



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor  
Theodore K. Nickel, Commissioner

Wisconsin.gov

January 27, 2017

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Via E-Mail

Mr. Richard F. Ecklord  
President and Chief Operating Officer  
Sandell Holdings Ltd.  
AON House  
30 Woodbourne Avenue  
Pembroke HM 08 Bermuda

Re: In the Matter of the Acquisition of Control of Northwestern National Insurance Company of Milwaukee, Wisconsin by Sandell Holdings Ltd. (Case No. 17-C41664)

Dear Mr. Ecklord:

The following items are requested in connection with this Office's review of the proposed acquisition of control of Northwestern National Insurance Company of Milwaukee, Wisconsin.

1. Will the officers or board of directors of NNIC undergo any changes as a result of the proposed acquisition of control?
2. Are there any commitments or understandings between the executive management team of SOBC Holdings Limited or NNIC and Sandell Holdings Ltd. or its principals regarding any business arrangements with, or services to be provided to, NNIC or its wholly-owned subsidiary, Compass Insurance Company?
3. Is it anticipated that Sandell Holdings Ltd., its affiliates, its officers or directors, or entities under the control of its officers and directors will provide investment services or advice to NNIC or Compass Insurance Company?
4. What intercompany agreements, if any, do you anticipate will exist between NNIC and Sandell Holdings Ltd. or interests associated with Sandell Holdings Ltd.'s owners, officers, or directors?
5. In what other entities does Mr. Lars E. T. Sandell have a 10% or greater ownership interest or otherwise exercise control, whether for himself or on behalf of others?
6. Please provide a complete, executed copy of the "Agreement to buy B Shares and Loan Notes issued by SOBC Holdings Limited".
7. Provide a Consent to Jurisdiction on Form AA for Sandell Holdings Ltd.
8. What are the voting, governance and economic rights, and other characteristics of the A shares and B shares of SOBC Holdings Ltd.?
9. Who are the officers and directors of Sandell Holdings Ltd.?

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10. What is the breakdown of the £3,567,503.48 in the total consideration between payment for the B shares, loan notes, and any other object for consideration covered by that payment?
11. If the requirement to make the non-completion payment occurs, would the proceeds be retained by SOBC Holdings Limited or distributed to the holders of the B shares?

Thank you in advance for your time and consideration to these requests. If you have questions on this or any other matter in which I may be of some assistance, please call me at (608) 267-4388.

Sincerely,



Steven J. Junior  
Insurance Examiner Supervisor  
Bureau of Financial Analysis and Examinations

cc: Mr. Thomas F. X. Hodson (via e-mail)