

Junior, Steve J - OCI

From: Junior, Steve J - OCI
Sent: Friday, September 21, 2018 11:26 AM
To: 'max.holmes@hamllc.com'
Cc: jaopell@foley.com; Hrdlick, Thomas R. (THrdlick@foley.com); Malm, Amy J - OCI; Mancusi-Ungaro, Michael - OCI
Subject: Questions on Haven Holdings Inc. acquisition of Time Ins Co
Attachments: Haven Holdings Time Inquiry 09212018.pdf

Dear Mr. Holmes:

Attached are a list of questions the Wisconsin Office of the Commissioner of Insurance has concerning the proposed acquisition of Time Insurance Company by Haven Holdings Inc. and Haven Insurance Company II.

Steven J. Junior, Deputy Director
Bureau of Financial Analysis and Examinations
Office of the Commissioner of Insurance
125 S. Webster Street
Madison, Wisconsin 53703
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Wisconsin OCI
Exh #: <u>20</u>
Case #: <u>18 42803</u>



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor
Theodore K. Nickel, Commissioner

Wisconsin.gov

September 21, 2018

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Via E-Mail

Mr. Max Holmes
Chairman and Chief Executive Officer
Haven Holdings Inc.
268 Avenida Ponce de León
Suite 416 – Hato Rey
San Juan, Puerto Rico 00918

Re: Form A – Proposed Acquisition of Control of or Merger with Time Insurance Company by Haven Holdings Inc. and Haven Insurance Company II

Dear Mr. Holmes:

Responses to the following questions are requested in connection with the above-captioned Form A.

1. Since the Closing Cash Payment and Secured Promissory Note are intended to approximate the Total Adjusted Capital, which is essentially the statutory book value of the company with certain fairly customary mark-to-market and affiliated settlement adjustments, what are the projected balance sheet assets and liabilities immediately following the payment of the Secured Promissory Note? Are there any intentions to contribute any capital or surplus immediately following the intended extraordinary dividend from Time Insurance Company that is intended to pay off the Secured Promissory Note?
2. Will the existing run-off book of Time Insurance Company be segregated into one or more protected cells? If so, what is the contemplated segregation and funding of each such protected cell?
3. Given that Haven Holdings Inc. only has \$1.394 million in assets and Haven Insurance Company II has only \$1.25 million in assets, where will the Applicants get additional funds if Time insurance Company needs additional capital?
4. How will the applicants work to resolve the more than \$8.8 million in unclaimed property now held by Time Insurance Company? What is the amount of unclaimed property due Wisconsin residents? Is there a plan for more aggressive outreach to Time's unclaimed property claimants to return the funds that are rightfully theirs?

Mr. Max Holmes
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5. Do the applicants intend to establish a facility to enable claimants on the existing run-off book of Time Insurance Company to contact the company by telephone, as well as by mail, to resolve questions concerning their claims?

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 or Michael Mancusi-Ungaro at (608) 267-4555.

Sincerely,



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

cc: Amy J. Malm (via e-mail only)
Michael A. Mancusi-Ungaro (via e-mail only)
Jill Allison Opell (via e-mail only)
Thomas R. Hrdlick (via e-mail only)