

**FORM D**

**PRIOR NOTICE OF A TRANSACTION**

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

By and on behalf of

**Superior Vision Insurance Plan of Wisconsin, Inc.**

881 Elkridge Landing Road, Suite #300  
Linthicum, MD 21090

Date: October 8, 2020

Name, Title, Address and Telephone Number of Individual to Whom Notices and  
Correspondence Concerning This Statement Should Be Addressed:

Todd Zornik  
Assistant General Counsel  
MetLife Group, Inc.  
200 Park Avenue  
New York, NY 10166  
Phone: (212) 578-7585  
Email: [tzornik@metlife.com](mailto:tzornik@metlife.com)

## INTRODUCTION AND BACKGROUND

Pursuant to an Agreement and Plan of Merger, dated September 16, 2020, MetLife Inc. (“MetLife”) proposes to acquire control of Superior Vision Insurance Plan of Wisconsin, Inc., a Wisconsin limited service health organization (such company, the “Domestic Insurer” and such transaction, the “Proposed Acquisition”). The Proposed Acquisition is the subject of a Form A Statement Regarding the Acquisition of Control of or Merger with a Domestic Insurer, which was filed with the Office of the Commissioner of Insurance of the State of Wisconsin (the “OCI”) on September 29, 2020.

MetLife desires to have certain agreements, including the agreement that is the subject of this Form D Prior Notice of a Transaction (this “Form D”), become effective as of the closing of the Proposed Acquisition (the “Merger Effective Date”). Although the Domestic Insurer is not an affiliate of MetLife as of the date hereof, the Domestic Insurer and MetLife will be affiliates at the time they enter into the proposed agreement. Accordingly, this Form D is being filed now provisionally in order for the OCI to have time to review and act on the Form D before the Merger Effective Date. The final Form D will be signed and submitted to the OCI immediately following the Merger Effective Date, but we respectfully request preliminary review and conditional approval of the Form D as of the Merger Effective Date, subject to receipt of the final executed version.

As more particularly described below, this Form D seeks the prior written approval (or non-disapproval) of the OCI for the Domestic Insurer to become a party to an Agreement to Apportion Consolidated Federal Income Tax Liability and Benefits of Consolidated Returns dated June 24, 1986, (the “MetLife Tax Allocation Agreement”), which applies to members of the MetLife consolidated tax return group.

This Form D and the documents and information referenced in or attached to this Form D, including all materials filed as a supplement in connection herewith, contain confidential and/or proprietary information and strategies that are not otherwise available to the public that, if disclosed, could cause substantial injury to the competitive position of MetLife. Accordingly, MetLife respectfully requests that such confidential materials be afforded confidential treatment and be excepted from disclosure pursuant to all applicable provisions of law, including, but not limited to, s. 19.36(5) and 601.465, Wis. Stats. MetLife requests that (i) it be notified in advance of any proposed disclosure of such confidential materials by the OCI and (ii) it be given a reasonable opportunity to seek a protective order or take other action to prevent or limit any such disclosure.

### ITEM 1. IDENTITY OF PARTIES TO TRANSACTION

(a)-(c) *Names and addresses of the parties.*

#### **Superior Vision Insurance Plan of Wisconsin, Inc.**

Home and Principal Executive Office Address  
881 Elkridge Landing Road, Suite #300

Linthicum, MD 21090

**MetLife, Inc.**

Home Office and Principal Executive Office Address

200 Park Avenue  
New York, NY 10166

**Metropolitan Life Insurance Company (“MLIC”)**

Home Office and Principal Executive Office Address

200 Park Avenue  
New York, NY 10166

(d) *Organizational structure.*

The Domestic Insurer is a Wisconsin limited service health organization and, after the Merger Effective Date, will be an indirect, wholly-owned subsidiary of MetLife. MetLife is a holding company incorporated under the laws of Delaware. MLIC is a New York domestic life insurer and a direct, wholly-owned subsidiary of MetLife.

(e) *A description of the nature of the parties’ business operations.*

See Item 1(d) above.

(f) *Relationship, if any, of other parties to the transaction to the insurer filing the notice, including any ownership or debtor/creditor interest by any other parties to the transaction in the insurer seeking approval, or by the insurer filing the notice for the affiliates.*

See Item 1(d) above.

(g) *Where the transaction is with a non-affiliate, the name(s) of the affiliate(s) which will receive, in whole or in substantial part, the proceeds of the transaction.*

Not applicable.

**ITEM 2. DESCRIPTION OF THE TRANSACTION**

(a) *A statement as to whether notice is being given under s. Ins 40.04 (2) (a), (b), (c), (d), (e) or (f).*

Notice is being given under s. Ins 40.04(2)(d), Wis. Adm. Code.

(b) *A statement of the nature of the transaction.*

As of the Merger Effective Date, the Domestic Insurer will (i) cease to be a party to that certain Tax Sharing Agreement, effective as of January 1, 2014, as amended, by and among Superior Vision Corp., a Delaware corporation, and its direct and indirect wholly-owned

subsidiaries, and (ii) automatically join the consolidated federal income tax return group of its new ultimate parent, MetLife. The Domestic Insurer's participation in the MetLife consolidated tax return group under Section 1504(a) of the Internal Revenue Code of 1986, as amended (the "Code") and Section 1.1502-47 of the Treasury Regulations will require no action by the Domestic Insurer or any other entity or person. The Domestic Insurer will be governed by the election filed by the predecessor of the MetLife consolidated tax return group (i.e., the MLIC consolidated tax return group, prior to the demutualization and restructuring transactions in 2000 that resulted in MLIC becoming a stock life insurance company wholly-owned by MetLife) effective for 1985 and subsequent years concerning the calculation of each member's taxes under the "immediate pay" method. See Section 1.1552-1(c) of the Treasury Regulations. Under the "immediate pay" election, each member company with taxable income computes its tax as if it were a separate company and remits such tax to the parent, MetLife, and to the extent that the aggregate amount remitted to the parent (MetLife) exceeds the consolidated group's tax, i.e., to the extent that tax losses and tax credits of members have been used, the parent (MetLife) remits such excess to the members having tax losses or tax credits on a *pro rata* basis.

The procedures for collecting and remitting taxes pursuant to the election is governed by the MetLife Tax Allocation Agreement, which applies to members of the MetLife consolidated tax return group. Section 4 of the MetLife Tax Allocation Agreement provides that each member that joins the consolidated return group will be treated as a party to the MetLife Tax Allocation Agreement. Although the Domestic Insurer's joinder will occur automatically in accordance with the Internal Revenue Code and associated Treasury Regulations, the Domestic Insurer respectfully requests the OCI's approval (or non-disapproval) for the Domestic Insurer to become a party to the MetLife Tax Allocation Agreement. A copy of the MetLife Tax Allocation Agreement is attached as **Exhibit A**.

(c) *A statement of how the transaction meets the "fair and reasonable" standard of s. 617.21, Wis. Stats.*

The MetLife Tax Allocation Agreement meets the "fair and reasonable" standard of 617.21, Wis. Stats. because the Domestic Insurer's tax paid under the MetLife Tax Allocation Agreement will be no greater than the tax the Domestic Insurer would have paid as a separate company. To the extent that the Domestic Insurer operates at a net loss for tax purposes in any year, the Domestic Insurer will be benefitted by the MetLife Tax Allocation Agreement because the Domestic Insurer will not have to wait for its future taxable income to emerge before obtaining the economic benefit of its own net loss absorbed in the consolidated tax return.

(d) *The proposed effective date of the transaction.*

The Domestic Insurer's participation in the MetLife Tax Allocation Agreement will be effective for all tax years commencing with the year ending December 31, 2020 or 2021, depending on the year in which the Merger Effective Date occurs.

### **ITEM 3. SALES, PURCHASES, EXCHANGES, LOANS, EXTENSIONS OF CREDIT, GUARANTEES OR INVESTMENTS**

Not applicable.

**ITEM 4. LOANS, EXTENSIONS OF CREDIT, OR GUARANTEES TO OR FOR A NONAFFILIATE**

Not applicable.

**ITEM 5. REINSURANCE**

Not applicable.

**ITEM 6. MANAGEMENT AGREEMENTS, SERVICE AGREEMENTS AND COST-SHARING ARRANGEMENTS**

As a result of the Domestic Insurer becoming a member of the MetLife “affiliated group” (the “Group”) (within the meaning of Section 1504(a) of the Code) as of the Merger Effective Date, the Domestic Insurer will become a party to a tax allocation arrangement with MetLife, as successor to MLIC, and its affiliates, for the purpose of computing tax in consolidated federal income tax returns for each period of time during which each is an includable corporation (within the meaning of Section 1504(b) of the Code) qualified to file consolidated federal income tax returns with MetLife as a member of the Group.

The MetLife Tax Allocation Agreement has been in place for the MetLife consolidated tax return Group and its predecessor (i.e., the MLIC consolidated tax return Group) since life/nonlife tax consolidation was first elected beginning in 1985. Starting at that time, the MLIC consolidated tax return Group, and since 2000, the MetLife consolidated tax return Group, have filed life/nonlife consolidated Federal income tax returns with their subsidiaries that are eligible under Section 1.1502-47 of the Treasury Regulations. Each subsidiary automatically becomes a party to the MetLife Tax Allocation Agreement at such time as it becomes a member of the consolidated tax return Group. While life insurance companies acquired from unrelated parties have to wait 5 full calendar years before becoming a member of a life/nonlife consolidated tax return group under Section 1.1502-47 of the Treasury Regulations, an acquired non-life insurance company becomes a member of a life/nonlife consolidated tax return group in such year it becomes a member of the consolidated tax return Group.

The Domestic Insurer is a non-life insurance company for Federal tax purposes eligible for life/nonlife tax consolidation, and will become part of the consolidated Group automatically for the 2020 or 2021 tax year, beginning on the Merger Effective Date. Pursuant to the terms of the MetLife Tax Allocation Agreement, each company with taxable income computes its tax as if it were a separate company and remits such tax to the parent, MetLife, and to the extent that the consolidated Group’s tax is less than the sum of each profitable member’s taxes, i.e., to the extent that tax losses and tax credits of members have been used, the parent (MetLife) remits an immediate payment after the annual consolidated tax return is filed to the loss members on a *pro rata* basis. The Domestic Insurer’s tax paid under the MetLife Tax Allocation Agreement will be no greater than the tax the Domestic Insurer would have paid as a separate company. To the extent that the Domestic Insurer operates at a net loss for tax purposes in any year, the Domestic Insurer will be benefitted by the MetLife Tax Allocation Agreement because the Domestic Insurer will not have to wait for its future taxable income to emerge before obtaining the economic benefit of its own net loss absorbed in the consolidated tax return. In the event that current or prior

deductions and credits of a member of the Group are used to reduce the consolidated tax liability, the amount of such use is treated as a liability of the parent corporation to the loss member. Any refunds will be paid to members of the Group in proportion to their share of the Group's federal income tax liability.

The MetLife Tax Allocation Agreement will continue as long as MetLife is a member of the Group and, as to the Domestic Insurer, as long as the Domestic Insurer is a member of the Group. Notwithstanding termination of the MetLife Tax Allocation Agreement, the provisions of the MetLife Tax Allocation Agreement will continue in effect for periods during which the members are included in the consolidated tax return.

**ITEM 7. TRANSACTIONS NOT IN THE ORDINARY COURSE OF BUSINESS**

Not applicable.

**ITEM 8. OTHER TRANSACTIONS REPORTABLE UNDER AN ORDER**

Not applicable.

*[Remainder of page purposely left blank]*

**ITEM 9. SIGNATURE AND CERTIFICATION**

**SIGNATURE**

Pursuant to the requirements of ch. Ins 40, Wis. Adm. Code, Superior Vision Insurance Plan of Wisconsin, Inc. has caused this notice to be duly signed on its behalf in the City of \_\_\_\_\_ and State of \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**SUPERIOR VISION INSURANCE PLAN OF WISCONSIN, INC.**

(SEAL)

By: \_\_\_\_\_  
Name  
Title:

Attest:

\_\_\_\_\_  
Name  
Title:

**CERTIFICATION**

The undersigned deposes and says that (s)he has duly executed the attached notice dated \_\_\_\_\_, 2020, for and on behalf of Superior Vision Insurance Plan of Wisconsin, Inc.; that (s)he is the \_\_\_\_\_ and that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

\_\_\_\_\_  
Name:  
Title:

Subscribed and sworn to this \_\_\_\_\_ day of \_\_\_\_\_, 2020

Notary Public

My commission expires

\_\_\_\_\_