

OXBRIDGE RE HOLDINGS Ltd
Form 424B3
November 12, 2015
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**Prospectus Supplement Filed Pursuant to Rule 424(b)(3)
Registration No. 333-193577**

PROSPECTUS SUPPLEMENT NO. 12

DATED NOVEMBER 11, 2015

(To Prospectus Declared Effective on February 28, 2014

and Dated March 21, 2014)

OXBRIDGE RE HOLDINGS LIMITED

Maximum of 4,884,650 Units

Minimum of 1,700,000 Units

Each Unit Consisting of One Ordinary Share and One Warrant

This Prospectus Supplement No. 12 supplements information contained in, and should be read in conjunction with, that certain Prospectus, dated March 21, 2014, of Oxbridge Re Holdings Limited, as supplemented by that certain Prospectus Supplement No. 1 through No. 11 thereto, relating to the offer and sale by us of up to 4,884,650 units, each unit consisting of one ordinary share and one warrant. This Prospectus Supplement No. 12 is not complete without, and may not be delivered or used except in connection with, the original Prospectus and Supplement No. 1 through No. 11 thereto.

This Prospectus Supplement No. 12 includes the following document, as filed by us with the Securities and Exchange Commission:

The attached Quarterly Report on Form 10-Q of Oxbridge Re Holdings Limited, as filed with the Securities and Exchange Commission on November 11, 2015.

The attached Current Report on Form 8-K of Oxbridge Re Holdings Limited, as filed with the Securities and Exchange Commission on October 29, 2015.

Our units began trading on the Nasdaq Capital Market under the symbol OXBRU. When the units were split into their component parts, the units ceased trading and our ordinary shares and warrants began trading separately on the Nasdaq Capital Market under the symbols OXBR and OXBRW respectively.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved these securities or determined if this Prospectus Supplement No. 12 (or the original Prospectus or Supplement No. 1 through No. 11 thereto) is truthful or complete. Any representation to the contrary is a criminal offense.

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The date of this Prospectus Supplement No. 12 is November 11, 2015.

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

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2015

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.)

Strathvale House, 2nd Floor
90 North Church Street, Georgetown
P.O. Box 469

Grand Cayman, Cayman Islands
(Address of principal executive offices)
Registrant's telephone number, including area code: (345) 749-7570

KY1-9006
(Zip Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 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 (§232.405 of this chapter) 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 in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

As of November 11, 2015; 6,060,000 ordinary shares, par value \$0.001 per share, were outstanding.

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Table of Contents**PART I - FINANCIAL INFORMATION****Item 1. Financial Statements****OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY****Consolidated Balance Sheets**

(expressed in thousands of U.S. Dollars, except per share and share amounts)

	At September, 2015	At December 31, 2014
	(Unaudited)	
Assets		
Investments:		
Fixed-maturity securities, available for sale, at fair value (amortized cost: \$3,683 and \$3,681, respectively)	\$ 3,492	3,659
Equity securities, available for sale, at fair value (cost: \$8,850 and \$8,140, respectively)	6,817	8,179
Total investments	10,309	11,838
Cash and cash equivalents	6,408	5,317
Restricted cash and cash equivalents	30,152	28,178
Accrued interest and dividend receivable	28	22
Premiums receivable	6,729	4,081
Deferred policy acquisition costs	175	132
Prepayment and other receivables	121	80
Property and equipment, net	59	46
Total assets	\$ 53,981	49,694
Liabilities and Shareholders Equity		
Liabilities:		
Reserve for losses and loss adjustment expenses	\$	
Loss experience refund payable	7,824	7,133
Unearned premiums reserve	9,452	5,744
Accounts payable and other liabilities	103	109
Total liabilities	17,379	12,986
Shareholders equity:		
Ordinary share capital, (par value \$0.001, 50,000,000 shares authorized; 6,060,000 and 6,000,000 shares issued and outstanding)	6	6
Additional paid-in capital	33,628	33,540

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Retained earnings	5,192	3,145
Accumulated other comprehensive (loss) income	(2,224)	17
Total shareholders' equity	36,602	36,708
Total liabilities and shareholders' equity	\$ 53,981	49,694

The accompanying Notes to Consolidated Financial Statements are an integral part of the Consolidated Financial Statements

Table of Contents**OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY****Consolidated Statements of Income****(Unaudited)****(expressed in thousands of U.S. Dollars, except per share and share amounts)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
	(Unaudited)		(Unaudited)	
Revenue				
Assumed premiums	\$	468	\$ 14,888	14,293
Change in loss experience refund payable	(2,089)	(2,052)	(6,204)	(3,713)
Change in unearned premiums reserve	3,881	3,220	(3,708)	(7,397)
Net premiums earned	1,792	1,636	4,976	3,183
Net realized investment gains (losses)	(303)	165	673	165
Net investment income	90	50	262	50
Other-than-temporary impairment losses	(399)		(399)	
Total revenue	1,180	1,851	5,512	3,398
Expenses				
Policy acquisition costs and underwriting expenses	85	129	259	302
General and administrative expenses	353	346	1,024	785
Total expenses	438	475	1,283	1,087
Net income	742	1,376	\$ 4,229	2,311
Earnings per share				
Basic and Diluted	\$ 0.12	0.23	\$ 0.70	0.52
Dividends paid per share	\$ 0.12	0.12	\$ 0.36	0.36

The accompanying Notes to Consolidated Financial Statements are an integral
part of the Consolidated Financial Statements

Table of Contents**OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY****Consolidated Statements of Comprehensive Income****(Unaudited)****(expressed in thousands of U.S. Dollars)**

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2015	2014	2015	2014
	(Unaudited)		(Unaudited)	
Net income	\$ 742	1,376	\$ 4,229	2,311
Other comprehensive loss:				
Change in unrealized gain on investments:				
Unrealized (loss) gain arising during the period	(1,209)	120	(1,967)	120
Other-than-temporary impairment losses	399		399	
Reclassification adjustment for net realized losses (gains) included in net income	303	(165)	(673)	(165)
Net change in unrealized (loss) gain	(507)	(45)	(2,241)	(45)
Total other comprehensive loss	(507)	(45)	(2,241)	(45)
Comprehensive income	235	1,331	1,988	2,266

The accompanying Notes to Consolidated Financial Statements are an integral
part of the Consolidated Financial Statements

Table of Contents**OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY****Consolidated Statements of Cash Flows****(Unaudited)****(expressed in thousands of U.S. Dollars)**

	Nine Months Ended September 30,	
	2015	2014
Operating activities		
Net income	\$ 4,229	2,311
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock-based compensation	88	
Depreciation	12	9
Net realized investment gains	(673)	(165)
Other-than-temporary impairment losses	399	
Change in operating assets and liabilities:		
Accrued interest and dividend receivable	(6)	(22)
Premiums receivable	(2,648)	(6,234)
Deferred policy acquisition costs	(43)	(154)
Prepayment and other receivables	(41)	(47)
Prepaid offering costs		417
Loss experience refund payable	691	3,713
Unearned premiums reserve	3,708	7,397
Accounts payable and other liabilities	(6)	(438)
Net cash provided by operating activities	\$ 5,710	6,787
Investing activities		
Change in restricted cash and cash equivalents	(1,974)	(16,406)
Purchase of fixed-maturity securities	(1,101)	(2,969)
Purchase of equity securities	(10,814)	(8,777)
Proceeds from sale of fixed-maturity and equity securities	11,477	2,880
Purchase of property and equipment	(25)	(57)
Net cash used in investing activities	\$ (2,437)	(25,329)
Financing activities		
Proceeds on issuance of share capital		5
Additional paid-in capital proceeds, net of offering costs, resulting from:		
Share capital		21,865
Share warrants		5,080

Dividends paid	(2,182)	(988)
Net cash (used in) / provided by financing activities	\$ (2,182)	25,962

(continued)

Table of Contents**OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY****Consolidated Statements of Cash Flows, continued****(Unaudited)****(expressed in thousands of U.S. Dollars)**

	Nine Months Ended September 30,	
	2015	2014
Net change in cash and cash equivalents	1,091	7,420
Cash and cash equivalents at beginning of period	5,317	695
Cash and cash equivalents at end of period	\$ 6,408	8,115

Supplemental disclosure of cash flow information

Interest paid

Income taxes paid

Non-cash investing activities

Net change in unrealized gain on securities available for sale	(2,241)	(45)
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The accompanying Notes to Consolidated Financial Statements are an integral
part of the Consolidated Financial Statements.

Table of Contents**OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY****Consolidated Statements of Changes in Shareholders' Equity (unaudited)****Nine Months Ended September 30, 2015 and 2014****(expressed in thousands of U.S. Dollars, except per share and share amounts)**

	Ordinary Shares	Share Capital Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
Balance at December 31, 2013	1,115,350	1	6,595	853		7,449
Net proceeds from the sale of ordinary shares	4,884,650	5	21,865			21,870
Ordinary share warrants			5,080			5,080
Cash dividends paid				(988)		(988)
Net income for the period				2,311		2,311
Total other comprehensive loss					(45)	(45)
Balance at September 30, 2014	6,000,000	\$ 6	33,540	2,176	(45)	35,677
Balance at December 31, 2014	6,000,000	6	33,540	3,145	17	36,708
Cash dividends paid				(2,182)		(2,182)
Net income for the period				4,229		4,229
Issuance of restricted stock	60,000					
Stock-based compensation			88			88
Total other comprehensive loss					(2,241)	(2,241)
Balance at September 30, 2015	6,060,000	\$ 6	33,628	5,192	(2,224)	36,602

The accompanying Notes to Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.

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OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY

Notes to Consolidated Financial Statements (unaudited)

September 30, 2015

1. ORGANIZATION AND BASIS OF PRESENTATION

(a) Organization

Oxbridge Re Holdings Limited 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 (the Subsidiary), an 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 and the Subsidiary (collectively, the Company) have their registered offices at P.O. Box 309, Ugland House, 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.

The Company operates as a single business segment through the Subsidiary, which provides collateralized reinsurance to cover excess of loss catastrophe risks of various affiliated and non-affiliated ceding insurers, including Claddaugh Casualty Insurance Company, Ltd. (Claddaugh) and Homeowners Choice Property & Casualty Insurance Company (HCPCI), which are related-party entities domiciled in Bermuda and Florida, respectively.

(b) Basis of Presentation

The accompanying unaudited, consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial information, and the Securities and Exchange Commission (SEC) rules for interim financial reporting. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been omitted pursuant to such rules and regulations. However, in the opinion of management, the accompanying interim consolidated financial statements reflect all normal recurring adjustments necessary to present fairly the Company's consolidated financial position as of September 30, 2015 and the consolidated results of operations and cash flows for the periods presented. The consolidated results of operations for interim periods are not necessarily indicative of the results of operations to be expected for any subsequent interim period or for the fiscal year ended December 31, 2015. The accompanying unaudited consolidated financial statements and notes thereto should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2014 included in the Company's Form 10-K, which was filed with the SEC on March 18, 2015.

In preparing the interim unaudited consolidated financial statements, management was required to make certain estimates and assumptions that affect the reported amounts of 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.

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Notes to Consolidated Financial Statements (unaudited)

September 30, 2015

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, valuation of investments and assessment of other-than-temporary impairment (OTTI) and loss experience refund payable. Although considerable variability is likely to be inherent in these estimates, management believes that the amounts provided are reasonable. These estimates are continually reviewed and adjusted if necessary. Such adjustments are reflected in current operations.

All significant intercompany balances and transactions have been eliminated.

2. SIGNIFICANT ACCOUNTING POLICIES

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 are classified as available for sale. The Company's investments are carried at fair value with changes in fair value included as a separate component of accumulated other comprehensive (loss) income in shareholders' equity.

Unrealized gains or losses are determined by comparing the fair market value of the securities with their cost or amortized cost. Realized gains and losses on investments are recorded on the trade date and are included in the statements of income. The cost of securities 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 all securities for other-than-temporary impairment (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 income in the period in which the Company makes such determination. For a debt 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 income, while impairment related to all other factors is recognized in other comprehensive (loss) income. The Company considers various factors in determining whether an individual security is other-than-temporarily impaired (see Note 4).

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September 30, 2015

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.

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 debt 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 common 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 management and the Company's investment custodians.

Management and 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 and does not necessarily correspond to management and the investment custodians' perceived risk of that 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 September 30, 2015, 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

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OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY

Notes to Consolidated Financial Statements (unaudited)

September 30, 2015

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 three-month and nine-month period ended September 30, 2015, 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 as income in the year in which they are determined. At September 30, 2015, no receivables were determined to be overdue or impaired and, accordingly, no allowance for uncollectible receivables has been established.

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, if any, 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 income in the period in which they are determined.

There were no losses or loss adjustment expenses incurred for the three-month and nine-month periods ended September 30, 2015 and 2014.

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 occur which is covered by the Company.

Premiums assumed: The Company records premiums assumed, net of loss experience refunds, 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.

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

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OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY

Notes to Consolidated Financial Statements (unaudited)

September 30, 2015

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 may 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.

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 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 September 30, 2015.

Stock-Based Compensation: The Company accounts for stock-based compensation under the fair value recognition provisions of GAAP which requires the measurement and recognition of compensation for all stock-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 share purchase 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 share purchase 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.

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Recent accounting pronouncements: There have been no recent accounting pronouncements during the nine-month period ended September 30, 2015 that are of significance or potential significance to the Company.

Reclassifications: Certain 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

	September 30, 2015 (in thousands)	December 31, 2014 (in thousands)
Cash on deposit	\$ 2,078	\$ 1,451
Cash held with custodians	4,330	3,866
Restricted cash held in trust	30,152	28,178
 Total	 36,560	 33,495

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 Bank of New York Mellon and Wells Fargo 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.

Table of Contents**OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY****Notes to Consolidated Financial Statements (unaudited)****September 30, 2015****4. INVESTMENTS**

The Company holds investments in fixed-maturity securities and equity securities that are classified as available for sale. At September 30, 2015 and December 31, 2014, the cost or amortized cost, gross unrealized gains and losses, and estimated fair value of the Company's available for sale securities by security type were as follows:

	Cost or Amortized Cost	Gross Unrealized Gain	Gross Unrealized Loss	Estimated Fair Value
	(\$ in thousands)			
<u>As of September 30, 2015</u>				
<i>Fixed-maturity securities</i>				
U.S. Treasury and agency securities	\$ 2,969	\$ 30	\$	\$ 2,999
Exchange-traded debt securities	313	5		318
Convertible debt securities	\$ 401	\$	\$ (226)	\$ 175
Total fixed-maturity securities	3,683	35	(226)	3,492
Preferred stocks	2,278	38	(68)	2,248
Common stocks	6,572	17	(2,020)	4,569
Total equity securities	8,850	55	(2,088)	6,817
Total available for sale securities	\$ 12,533	\$ 90	\$ (2,314)	\$ 10,309
<u>As of December 31, 2014</u>				
<i>Fixed-maturity securities</i>				
U.S. Treasury and agency securities	\$ 2,969	\$ 2	\$	\$ 2,971
Exchange-traded debt securities	513	18		531
Convertible debt securities	\$ 199	\$	\$ (42)	\$ 157
Total fixed-maturity securities	3,681	20	(42)	3,659
REITs	400		(20)	380
Preferred stocks	1,997	32	(5)	2,024

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Common stocks	5,743	308	(276)	5,775
Total equity securities	8,140	340	(301)	8,179
Total available for sale securities	\$ 11,821	\$ 360	\$ (343)	\$ 11,838

At September 30, 2015 and December 31, 2014, available for sale securities with fair value of \$3,807,000 and \$3,463,000, respectively, are held in trust accounts as collateral under reinsurance contacts with the Company's ceding insurers.

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Expected maturities will differ from contractual maturities as borrowers may have the right to call or prepay obligations with or without penalties. The scheduled contractual maturities of fixed-maturity securities at September 30, 2015 and December 31, 2014 are as follows:

	Amortized Cost	Estimated Fair Value
	(\$ in thousands)	
<u>As of September 30, 2015</u>		
Available for sale		
Due in one year or less	\$ 401	\$ 175
Due after one year through five years	\$ 2,969	\$ 2,999
Due after ten years	313	318
	\$ 3,683	\$ 3,492
<u>As of December 31, 2014</u>		
Available for sale		
Due after one year through five years	\$ 3,168	\$ 3,128
Due after ten years	513	531
	\$ 3,681	\$ 3,659

Proceeds received, and the gross realized gains and losses from sales of available for sale securities, for the three and nine months ended September 30, 2015 and 2014 were as follows:

	Gross proceeds from sales	Gross Realized Gains	Gross Realized Losses
	(\$ in thousands)		
<u>Three Months Ended September 30, 2015</u>			
Fixed-maturity securities	\$	\$	\$
Equity securities	\$ 773	\$ 5	\$ 308

Nine Months Ended September 30, 2015

Fixed-maturity securities	\$ 775	\$ 75	\$
Equity securities	\$ 10,702	\$ 914	\$ 316

Three Months Ended September 30, 2014

Fixed-maturity securities	\$	\$	\$
Equity securities	\$ 2,880	\$ 166	\$ 1

Nine Months Ended September 30, 2014

Fixed-maturity securities	\$	\$	\$
Equity securities	\$ 2,880	\$ 166	\$ 1

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The Company regularly reviews its individual investment securities for OTTI. The Company considers various factors in determining whether each individual security is other-than-temporarily impaired, including:

the financial condition and near-term prospects of the issuer, including any specific events that may affect its operations or income;

the length of time and the extent to which the market value of the security has been below its cost or amortized cost;

general market conditions and industry or sector specific factors;

nonpayment by the issuer of its contractually obligated interest and principal payments; and

the Company's intent and ability to hold the investment for a period of time sufficient to allow for the recovery of costs.

Securities with gross unrealized loss positions at September 30, 2015 and December 31, 2014, aggregated by investment category and length of time the individual securities have been in a continuous loss position, are as follows:

As of September 30, 2015	Less Than Twelve Months		Twelve Months or Greater		Total	
	Gross Unrealized Loss	Estimated Fair Value	Gross Unrealized Loss	Estimated Fair Value	Gross Unrealized Loss	Estimated Fair Value
	(\$ in thousands)		(\$ in thousands)		(\$ in thousands)	
<i>Fixed-maturity securities</i>						
Convertible debt securities	\$ (226)	\$ 175	\$	\$	\$ (226)	\$ 175
Total fixed-maturity securities	(226)	175			(226)	175

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Preferred stocks	(68)	695	(68)	695
All other common stocks	(2,020)	4,277	(2,020)	4,277
Total equity securities	(2,088)	4,972	(2,088)	4,972