

FEDERATED NATIONAL HOLDING Co  
Form SC 13G  
February 14, 2018

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. )\*

**FEDERATED NATIONAL HOLDING COMPANY**

(Name of Issuer)

**Common Stock, par value \$0.01 per share**

(Title of Class of Securities)

**31422T101**

(CUSIP Number)

**December 31, 2017**

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended (“Act”) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the *Notes*).

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**1**            **Names of Reporting Persons**  
 Capital Returns Management,  
 LLC

**2**            **Check the appropriate box if  
 a member of a Group (see  
 instructions)**  
 (a)   
 (b)

**3**            **Sec Use Only**

**4**            **Citizenship or Place of  
 Organization**  
 Delaware

**Number of**    **5** **Sole Voting Power**  
**Shares**            0

**Beneficially**    **6** **Shared Voting Power**  
**Owned by**            1,009,372

**Each**            **7** **Sole Dispositive Power**  
**Reporting**            0

**Person**            **Shared Dispositive Power**  
**With:**                **8**  
                           1,009,372

**9**            **Aggregate Amount  
 Beneficially Owned by Each  
 Reporting Person**  
 1,009,372

**10**           **Check box if the aggregate  
 amount in row (9) excludes  
 certain shares (See  
 Instructions)**

**11**           **Percent of class represented  
 by amount in row (9)**  
 7.7%<sup>(1)</sup>

**12**           **Type of Reporting Person (See  
 Instructions)**  
 IA

This percentage is based on a total of 13,053,281 Shares (as defined herein) outstanding as of November 6, 2017, (1) as disclosed in the Issuer's Form 10-Q for the quarterly period ended September 30, 2017, as filed with the Securities and Exchange Commission on November 9, 2017.



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**1 Names of Reporting Persons**  
 Ronald D. Bobman  
**Check the appropriate box if a member of a Group (see instructions)**  
**2** (a)   
 (b)   
**3 Sec Use Only**  
  
**4 Citizenship or Place of Organization**  
 United States of America  
**Number of Shares Beneficially Owned by Each Reporting Person With:** **5 Sole Voting Power**  
 0  
**6 Shared Voting Power**  
 1,009,372  
**7 Sole Dispositive Power**  
 0  
**8 Shared Dispositive Power**  
 1,009,372  
  
**9 Aggregate Amount Beneficially Owned by Each Reporting Person**  
 1,009,372  
**10 Check box if the aggregate amount in row (9) excludes certain shares (See Instructions)**  
  
**11 Percent of class represented by amount in row (9)**  
 7.7% (1)  
**12 Type of Reporting Person (See Instructions)**  
 IN, HC

This percentage is based on a total of 13,053,281 Shares (as defined herein) outstanding as of November 6, 2017, (1) as disclosed in the Issuer's Form 10-Q for the quarterly period ended September 30, 2017, as filed with the Securities and Exchange Commission on November 9, 2017.

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**Item 1.**

(a)

**Name of Issuer:**

Federated National Holding Company (the "Issuer")

(b)

**Address of Issuer's Principal Executive Offices:**

14050 NW 14<sup>th</sup> Street, Suite 180, Sunrise, FL 33323

**Item 2.**

(a)

**Name of Person Filing:**

This statement is filed on behalf of each of the following persons (collectively, the "Reporting Persons"):

- i) Capital Returns Management, LLC ("CRM"); and
- ii) Ronald D. Bobman ("Mr. Bobman").

This Statement relates to the Shares (as defined herein) held for the account of Capital Returns Master, Ltd. (the "Master") and MAP 41 Segregated Portfolio, a segregated portfolio of LMA SPC ("MAP"). CRM serves as the investment manager of the Master and as a sub-adviser of MAP. CRM is wholly owned by Mr. Bobman. In such capacities, CRM and Mr. Bobman may be deemed to beneficially own, and to have the power to vote or direct the vote of, and the power to direct the disposition of, the Shares reported herein.

(b)

**Address of Principal Business Office or, if None, Residence:**

The address of the principal business office of each of the Reporting Persons is c/o Capital Returns Management, LLC, 641 Lexington Avenue, 18th Floor, New York, NY 10022.

(c)

**Citizenship:**

- i) CRM is a Delaware limited liability company; and
- ii) Mr. Bobman is a citizen of the United States of America.

(d)

**Title and Class of Securities:**

Common Stock, par value \$0.01 per share (the "Shares")

(e)

**CUSIP No.:**

31422T101

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**Item 3.** If this statement is filed pursuant to §§ 240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

- (e)  An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E);
- (g)  A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G);

**Item 4. Ownership**

**(a) Amount Beneficially Owned:**

As of December 31, 2017, each of CRM and Mr. Bobman may be deemed the beneficial owner of 1,009,372 Shares. This amount consists of (a) 183,400 Shares held for the account of Master, and (b) 825,972 Shares held for the account of MAP.

**(b) Percent of Class:**

As of December 31, 2017, each of CRM and Mr. Bobman may be deemed the beneficial owner of approximately 7.7% of Shares outstanding. This percentage is based on a total of 13,053,281 Shares outstanding as of November 6, 2017, as disclosed in the Issuer's Form 10-Q for the quarterly period ended September 30, 2017, as filed with the Securities and Exchange Commission on November 9, 2017.

**(c) Number of shares as to which such person has:**

- (i) **Sole power to vote or to direct the vote: 0**
- (ii) **Shared power to vote or to direct the vote: 1,009,372**
- (iii) **Sole power to dispose or to direct the disposition of: 0**
- (iv) **Shared power to dispose or to direct the disposition of: 1,009,372**

**Item 5. Ownership of Five Percent or Less of a Class.**

Not applicable

**Item 6. Ownership of more than Five Percent on Behalf of Another Person.**

See disclosure in Items 2 and 4 hereof. Each of MAP and Master is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, certain of the Shares covered by this Statement that may be deemed to be beneficially owned by the Reporting Persons. Such interest of MAP related to more than 5% of the Shares.

**Item 7. Identification and classification of the subsidiary which acquired the security being reported on by the parent holding company or control person.**

See disclosure in Item 2 hereof.

**Item 8. Identification and classification of members of the group.**

Not applicable

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**Item 9.**

**Notice of Dissolution of Group.**

Not applicable

**Item 10.**

**Certifications.**

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect, other than activities solely in connection with a nomination under §240.14a-11.



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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 14, 2018

**CAPITAL RETURNS  
MANAGEMENT, LLC**

By: Ronald D. Bobman  
Its: Sole Manager

By: /s/ Ronald D. Bobman  
Name: Ronald D. Bobman  
Title: Sole Manager

**RONALD D. BOBMAN**

/s/ Ronald D. Bobman

**EXHIBIT INDEX**

**Exhibit**

**Description of Exhibit**

**99.1** Joint Filing Agreement (filed herewith).

**Exhibit 99.1**

**JOINT FILING AGREEMENT**

Pursuant to and in accordance with the Securities Exchange Act of 1934, as amended (the “*Act*”), and the rules and regulations thereunder, each party hereto hereby agrees to the joint filing, on behalf of each of them, of any filing required by such party under Section 13 or Section 16 of the Act or any rule or regulation thereunder (including any amendment, restatement, supplement, and/or exhibit thereto) with the Securities and Exchange Commission (and, if such security is registered on a national securities exchange, also with the exchange), and further agrees to the filing, furnishing, and/or incorporation by reference of this agreement as an exhibit thereto. This agreement shall remain in full force and effect until revoked by any party hereto in a signed writing provided to each other party hereto, and then only with respect to such revoking party.

IN WITNESS WHEREOF, each party hereto, being duly authorized, has caused this agreement to be executed and effective as of the date first written above.

Dated: February 14, 2018 **CAPITAL RETURNS  
MANAGEMENT, LLC**

By: Ronald D. Bobman  
Its: Sole Manager

By: /s/ Ronald D. Bobman  
Name: Ronald D. Bobman  
Title: Sole Manager

**RONALD D. BOBMAN**

/s/ Ronald D. Bobman