

Schedule 9.04 to Appendix 1, and Appendix 3, Appendix 4, and Appendix 5 of this Form D are subject to a request for CONFIDENTIAL treatment and an exception under the public records law. See the February 4, 2016 letter from William J. Toman of Quarles & Brady LLP to Kristin Forsberg of the Office of the Commissioner of Insurance.

**Form A**  
**Statement Regarding the Acquisition of Control of  
or Merger with a Domestic Insurer**

Filed with the Office of the Commissioner of Insurance,  
State of Wisconsin

**NorthWestern National Insurance Company of Milwaukee, Wisconsin**  
Name of Domestic Insurer

by

**SOBC Gamma Holding Company Limited**  
Name of Acquiring Person (Applicant)

Filed with the insurance department of Wisconsin.

Date: February 3, 2016

Name, title, address and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:

Thomas F. X. Hodson  
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SOBC Gamma Holding Company Limited  
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*With a copy to:*  
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ITEM 1. INSURER AND METHOD OF ACQUISITION

State the name and address of the domestic insurer to which this application relates and briefly describe how control is to be acquired.

**This application relates to NorthWestern National Insurance Company of Milwaukee, Wisconsin, 9277 Centre Pointe Drive, Suite 130, West Chester, OH 45069 (“NNIC”). SOBC Gamma Holding Company Limited (“SOBC Gamma”) proposes to acquire control of NNIC through the purchase of one hundred percent (100%) of the issued and outstanding capital stock of NNIC pursuant to a Stock Purchase Agreement dated January 13, 2016, a copy of which is attached as Appendix 1.**

**SOBC Gamma is a subsidiary of SOBC Corp., which specializes in the acquisition and management of distressed or run-off insurance or reinsurance entities. To date, SOBC Corp. and its predecessor have acquired six insurance entities in run-off; closed two, re-financed and restarted another as a live underwriting operation, and sold a further two after managing the liabilities to an acceptable level of risk. As described further below, SOBC Corp. plans to streamline the run-off management of NNIC, settle claims where possible, and reduce costs, thereby increasing the likelihood that NNIC will remain solvent.**

ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANT

(a) State the name and address of the applicant seeking to acquire control over the insurer.

**SOBC Gamma Holding Company Limited, 55 Madison Avenue, Suite 400, Morristown, New Jersey 07960.**

(b) If the applicant is not an individual, state the nature of its business operations for the past 5 years or for such lesser period as such person and any predecessors thereof shall have been in existence. Briefly describe the business intended to be done by the applicant and the applicant’s subsidiaries.

**SOBC Gamma was organized in the State of Connecticut on December 4, 2015. It was established by SOBC Corp. as a vehicle for the acquisition of insurance companies in run-off. SOBC Corp. is a Delaware company formed on August 1, 2014, and is the U.S. operating company for U.K. based SOBC Holdings Plc.**

(c) Furnish a chart or listing clearly presenting the identities of the interrelationships among the applicant and all affiliates of the applicant. Indicate in such chart or listing the percentage of voting securities of each such person which is owned or controlled by the applicant or by any other such person. If control of any person is maintained other than by the ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing indicate the type of organization (e.g., corporation, trust, partnership) and the state of domicile. If court proceedings involving a reorganization or liquidation are pending with respect to any such person, indicate which person, and set forth the title of the court, nature of proceedings and the date when commenced.

**A chart showing the affiliates of SOBC Gamma is attached as Appendix 2. No court proceedings involving a reorganization or liquidation are pending with respect to any entity shown in the chart.**

**ITEM 3. IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANT**

On the biographical affidavit, include a third party background check and state the following with respect to (1) the applicant if the applicant is an individual or (2) all persons who are directors, executive officers or owners of 10% or more of the voting securities of the applicant if the applicant is not an individual.

(a) Name and business address;

(b) Present principal business activity, occupation or employment including position and office held and the name, principal business and address of any corporation or other organization in which such employment is carried on;

(c) Material occupations, positions, offices or employment during the last 5 years, giving the starting and ending dates of each and the name, principal business and address of any business corporation or other organization in which each such occupation, position, office or employment was carried on; if any such occupation, position, office or employment required licensing by or registration with any federal, state or municipal governmental agency, indicate such fact, the current status of such licensing or registration, and an explanation of any surrender, revocation, suspension or disciplinary proceedings in connection with the license or registration whether pending or concluded.

(d) Whether or not such person has ever been convicted in a criminal proceeding (excluding traffic violations not involving death or injury) during the last 10 years and, if so, give the date, nature of conviction, name and location of court, and penalty imposed or other disposition of the case.

**The directors and executive officers of SOBC Gamma and SOBC Corp. are Thomas Hodson, Director, Secretary and General Counsel; Stephanie Mocatta, Director and President; Harry Whitcher, Director; Richard Whatton, Director; and Brian Johnston, Director, Chief Financial Officer and Treasurer. Biographical affidavits for these individuals are attached as Appendix 3. Background checks on these persons will be submitted to the Wisconsin Office of the Commissioner of Insurance as soon as possible.**

**ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION**

(a) Describe the nature, source and amount of funds or other considerations used, or to be used, in effecting the merger or other acquisition of control. If any part of the same is represented or is to be represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding or trading securities, furnish a description of the transaction, the names of the parties thereto, the relationship, if any, between the borrower and the lender, the amounts borrowed or to be borrowed, and copies of all agreements, promissory notes and security arrangements relating thereto.

**The nature of the funds is cash, being \$1 (one dollar) purchase price. This is being supplied from SOBC Gamma Holdings Limited's free cash.**

(b) Explain the criteria used in determining the nature and amount of such consideration.

**The the nature and amount of the consideration were determined by arm's-length negotiations between the parties based on the following criteria:**

- **The prior rehabilitation proceedings and ongoing regulatory supervision of NNIC, as well as various limitations and/or claims relative to NNIC's operations and assets stemming from plans and agreements NNIC entered into with the Wisconsin Office of the Commissioner of Insurance ("OCI") and other third parties in connection with or during the prior rehabilitation proceedings;**
- **The terms and conditions of the global commutation between NNIC and its reinsureds in respect of NNIC's book of assumed reinsurance within its general account, including, without limitation, NNIC's potential remaining financial liabilities and obligations thereunder;**
- **The risks associated with the long-tail nature of the run-off liabilities arising from NNIC's direct book of business within its segregated account established pursuant to Wis. Stat. § 611.24.**

#### ITEM 5. APPLICANT'S FUTURE PLANS FOR THE INSURER

Describe any plans or proposals which the applicant may have to declare an extraordinary dividend, to liquidate the insurer, to sell the insurer's assets to or merge it with any person or persons or to make any other material change in its business operations or corporate structure or management.

**SOBC Gamma has no current plans to declare an extraordinary divided, to liquidate the insurer, to sell the insurer's assets to or merge it with any person or persons or to make any other material change in its corporate structure.**

**SOBC Gamma does have plans for streamlining the run-off management, settling claims where possible, reducing costs and attempting to maintain, or increase, solvency. The new board of directors of NNIC will consist of Thomas Hodson, Stephanie Mocatta, Harry Witcher, and Richard Whatton. New officers will be Stephanie Mocatta, President, Thomas Hodson, Secretary and General Counsel, and Brian Johnston, Treasurer and CFO. Biographical affidavits for these individuals are included in Appendix 3. Other plans for NNIC are detailed in our Business Plan for NNIC, attached as Appendix 4.**

#### ITEM 6. VOTING SECURITIES TO BE ACQUIRED

State the number of shares of the insurer's voting securities which the applicant, its affiliates and any person listed in Item 3 plan to acquire; and the terms of the offer, request, invitation, agreement or acquisition; and a statement as to the method by which the fairness of the proposal was arrived at.

**SOBC Gamma is acquiring 802 shares of Common Stock, \$5,000 par value, representing 100% of the shares of NNIC. These shares are being acquired pursuant to a Stock Purchase Agreement dated January 13, 2016, a copy of which is attached as Appendix 1.**

**The fairness of the proposal was determined by arm's-length negotiations between the parties.**

**ITEM 7. OWNERSHIP OF VOTING SECURITIES**

State the amount of each class of any voting security of the insurer which is beneficially owned or concerning which there is a right to acquire beneficial ownership by the applicant, its affiliates or any person listed in Item 3.

**None.**

**ITEM 8. CONTRACTS, ARRANGEMENTS, OR UNDERSTANDINGS WITH RESPECT TO VOTING SECURITIES OF THE INSURER**

Give a full description of any contracts, arrangements or understandings with respect to any voting security of the insurer in which the applicant, its affiliates or any person listed in Item 3 is involved, including but not limited to transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or withholding of proxies. Such description shall identify the persons with whom the contracts, arrangements or understandings have been entered into.

**None other than as set forth in the Stock Purchase Agreement attached as Appendix 1.**

**ITEM 9. RECENT PURCHASES OF VOTING SECURITIES**

Describe any purchases of any voting securities of the insurer by the applicant, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement. Include in the description the dates of purchase, the names of the purchasers, and the consideration paid or agreed to be paid therefor. State whether any shares so purchased are hypothecated.

**None.**

**ITEM 10. RECENT RECOMMENDATIONS TO PURCHASE**

Describe any recommendations to purchase any voting security of the insurer made by the applicant, its affiliates or any person listed in Item 3, or by anyone based upon interviews or at the suggestion of the applicant, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement.

**None.**

**ITEM 11. AGREEMENTS WITH BROKER-DEALERS**

Describe the terms of any agreement, contract or understanding made with any broker-dealer as to solicitation of voting securities of the insurer for tender and the amount of any fees, commissions or other compensation to be paid to broker-dealers with regard thereto.

**None.**

## ITEM 12. FINANCIAL STATEMENTS AND EXHIBITS

(a) Pursuant to s. 601.42, Stat., financial statements, exhibits, and three-year financial projections of the insurer(s) shall be attached to this statement as an appendix, but list under this item the financial statements and exhibits so attached.

**Appendix 1 Stock Purchase Agreement**

**Appendix 2 SOBC Corp. organisation chart**

**Appendix 3 Biographical affidavits of SOBC directors and officers**

**Appendix 4 Business plan**

**Appendix 5 Unaudited consolidated financial statements for (i) SOBC Holdings Plc for the ten (10) months ended September 30, 2015; the seven (7) months ended June 30, 2015; the four (4) months ended March 31, 2015; and from inception to December 31, 2014; and (ii) SOBC Corp. from inception (August 1, 2014) to December 31, 2015.**

**Appendix 6 Intercompany Services Agreement**

(b) The financial statements shall include the annual financial statements of the persons identified in Item 2(c) for the preceding 5 fiscal years (or for such lesser period as such applicant and its affiliates and any predecessors thereof shall have been in existence), and similar information covering the period from the end of such person's last fiscal year, if the information is available. The statements may be prepared either on an individual basis or, unless the commissioner otherwise requires, on a consolidated basis if consolidated statements are prepared in the usual course of business.

The annual financial statements of the applicant shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the financial position of the applicant and the results of its operations for the person's last fiscal year, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the applicant is an insurer which is actively engaged in the business of insurance, the financial statements need not be certified, provided they are based on the annual statement of the person filed with the insurance department of the person's state of domicile and are in accordance with the requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of the state.

**As relatively new, private corporations, SOBC Holdings Plc and SOBC Corp. do not prepare audited financial statements. Therefore, the requested financial information is not reasonably available to SOBC Gamma, because obtaining it would involve unreasonable effort or expense and, instead, SOBC Gamma submits the following financial statements, which are the information on the subject that it possesses, and which are attached as Appendix 5: Unaudited consolidated financial statements for (i) SOBC Holdings Plc for the ten (10) months ended September 30, 2015; the seven (7) months ended June 30, 2015;**

**the four (4) months ended March 31, 2015; and from inception to December 31, 2014; and (ii) SOBC Corp. from inception (August 1, 2014) to December 31, 2015.**

(c) File as exhibits copies of all tender offers for, requests or invitations for, tenders of, exchange offers for, and agreements to acquire or exchange any voting securities of the insurer and (if distributed) of additional soliciting material relating thereto, any proposed employment, consultation, advisory or management contracts concerning the insurer, annual reports to the stockholders of the insurer and the applicant for the last 2 fiscal years, and any additional documents or papers required by form A or ss. Ins 40.11 and 40.13, Wis. Adm. Code.

**There are no tender offers for, requests or invitations for, tenders of, exchange offers for, or agreements to acquire or exchange any voting securities of NNIC (other than the Stock Purchase Agreement included as Appendix 1); or soliciting material relating thereto; or any proposed employment, consultation, advisory or management contracts concerning NNIC other than the Intercompany Services Agreement attached as Appendix 6; or any annual reports to the stockholders of NNIC or SOBC Gamma or SOBC Corp. for the last 2 fiscal years.**

**As grounds for approval of the plan for acquisition of control described in this statement, Applicant states that the plan would not violate the law or be contrary to the interests of the insureds of NNIC or any participating domestic insurer or of the Wisconsin insureds of any participating nondomestic insurer and that:**

(a) **After the change of control, NNIC would be able to satisfy the requirements for the issuance of a license to write the line or lines of insurance for which it is presently licensed;**

(b) **The effect of the acquisition of control would not be to create a monopoly or substantially to lessen competition in insurance in Wisconsin;**

(c) **The financial condition of any acquiring party is not likely to jeopardize the financial stability of NNIC, or prejudice the interests of its Wisconsin policyholders;**

(d) **Applicant has no plans or proposals to liquidate NNIC or its parent insurance holding corporation, sell its assets, or merge it with any person or make any other material change in its corporate structure, and Applicant's plans or proposals for changes in the business operations and management of NNIC are fair and reasonable to policyholders of NNIC and in the public interest; and**

(e) **The competence and integrity of those persons who would control the operation of NNIC are such that it would be in the interest of the policyholders of NNIC and of the public to permit the acquisition of control.**

#### **ITEM 13. AGREEMENT REQUIREMENTS FOR ENTERPRISE RISK MANAGEMENT**

Applicant agrees to provide, to the best of its knowledge and belief, the information required by form F within fifteen (15) days after the end of the month in which the acquisition of control occurs.

#### **ITEM 14. SIGNATURE AND CERTIFICATION**

Signature and certification as follows:

SIGNATURE

Pursuant to the requirements of Wis. Admin. Code ch. Ins 40, Applicant has caused this application to be duly signed on its behalf on the 3rd day of February, 2016.

SOBC Gamma Holding Company Limited

By: Stephanie C. Mocatta

Name: Stephanie C. Mocatta  
Title: President

Attest: Brian Johnston

Name: Brian Johnston  
Title: Chief Financial Officer

Certification

The undersigned deposes and says that deponent has duly executed the attached application dated February 3, 2016, for and on behalf of SOBC Gamma Holding Company Limited, that deponent is the President of such company, and that deponent is authorized to execute and file such instrument. Deponent further says that deponent is familiar with the instrument and the contents thereof, and that the facts therein set forth are true to the best of deponent's knowledge, information and belief.

Stephanie C. Mocatta

Name: Stephanie C. Mocatta

Subscribed and sworn to this  
3rd day of February, 2016

[Signature]  
Notary public Officer of the Superior Court  
My commission expires on: Perpetual