

In the Matter of:

PROPOSED DECISION**The Affiliation of Badger Mutual
Insurance Company with and to
Rural Mutual Insurance Company**

Petitioner

OCI Case No. 24-C46087

Amy J. Malm, Hearing Examiner, Presiding
Administrator, Division of Financial Regulation
Office of the Commissioner of Insurance
101 E. Wilson St
Madison, WI 53703

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PRELIMINARY

Pursuant to a Notice of Hearing dated November 27, 2024, a hearing was held by teleconference on or about 9:00 a.m. on December 17, 2024, to determine whether the Petitioner's application for approval of the plan for acquisition of control should be granted. Based on the record, the Hearing Examiner makes the following:

PROPOSED FINDINGS OF FACT

(1) The Petitioner, Rural Mutual Insurance Company, is a Wisconsin domestic mutual insurer, located at 1241 John Q Hammons Drive, Suite 200, Madison, WI 53717.

(2) Badger Mutual Insurance Company, the Domestic Insurer, located at 1134 N. 9th Street, Suite 150, Milwaukee, WI 53233.

(3) The Petitioner filed with the Office of the Commissioner of Insurance an application for approval of the affiliation of Badger Mutual Insurance Company with and to the Petitioner.

(4) The Petitioner fulfilled the filing requirements of s. Ins 40.02, Wis. Adm. Code.

(5) The plan will not violate the law or be contrary to the interests of the insureds of Badger Mutual Insurance Company or Rural Mutual Insurance Company.

(6) After the affiliation of Badger Mutual Insurance Company with and to Rural Mutual Insurance Company, the companies will be able to satisfy the requirements for the issuance of a license to write the lines of insurance for which they are presently licensed.

(7) The effect of the affiliation will not be to create a monopoly or substantially to lessen competition in any type or line of insurance in Wisconsin.

(8) The financial condition of Rural Mutual Insurance Company is not likely to jeopardize the financial stability of Badger Mutual Insurance Company, or to prejudice the interests of its Wisconsin policyholders.

(9) There are no plans or proposals to liquidate the Domestic Insurer, Badger Mutual Insurance Company, to sell its assets (other than investment portfolio transactions in the ordinary course of business), or to consolidate or merge it with any person or make any other material change in its business or corporate structure other than as described in the plan.

(10) The competence and integrity of the persons who will control the operations of the Domestic Insurer, Badger Mutual Insurance Company are such that it will be in the interest of the policyholders and the public to permit the acquisition of control.

PROPOSED CONCLUSION OF LAW

(11) The proposed findings of fact set forth above establish that the requirements of s. 611.72 and ch. 227 and 617, Wis. Stat., and ch. Ins 40, Wis. Adm. Code, have been satisfied and approval of the plan should be granted.

PROPOSED ORDER

NOW, THEREFORE, based upon the findings of fact and conclusion of law, I hereby recommend that:

(12) The Petitioners' request for approval of the plan for affiliation should be approved.

Dated at Madison, Wisconsin, this 17th day of December, 2024.



Amy J. Malm
Hearing Examiner