short-term leases		
(in thousands)	At December 31, 2020	At December 31, 2019
Operating lease right-of-use assets	\$ 222	\$ 133
Operating lease liabilities	\$ 222	\$ 133
Weighted-average remaining lease term - operating leases	2.58 years	4.17 years
Weighted-average discount rate - operating leases	5.29%	6.5%

14. LEASES (continued)

Future minimum lease payments under non-cancellable leases as of December 31, 2020, reconciled to our discounted operating lease liability presented on the consolidated balance sheets are as follows:

(in thousands)	At December 31, 2020	At December 31, 2019
Remainder of 2020	\$ -	\$ 36
2021	96	36
2022	97	37
2023	40	37
Thereafter	6	6
Total future minimum lease payments	<u>\$ 239</u>	<u>\$ 152</u>
Less imputed interest	(17)	(19)
Total operating lease liabilities	<u>\$ 222</u>	<u>133</u>

15. RELATED PARTY TRANSACTIONS

During the year ending December 31, 2020, Mr. Jay Madhu, a director and officer of the Company and its subsidiaries invested \$68 thousand in Series 2020-1 participating notes and is included within notes payable in the consolidated balance sheets.

During the year ending December 31, 2019, Mr. Jay Madhu, a director and officer of the Company and its subsidiaries invested \$50 thousand in Series 2019-1 participating notes, which were subsequently redeemed in June 2020.

16. PROPERTY AND EQUIPMENT, NET

Property and equipment, net consist of the following (in thousands):

	At December 31,	
	2020	2019
Leasehold improvements	\$ 21	21
Furniture and Fixtures	38	38
Motor vehicle	34	21
Computer equipment and software	34	33
Total, at cost	<u>127</u>	<u>113</u>
less accumulated depreciation and amortization	(114)	(104)
Property and equipment, net	<u>\$ 13</u>	<u>9</u>

17. SUBSEQUENT EVENTS

We evaluate all subsequent events and transactions for potential recognition or disclosure in our consolidated financial statements. There were no other events subsequent to December 31, 2020 for which disclosure was required.

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARIES
SUMMARY OF INVESTMENTS - OTHER THAN INVESTMENTS IN RELATED PARTIES
AS OF DECEMBER 31, 2020

(expressed in thousands of U.S. dollars)

<u>Type of investment</u>	<u>Cost or Amortized Cost</u>	<u>Fair Value</u>	<u>Balance Sheet Value</u>
Preferred stocks	1	2	2
Common stocks	964	785	785
Total equity securities	965	787	787
Total investments	<u>\$ 965</u>	<u>\$ 787</u>	<u>787</u>

OXBRIDGE RE HOLDINGS LIMITED
CONDENSED FINANCIAL INFORMATION OF REGISTRANT
CONDENSED BALANCE SHEET - PARENT COMPANY ONLY
(expressed in thousands of U.S. Dollars)

	At December 31,	
	2020	2019
Assets		
Cash and cash equivalents	4,295	3,455
Equity securities	787	692
Investment in subsidiaries	927	1,538
Accrued interest and dividend receivable	-	4
Due from subsidiaries	2,061	2,394
Prepayment and other receivables	75	75
Operating lease right-of-use assets	222	133
Property and equipment, net	13	9
Total assets	\$ 8,380	8,300
Liabilities and Shareholders' Equity		
Liabilities:		
Operating lease liabilities	222	133
Accounts payable and other liabilities	133	124
Total liabilities	355	257
Shareholders' equity:		
Total shareholders' equity	8,025	8,043
Total liabilities and shareholders' equity	\$ 8,380	8,300

OXBRIDGE RE HOLDINGS LIMITED
CONDENSED FINANCIAL INFORMATION OF REGISTRANT
CONDENSED STATEMENTS OF OPERATIONS - PARENT COMPANY ONLY
(expressed in thousands of U.S. Dollars)

	Years Ended December 31,	
	2020	2019
Revenue		
Net investment income	\$ 57	102
Change in fair value of equity securities	(155)	25
Net realized investment gain	374	-
Management fees and other income	1,313	1,357
Operating expenses	(1,028)	(1,057)
Income before equity in loss of subsidiaries	561	427
Equity in loss of subsidiaries	(611)	(732)
Net loss	\$ (50)	(305)

OXBRIDGE RE HOLDINGS LIMITED
CONDENSED FINANCIAL INFORMATION OF REGISTRANT
CONDENSED STATEMENT OF CASH - PARENT COMPANY ONLY
(expressed in thousands of U.S. Dollars)

	Years Ended December 31,	
	2020	2019
Operating activities		
Net loss	\$ (50)	(305)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Equity in loss of subsidiaries	611	732
Stock-based compensation	32	36
Depreciation	10	10
Net realized investment gain	(374)	-
Change in fair value of equity securities	155	(25)
Change in operating assets and liabilities:		
Accrued interest and dividend receivable	4	(4)
Due from subsidiary	333	(340)
Prepayment and other receivables	-	(9)
Accounts payable and other liabilities	9	(8)
Net cash provided by operating activities	<u>\$ 730</u>	<u>87</u>
Investing activities		
Purchase of available for sale securities	(2,592)	(505)
Proceeds from sale of available for sale securities	2,716	-
Purchase of property and equipment	(14)	(1)
Net cash provided by/(used in) investing activities	<u>\$ 110</u>	<u>(506)</u>
Net change in cash and cash equivalents	840	(419)
Cash and cash equivalents at beginning of year	3,455	3,874
Cash and cash equivalents at end of year	<u>\$ 4,295</u>	<u>3,455</u>

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARIES
SUPPLEMENTARY INSURANCE INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(expressed in thousands of U.S. dollars)

Year	Segment	Deferred acquisition costs, net	Reserves for losses and loss adjustment expenses – gross	Unearned premiums – gross	Net premiums earned	Investment income (loss)	Net losses, and loss adjustment expenses	Amortization of deferred acquisition costs	Operating expenses	Gross premiums written
2020	Property & Casualty	\$ 45	\$ -	\$ 411	\$ 893	\$ 374	\$ -	\$ 98	\$ 1,028	\$ 864
2019	Property & Casualty	\$ 48	\$ -	\$ 440	\$ 617	\$ 3	\$ -	\$ 64	\$ 1,067	\$ 1,057

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARIES
REINSURANCE INFORMATION
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(expressed in thousands of U.S. dollars)

Year	Segment	Direct Gross Premiums	Premiums ceded to other companies	Premiums assumed from other companies	Net amount		Percentage of amount assumed to net
2020	Property & Casualty	\$ -	\$ -	\$ 864	\$ 864		100%
2019	Property & Casualty	\$ -	\$ -	\$ 1,057	\$ 1,057		100%

THIS LEASE is made the 4th of January 2019.

BETWEEN: (1) **The Tropical Building Corporation Ltd** whose registered office is at P.O. Box 1633, George Town, Grand Cayman, KY1-1109 ("the Lessor")

AND (2) **Oxbridge RE Holdings Limited** (Reg.# 276654) whose registered office is at Maples Corporate Services Limited, Ugland House, South Church Street, PO. Box 309 Grand Cayman KY1- 1104 ("the Lessee")

NOW IT IS AGREED as follows:-

1. Definitions and interpretations

In this agreement:

1.1 Unless the context requires otherwise:

"the Development"	means all that development known as The Duty Free Centre as set out in the Fourth Schedule.
"the Building"	means all that part of the Development known as The Duty Free Centre as set out in the Fourth Schedule.
"the Premises"	means that part of the Building as set out in the Fourth Schedule.
"Rent Commencement Date"	means the Rent Commencement Date as set out in the Fourth Schedule.
"the Original Term"	means the Original Term as set out in the Fourth Schedule.
"Term Extension Options"	means the Term Extension Options as set out in the Fourth Schedule
"the Rent"	means the Rent as set out in the Fourth Schedule.
"the Deposit"	means the one month's Rent as set out in the Fourth Schedule.
"the Additional Rights"	means the Additional Rights as set out in the Fourth Schedule.
"Common Parts"	means the pedestrian ways forecourts car parks landscaped areas and other areas which are from time to time during the Original Term and any extensions thereof provided by the Lessor for common use and enjoyment by the lessees and occupiers of the Development and all persons expressly or by implication authorised by them.
"the Premises Covenants"	means the covenants as set out in the Third Schedule.
"Pipes"	means all pipes sewers drains mains ducts conduits gutters watercourses wires cables channels flues and all

other connecting media including any fixings louvres cowl
and any ancillary apparatus, which will enable the
provision of water, sewerage, electricity and
telecommunications services to the Premises

- 1.2 The expressions of "the Lessor" and "the Lessee" wherever the context so admits include the person for the time being entitled to the reversion immediately expectant on the determination of the Original Term and any extensions thereof and the Lessee's successor in title respectively.
- 1.3 Where the Lessor or the Lessee for the time being are two or more persons obligations expressed or implied to be made by or with such party are deemed to be made by or with such persons jointly and severally.
- 1.4 References to the Premises in the absence of any provision to the contrary include any part of the Premises.
- 1.5 References to the last year of the Original Term and any extensions thereof include the last year of the Original Term and any extensions thereof if the Original Term and any extensions thereof shall determine otherwise than by effluxion of time and references to the expiration of the Original Term and any extensions thereof includes such other determination of the Original Term and any extensions thereof.
- 1.6 Any covenant by the Lessee not to do an act or thing shall be deemed to include an obligation to use reasonable endeavours not to permit or suffer such act or thing to be done by another person where the Lessee is aware that such act or thing is being done.
- 1.7 Words importing one gender only shall include the other and words importing the singular number shall include the plural and vice versa.
- 1.8 Words importing persons include companies and associations or bodies of persons whether corporate or unincorporate.
- 1.9 References in this Lease to any clause sub-clause or schedule without further designation shall be construed as a reference to the clause sub-clause or schedule to this Lease so numbered.
- 1.10 The clause paragraph and schedule headings do not form part of this Lease and shall not be taken into account in its construction or interpretation.

2. Demise

The Lessor demises to the Lessee the Premises together with the Additional Rights and the rights specified in the First Schedule but excepting and reserving to the Lessor the rights specified in the Second Schedule to hold the Premises to the Lessee for the Original Term and any extensions thereof subject to all rights easements privileges restrictions covenants and stipulations of whatever nature affecting the Premises provided the same do not interfere with the use of the Premises for general offices yielding and paying to the Lessor the Rent payable without any deduction monthly in accordance with the Fifth Schedule attached hereto.

3. The Lessee's Covenants

The Lessee covenants With the Lessor:

- 3.1 Rent
- To pay the Rent on the days and in the manner set out in this Lease subject to clause 4.7 herein and not to exercise or seek to exercise any right or claim to withhold Rent or any right or claim to legal or equitable set off.
- 3.2 To pay all telephone and other utility and service fees including electricity it may incur in relation to the Premises, apart from water, which shall be paid by the Landlord, so long as the Tenant does not negligently leave the pipes or toilet running. In the event the Premises is not individually metered, the amount due shall be calculated by dividing the Premises' area by the area of the total space metered in Unit H1 and multiplying this by the bill for the metered space.
- 3.3 To pay the Lessor its pro rata share of maintenance fees for the Development (hereinafter known as the Maintenance Fee), to be calculated as the ratio of the area of the Premises to the area of the total leasable office space of the Development multiplied by the total actual cost of the building insurance, garbage collection and receptacle fees, gardening, landscaping and general maintenance fees, common area cleaning fees, sewage treatment fees, building exterior and exterior window cleaning and any other fees that the Lessor from time to time shall reasonably incur in the management and maintenance of the Development but excluding capital expenditure and structural defects. Both vacant and rented Premises in the Development will be included in the total denominator for ascertaining the cost of apportionment. The Lessee shall pay the Maintenance Fee as set out herein monthly with the rent. Supporting accounts used in the calculation of the Maintenance Fee will be made available for review within 14 days of written request for the same. **The Maintenance Fee shall be included in the Rent for the purposes of this Lease.**
- 3.4 Cleaning/Extermination
- To clean the Premises and keep them in a clean condition.
- 3.5 Waste and alterations
- Not to:
- 3.5.1 commit any waste.
- 3.5.2 make any alterations to the Premises without the consent of the Lessor.
- 3.5.3 make connection with the Pipes that serve the Premises without the consent of the Lessor.
- 3.6 Aerial signs and advertisements
- 3.6.1 Not to erect any pole mast or wire (whether in connection with telegraphic telephonic radio or television communication or otherwise) upon the Premises.
- 3.6.2 Not to affix to or exhibit on the outside of the Building or through any window of the Building nor display anywhere on the Premises any placard sign notice fascia board or advertisement except any sign permitted by virtue of any consent given by the Lessor pursuant to a covenant contained in the Lease.
- 3.7 Access of Lessor

To permit the Lessor at all convenient times and after reasonable notice to enter upon the Premises for the purpose of ascertaining that the covenants and conditions of this Lease have been observed and performed.

3.8 Alienation

Not to assign underlet or charge the whole or part only of the Premises without the prior written consent of the Lessor.

3.9 Nuisance etc. and residential restrictions.

3.9.1 Not to do nor allow to remain upon the Premises anything which may be or become or cause a nuisance annoyance disturbance inconvenience injury or damage to the Lessor or its Lessees.

3.9.2 Not to use the Premises for any dangerous noxious noisy or offensive trade business manufacture or occupation nor for any illegal or immoral act or purpose.

3.9.3 Not to use the Premises as sleeping accommodation or residential purposes nor keep any animal fish reptile or bird anywhere on the Premises.

3.10 Lessor's cost

To pay to the Lessor on an indemnity basis all costs fees charges disbursements and expenses (including without prejudice to the generality of the above those payable to attorneys and bailiffs) properly and reasonably incurred by the Lessor in relation to or incidental to the recovery or attempted recovery of arrears of rent or other sums due from the Lessee.

3.11 Indemnities

To be responsible for and to keep the Lessor fully indemnified against all damages losses costs expenses actions demands proceedings claims and liabilities made against or suffered or incurred by the Lessor arising directly or indirectly out of:-

3.11.1 Any omission or negligence of the Lessee or any persons at the Premises expressly or impliedly with the Lessee's authority, or

3.11.2 Any breach or non-observance by the Lessee of the covenants conditions or other provisions of this Lease.

3.12 Encroachments

Not to stop up or darken or obstruct any windows or light belonging to the Building save that commercial window coverings may be installed on the interior of the windows of the Premises with the Landlord's approval in writing.

3.13 The Premises Covenants

To observe and perform the Premises Covenants.

3.14 Yield up

At the expiration of the Term or any Extensions thereof:-

3.14.1 Unless otherwise agreed between the Lessor and the Lessee in writing the Lessee shall remove at the Lessee's sole cost and expense any partitions structures and additions the Lessee considered necessary or desirable for the purpose of subdividing the Premises for the use thereof by the Lessee in Lessee's business and shall make good to the satisfaction of the Lessor all damage occasioned by the installation and removal of the same.

3.14.2 To give up all keys of the Premises to the Lessor.

3.14.3 To remove all signs erected by the Lessee in upon or near the Premises and immediately to make good any damage caused by such removal.

3.15 Deposit

Upon the execution of this Lease to pay to the Lessor in addition to the other monies payable hereunder a further sum in the amount set out at Item IV.F of the Fourth Schedule hereto as a Deposit, such sum to be retained by the Lessor until the determination of the Term hereby created and to be applied by the Lessor firstly, in and towards effecting repairs to the Premises and reinstating or replacing such of the Lessor's fixtures and furnishings (if any) as may require reinstatement or replacement if in accordance with the Lessee's covenants herein contained such repairs, reinstatement or replacement should have been effected or carried out by the Lessee, secondly in or towards any rent or other moneys that shall be owing by the Lessee upon the determination of the Term and thirdly, the balance (if any) shall be refunded by the Lessor to the Lessee within 7 days after the expiry or sooner determination of the Term.

4. The Lessor's covenants

The Lessor covenants with the Lessee to permit the Lessee peaceably and quietly to hold and enjoy the Premises without any interruption or disturbance from or by the Lessor or any person claiming under or in trust for the Lessor.

4.1 Indemnities

To be responsible for and to keep the lessee fully indemnified against all damages, losses, costs, expenses, actions, demands, proceedings, claims and liabilities made against or suffered or incurred by the Lessee arising directly or indirectly out of any omission or gross negligence of the Lessor, its agents or contractors or any breach or non-observance by the Lessor of the covenants conditions or other provisions of this Lease.

4.2 Connection of Pipes

To be responsible for making connection with Pipes that serve the Premises in order that the utilities providers on receipt of an approved application from the Lessee are able to provide water, sewerage, electricity and telecommunications services to the Premises. Any additional pipes required to be connected to the Premises subsequently will be subject to the Lessor's written approval, which shall not be unreasonably withheld or delayed.

4.3 Common Parts

The Lessor covenants to keep all common parts clean and in good repair and good order.

4.4 Maintenance

The Lessor covenants to arrange garbage collection, gardening, landscaping and general maintenance, common area cleaning, sewage treatment, building exterior and exterior window cleaning and any other duties that the Lessor from time to time shall reasonably deem necessary in the management and maintenance of the Development.

4.5 Insurance

To insure forthwith and to keep insured the Development and fixtures (but excluding the stock, chattels, fixtures or assets of whatever description belonging to the Lessee or its licensees, sublessees agents or any other person whomsoever) against loss or damage by fire, riot, strike, hurricane, storm, earthquake, flood, wind, act of God or the Queen's enemies, Public Liability or such other hazardous risks as the Lessor may desire.

4.6 Air conditioning

To keep the air-conditioning equipment installed in the building in good and running order electrical power failure or other causes beyond the control of the Lessor excepted and to pay the maintenance costs in respect thereof and the Lessor shall be entitled without any liability whatsoever to the Lessee to stop the said equipment at reasonable times and upon reasonable notice (except cases of emergency) in order to carry out such maintenance, repairs, improvements or alterations thereto as may be necessary or desirable from time to time. PROVIDED ALWAYS that the Lessor shall not be liable for any loss sustained by the failure of the operation of such air-conditioners or air-conditioning units or by the failure of electricity not attributable to fault on its behalf.

4.7 Damage to or destruction of Building and suspension of Rent

If the Building or any part thereof shall at any time during the tenancy be destroyed or damaged wholly or partially by fire or by any other cause whatsoever so as to cause the Premises to be wholly or partially unfit for occupation and use and the policy or policies of insurance effected by the Lessor shall not have been vitiated or payment of the policy monies refused in whole or in part in consequence of any wilful act or default of the Lessee the rent hereby reserved or a fair proportion thereof according to the nature and extent of the damage sustained shall be suspended and repayment made by the Lessor to the Lessee (which monies shall become a debt immediately due and payable) for a fair proportion of any prepaid rent relating to such period of unfitness for occupation aforesaid until the Building shall again be rendered fit for occupation and use. The Lessor covenants to cause all money received by virtue of such insurance to be forthwith laid out in rebuilding and reinstating the Building and to make up any deficiency out of its own money PROVIDED ALWAYS that:

- 4.7.1 If the Lessor is unable, after using all reasonable efforts to do so, to obtain any requisite planning permission or other consents for the reinstatement or rebuilding of the Building the Lessor will not be required to reinstate the Building.
- 4.7.2 That in the event of such destruction or damage as aforesaid either the Lessee or the Lessor may at any time within one month from the occurrence thereof give to the other one month's notice in writing to determine this present demise and thereupon the same and everything herein contained shall cease and be void as from the date of the occurrence of such destruction or damage but without prejudice to the rights and remedies of either party against the other in respect of any antecedent claim or breach of covenant or of the Lessor in respect of the rent hereby reserved until such date.
- 4.7.3 The Lessor is under no obligation to find or pay for alternative accommodation for the Lessee during the period in which the Building or any part thereof is being

reinstated or rebuilt should the Lessee or Lessor choose not to give notice to determine the present demise.

5 Arbitration

If any dispute or question whatsoever shall arise between the parties hereto with respect to the construction rent or effect of this lease or any clause or thing herein contained or the rights duties or liabilities of either party under this lease or otherwise in connection with the Premises then and in every case unless the parties concur in the appointment of a single arbitrator the matter in difference shall be referred to the award and final determination of two (2) arbitrators one to be appointed by each party and in accordance with the provisions of the Arbitration Law 1974 of the Cayman Islands.

6. Extensions of the Original Term

While this Lease is in full force and effect and provided the Lessee is not in default in the performance of any of the terms covenants and conditions thereof Lessee shall have the right or option to renew the Original Lease for such further term or terms (if any) as are set out in the Fourth Schedule. Notice of the Lessee's intention to exercise the option must be given to the Lessor in writing at least 3 months prior to the expiration of the Original Term or any extension thereof. If no notice to exercise the option is given by the Lessee, the Lease shall terminate at the end of the Original Term or any extension thereof without further notice. The option on the part of the Lessee herein contained shall not be deemed to give the Lessee any option for any further extensions beyond the options set out in the Fourth Schedule.

7. Provisos

7.1 Re-entry.

If and whenever during the Original Term or any extension thereof:-

- 7.1.1 The Rent (or any part of the Rent) under this Lease is outstanding for fourteen days after becoming due whether formally demanded or not or
- 7.1.2 If there is a breach by the Lessee of a covenant or other term of this Lease or
- 7.1.3 The Lessee:-
 - 7.1.3.1 enters into liquidation whether compulsory or voluntary (but not if the liquidation is for amalgamation or reconstruction of a solvent company) or
 - 7.1.3.2 has a receiver appointed or
- 7.1.4 The Lessee enters into an arrangement for the benefit of its creditors or
- 7.1.5 The Lessee has any distress or execution levied on its goods

The Lessor re-enter the Premises (or any part of them in the name of the whole) at any time (and even if any previous right of re-entry has been waived) and then the Original Term and any extensions thereof will absolutely cease but without prejudice to any rights or remedies which may have accrued against the Lessee in respect of any breach of covenant or other term of this Lease (including the breach in respect of which the re-entry is made).

7.2 Entire understanding

This Lease embodies the entire understanding of the parties relating to the Premises and to all matters dealt with by any of the provisions of this Lease and for the avoidance of doubt, none of the other implied terms of Registered Land Law (2004 Revision) shall be implied in this Lease.

7.3 Lessee's property

If after the Lessee has vacated the Premises on the expiry of the Original Term or any extension thereof any property of the Lessee remains in or on the Premises and the Lessee fails to remove it within 7 days after being requested in writing by the Lessor to do so or if after using its best endeavours the Lessor is unable to make such a request to the Lessee within 14 days from the first attempt so made by the Lessor:

- 7.3.1 the Lessor may as the agent of the Lessee sell such property and the Lessee will indemnify the Lessor against any liability incurred by it to any third party whose property shall have been sold by the Lessor in the mistaken belief held in good faith (which shall be presumed unless the contrary be proved) that such property belonged to the Lessee.
- 7.3.2 if the Lessor having made reasonable efforts is unable to locate the Lessee the Lessor shall be entitled to retain such proceeds of sale absolutely unless the Lessee shall claim them within 6 months of the date upon which the Lessee vacated the Premises and
- 7.3.3 the Lessee shall indemnify the Lessor against any damage occasioned to the Premises and any actions claims proceedings costs expenses and demands made against the Lessor caused by or related to the presence of the property in or on the Premises.

8. Notices

Any notice under this Agreement shall be in writing and shall be deemed given on receipt and shall be sent by registered post or the recorded delivery service to the addresses set out above and any notice to be served on the Lessor shall be served in a like manner upon any agent of the Lessor duly authorised in that behalf. Either party may change the address to be used for notification by providing notice to the other party.

9. Fees

All stamp duty and other fees, including property taxes or business occupancy fees introduced by the Cayman Islands Government payable in respect of this Lease shall be paid by the Lessee, except when the law states that such fees shall be the paid by the Lessor. It shall be the Lessee's responsibility to register the lease in accordance with the Registered Land Law.

10. Proper Law and Jurisdiction

This Lease is governed by and shall be construed in all respects in accordance with the Laws of the Cayman Islands, and the parties hereto submit to the jurisdiction of the Cayman Islands Court.

11. Lessor's Permission

Whenever the Lessor's permission is required it shall not be unreasonably withheld or delayed.

FIRST SCHEDULE

Rights Granted

I.A Common Parts

The right for the Lessee and all persons expressly or by implication authorised by it (in common with the Lessor and all other persons having a like right) to use the Common Parts for all proper purposes in connection with the use and enjoyment of the Premises.

I.B Pipes

The right to the free passage and running (subject to temporary interruption for repair alteration or replacement) of water sewerage gas electricity telephone and other services or supplies to and from the Premises in and through the pipes that now serve the Premises presently laid in on over or under other parts of the Building (in common with the Lessor and other persons having a like right).

I.C Support

The right of support and protection for the benefit of the Premises as is now enjoyed from all other parts of the Building.

I.D Name-plates or signs

The right to display a name-plate or sign in positions and of sizes and specifications to be agreed by the Lessor showing the Lessee's name and any other details approved by the Lessor on the side of the building located on Dr. Roy's Drive. Upon removal the Lessee shall pay the Lessor for the cost of the making good the Building for any damage that removal of the nameplate or sign shall cause.

SECOND SCHEDULE

Rights reserved

II.A Use of pipes

The right to the free and uninterrupted passage and running of water sewage gas electricity telephone and other services or supplies from and to other parts of the Building in and through pipes which now are or may during the Original Term and any extensions thereof be in on under or over the Premises.

II.B Construction of Pipes

The right to construct and to maintain in on under or over the Premises at any time during the Original Term and any extensions thereof any Pipes for the benefit of any other part of the Building.

II.C Access

II.C.1 The right at reasonable times and upon reasonable notice except in cases of emergency to enter (or in cases of emergency to break into and enter) the Premises:-

II.C.1.1 to inspect cleanse connect repair remove replace with others alter or execute any works whatever to or in connection with the Pipes easements or services referred to in paragraphs II.A and II.B of this schedule

II.C.1.2 to view the state and condition of and repair and maintain the Building where such viewing or work would not otherwise be reasonably practicable.

II.C.1.3 to carry out work or do anything whatever comprised within the Lessor's obligations in this Lease

II.C.1.4 take schedules or inventories of fixtures and other items to be yielded up on expiry of the Original Term and any extensions thereof.

II.C.1.5 to exercise any of the rights granted to the Lessor by the Lessee.

II.D The right to erect scaffolding for the purpose of inspecting repairing or cleaning the Building notwithstanding such scaffolding may temporarily restrict the access to or use and enjoyment of the Premises.

II.E Support etc.

The rights of light air support protection shelter and all other easements and rights now or after the date of this Lease belonging to or enjoyed by any parts of the Building.

II.F Light

Full right and liberty at any time after the date of this Lease to alter raise the height of or rebuild the Building (and such other expression here excluding the Premises) in such manner as the Lessor shall think fit notwithstanding the fact that the same may obstruct affect or interfere with the amenity of or access to the Premises or the passage of light and air to the Premises.

II.G Mortgage

The right to mortgage or remortgage the Development or any part thereof at the Landlord's sole discretion.

THIRD SCHEDULE

The Premises Covenants

III.A User

III.A.1 Not to use the Premises for any other purpose than as set out in the Fourth Schedule

III.A.2 Not to play or use in the Premises any musical instrument loudspeaker tape recorder gramophone radio or other equipment or apparatus that produces sound that may be heard in nearby Premises or outside the Premises if the Lessor in its absolute discretion considers such sound to be undesirable and shall give written notice to the Lessee to that effect.

III.B Pollution

Not to permit to be discharged into the Pipes serving the Building any oil grease or any deleterious objectionable dangerous poisonous or explosive matter or substance and to take all reasonable measures to ensure that any effluent so discharged into the Pipes will not be corrosive or otherwise harmful to the Pipes or cause obstruction or deposit in them.

III.C Ceiling and floor loading

III.C.1 Not without the consent of the Lessor to bring or permit to remain on the Premises any safes machinery goods or other articles, which may strain or damage the Premises or any part of them.

III.C.2 Not without the consent of the Lessor to suspend anything from the walls or ceilings of the Premises or use the same for the storage of goods or place weight on them or which may cause damage thereto.

III.C.3 On any application by the Lessee for the Lessor's consent under paragraph

III.C.2 the Lessor may consult and obtain the advice of an engineer or other person in relation to the loading proposed by the Lessee and the Lessee shall repay to the Lessor on demand the fees of such engineer or other person.

III.D Common Parts

Not to stand place deposit or expose outside any part of the Premises any goods materials articles or things whatsoever for display or sale or for any other purpose nor cause any obstruction of the Common Parts.

III.E Machinery

Not to install or use in or upon the Premises any machinery or apparatus which will cause noise or vibration which can be heard or felt in nearby Premises or outside the Premises or which may cause structural damage.

III.F Heating cooling and ventilation

Not to do anything which interferes with the heating, cooling or ventilation of the Common Parts or which imposes an additional load on any heating cooling or ventilation plant and equipment in the Building.

FOURTH SCHEDULE

Building - Premises - Rent - Term - Additional Rights

IV.A The Development

means the buildings and grounds located on Section George Town Commercial, Block OPY Parcel 79 known as The Duty Free Centre situated at 6 Dr. Roys Drive, George Town in the island of Grand Cayman.

IV.B The Building

All that building known as The Duty Free Centre situated at 6 Dr. Roy's Drive, George Town in the island of Grand Cayman outlined on Plan A annexed hereto.

IV.C The Premises

That part of the Building outlined in red on Plan B annexed hereto, comprising approximately 1,500 gross rentable square feet located on the 2nd floor.

IV.D Use of Premises

The Premises shall be used only for the purpose of commercial office space.

IV.E The Rent Commencement Date

March 1, 2019

IV.F The Original Term, Rent, Maintenance Fee and Deposit

The Original Term is **Five years** from and including the Rent Commencement Date however the Lessee shall have the right to terminate the lease giving three months' notice in writing to the Lessor after Year 3 of the lease term. If Lessee terminates lease within the first 3 years of the lease term, Lessee must give 90 days notice and pay a fee of US\$10,000 as a termination fee to lessor.

Rent

The Rent until February 29th, 2022 is US\$3,000 per month: US\$36,000 per annum.

Rent increases as of March 1, 2022 to US\$3,100 per month : US \$37,200 per annum.

Maintenance Fee

No Maintenance Fee.

Deposit

The Deposit payable upon execution of the Lease: US\$3,000

An Additional Deposit equal to **3 months rent , US\$9,000** shall be paid upon execution of of the lease and applied to future rents as a credit for a March, April and May 2019.

IV.G Term Extension Options and Rent

The Lessee has the option to renew the term of this lease for an additional three (3) years after the expiration of the Original Term. The monthly rent rate payable for such extension term shall be Market Rent or agreed rent rate at that time, however rent shall not be lower than USD\$3,100 per month.

IV.H Additional Rights

The Lessee has the right to use three designated car parking bays in the Duty Free Centre car park for the building in Plan A annexed hereto. Lessor to provide 4 parking fobs for car park entry gate.

IV.I Fit-Out

The Lessor shall complete fit-out as per attached Appendix A.

IV.J Sublet

The Lessee has the right to sublet a portion of the space as necessary with written consent from Lessor.

FIFTH SCHEDULE

The Rent and Maintenance Fee Schedule (US\$)

2019											2020	
March	April	May	June	July	August	September	October	November	December	January	February	
Rent												
3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
Maintenance												
0	0	0	0	0	0	0	0	0	0	0	0	0
Total												
3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00

2020											2021	
March	April	May	June	July	August	September	October	November	December	January	February	
Rent												
3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
Maintenance												
0	0	0	0	0	0	0	0	0	0	0	0	0
Total												
3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00

2021											2022	
March	April	May	June	July	August	September	October	November	December	January	February	
Rent												
3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	
Maintenance												
0	0	0	0	0	0	0	0	0	0	0	0	
Total												
3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	

2022											2023	
March	April	May	June	July	August	September	October	November	December	January	February	
Rent												
3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	
Maintenance												
0	0	0	0	0	0	0	0	0	0	0	0	
Total												
3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	

2023											2024	
March	April	May	June	July	August	September	October	November	December	January	February	
Rent												
3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	
Maintenance												
0	0	0	0	0	0	0	0	0	0	0	0	
Total												
3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	3,100.00	

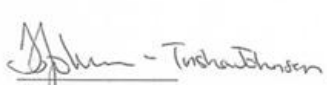
SIGNED by [Signature] SANJAY MADHU
 Director on behalf of
Cambridge Re Holdings Limited

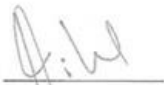
In the presence of

[Signature] - WRENOW TIMOTHY
 Witness Director

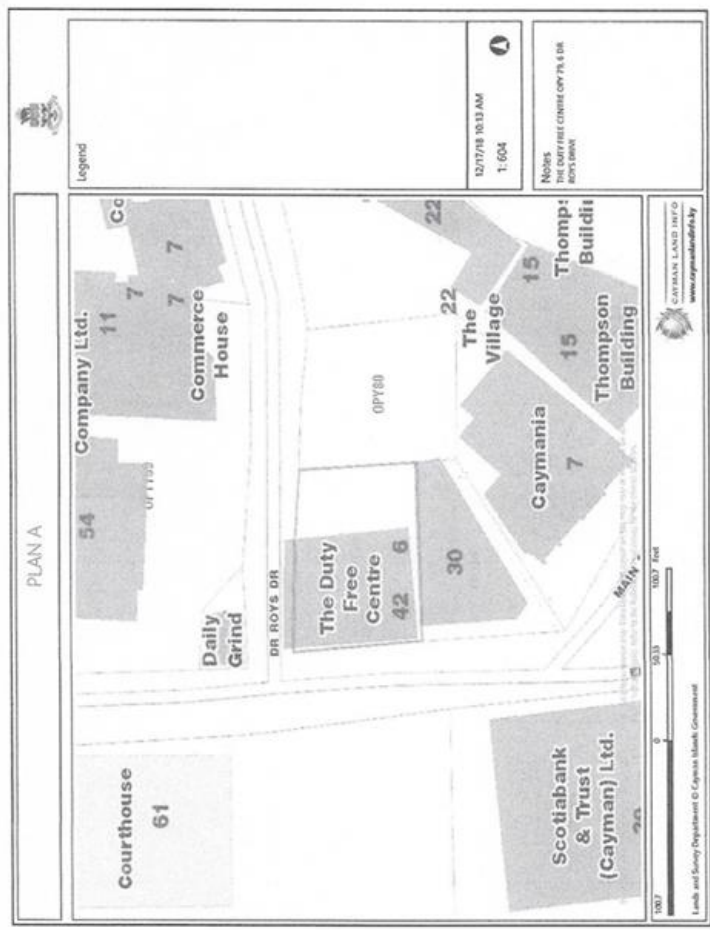
[Signature]
 SIGNED by
 Director on behalf of
Tropical Building Corporation Ltd.

In the presence of
[Signature] - Trisha Johnson
 Witness

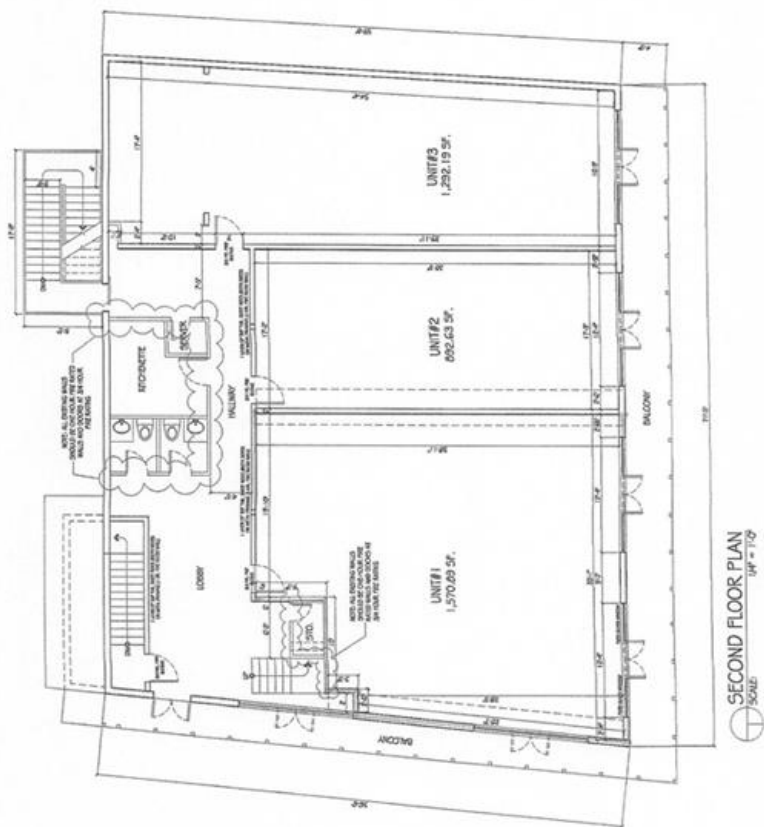
 - Trach Johnson
 Witness


 Director


PLAN A



PLAN B



Appendix A: Fit-Out Works

- 
1. Install walls and offices as per floor plan drawings attached.
 2. Purchase and Install more energy efficient High Sear Air Condition Unit and do some repairs to area of the leg whereat the new A/C units will be located.
 3. Spruce up car parking lot behind building to make it more presentable.
 4. Re-paint office space if needed.
 5. To provide Fabric window shades.
 6. Lights and drop ceiling to be cleaned up, replace fixtures or bulbs that aren't working and ceiling tiles that are dirty.
 7. Door Camera and Opener to be installed.
 8. Office suite walls to have insulation inside or sound proofing.
 9. All doors to be solid core doors, for sound purposes.
 10. TV mounted in offices and main area – Tenant to provide hardware and TV for Landlord contractor to install.
 11. Some cubicles to remain in space and layout reconfigured.
 12. To provide 6 entry fobs for building entry door.
 13. Install dry bar on wall near IT closet with upper and lower cabinets.
 14. Balcony needs painting and sprucing up.
 15. Signage to be installed on Edward Street with a window decal or Small sign by main front door on Dr. Roy's Drive.
 16. IT Closet to be installed along with electrical and Cat 6 Data wiring and TV cabling, if necessary.
 17. Electrical outlet & switches all white and Decora style (rectangular)
 18. Tenant will provide One Honeywell Thermostat wifi thermostat, if 2nd one is needed, landlord to provide and install thermostats.
 19. Relocate a/c vents and add return grills in office spaces, if necessary
 20. Sofa to be installed in lobby area outside of tenant space and workstation desks to be removed from entrance lobby.
 21. Low voltage / network wiring as well as TV wire installed by landlord.
 22. IT Closet to have dedicated electrical circuit with a Quad receptacle on wall as well as home run for high speed internet and TV. 4X4 Plywood mounted on wall where rack will be mounted
 23. IT closet to have adequate A/C ventilation.

**Certifications of the Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act and
Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934**

I, Jay Madhu, certify that:

1. I have reviewed this Annual Report on Form 10-K of Oxbridge Re Holdings Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 30, 2021

By: /s/ JAY MADHU
Jay Madhu
Chief Executive Officer and President
(Principal Executive Officer)

**Certifications of the Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act and
Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934**

I, Wrendon Timothy, certify that:

1. I have reviewed this Annual Report on Form 10-K of Oxbridge Re Holdings Limited;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 30, 2021

By: /s/ WRENDON TIMOTHY
Wrendon Timothy
Chief Financial Officer and Secretary
(Principal Financial Officer and Principal
Accounting Officer)

**Written Statement of the Chief Executive Officer and Chief Financial Officer
Pursuant to 18 U.S.C. §1350**

Solely for the purposes of complying with 18 U.S.C. §1350, we, the undersigned Chief Executive Officer and Chief Financial Officer of Oxbridge Re Holdings Limited (the "Company"), hereby certify, based on our knowledge, that the Annual Report on Form 10-K of the Company for the year ended December 31, 2020 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ JAY MADHU _____

Jay Madhu

Chief Executive Officer and President

(Principal Executive Officer)

/s/ WRENDON TIMOTHY _____

Wrendon Timothy

Chief Financial Officer and Secretary

(Principal Financial Officer and Principal

Accounting Officer)

Date: March 30, 2021
