



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Tony Evers, Governor
Mark V. Afable, Commissioner

Wisconsin.gov

January 28, 2019

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CERTIFIED MAIL - RETURN RECEIPT REQUESTED
Advanced Via E-Mail

Mr. David N. Gearhart
Wilmington Insurance Company
1403 Silverside Road, Suite 3B
Wilmington, Delaware 19810

Re: In the Matter of the Acquisition of Control of National Insurance Company of Wisconsin, Inc. by Wilmington Holdings Corporation and Merger of Wilmington Insurance Company with and into National Insurance Company of Wisconsin, Inc. (Case No. 18-C42958)

Dear Mr. Gearhart:

Enclosed is a Notice of Hearing in the matter of the acquisition of control of National Insurance Company of Wisconsin, Inc. by Wilmington Holdings Corporation and Merger of Wilmington Insurance Company with and into National Insurance Company of Wisconsin, Inc. If you have any questions about the Notice of Hearing, please call me at (608) 267-4388.

Sincerely,

Steven J. Junior, Deputy Director
Bureau of Financial Analysis and Examinations

Enclosure

cc: Noreen J. Parrett (via e-mail only)
David M. Norton (via e-mail only)

Acquisition of Control of National Insurance Company
Of Wisconsin, Inc. by Wilmington Holdings Corporation and
Merger of Wilmington Insurance Company with and into
National Insurance Company of Wisconsin, Inc. by Wilmington
Holdings Corporation and Wilmington Insurance Company,

NOTICE OF HEARING

Case No. 18-C42958

Petitioners.

*** PREHEARING CONFERENCE DATE: February 7, 2019, at 11:00 a.m.
IS SCHEDULED

PLACE: Office of the Commissioner of Insurance
125 South Webster Street
Madison, Wisconsin

*** HEARING IS SCHEDULED DATE: February 7, 2019, at 11:05 a.m.

PLACE: Office of the Commissioner of Insurance
125 South Webster Street
Madison, Wisconsin

PLEASE READ CAREFULLY

A class 1 hearing under s. 611.72 and chs. 227 and 617, Wis. Stat., will be held before Amy J. Malm, duly appointed hearing examiner, at the time and place stated above, to be continued at any time and place the hearing examiner considers necessary, to consider the matters set forth in this Notice of Hearing.

The issues to be considered are as follows:

(1) The plan for the acquisition of control of National Insurance Company of Wisconsin, Inc. by Wilmington Holdings Corporation and merger of Wilmington Insurance Company with and into National Insurance Company of Wisconsin, Inc. (the "plan").

(2) The names, addresses, and interrelationships of all affiliates and principals of Petitioner at the time of the filing and after the request is granted if the plan is approved.

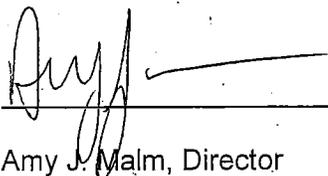
(3) Whether or not, under s. 611.72, Wis. Stat.:

- (a) The plan would violate the law or be contrary to the interests of the insureds of National Insurance Company of Wisconsin, Inc., a participating domestic corporation, or of the Wisconsin insureds of any participating nondomestic corporation.
- (b) After the acquisition of control and merger, National Insurance Company of Wisconsin, Inc. would be able to satisfy the requirements for the issuance of a license to write the line or lines of insurance for it is presently licensed.

- (c) The effect of the acquisition of control and merger would be to create a monopoly or substantially to lessen competition in insurance in Wisconsin.
- (d) The financial condition of any acquiring party is likely to jeopardize the financial stability of National Insurance Company of Wisconsin, Inc., its parent insurance holding corporation, or to prejudice the interests of National Insurance Company of Wisconsin, Inc.'s Wisconsin policyholders.
- (e) Any plans or proposals which the acquiring party has to liquidate the domestic stock insurance corporation, National Insurance Company of Wisconsin, Inc., sell its assets, or consolidate or merge it with any person, or make any other material change in its business or corporate structure or management are fair and reasonable to policyholders of the domestic stock insurance corporation or in the public interest.
- (f) The competence and integrity of the persons who would control the operation of the domestic stock insurance corporation, National Insurance Company of Wisconsin, Inc., or its parent insurance holding corporation, are such that it would be in the interest of the policyholders of the domestic stock insurance corporation and of the public to permit the acquisition of control.

(4) Whether the Petitioners have complied with the filing requirements of s. Ins 40.02, Wis. Adm. Code.

Dated at Madison, Wisconsin, this 28th day of January, 2019.



Amy J. Malm, Director
Bureau of Financial Analysis and Examinations

AJM: SJJ