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CLIENT/MATTER NUMBER
118732-0101

October 1, 2018

Steven Junior
Office of the Commissioner of Insurance
State of Wisconsin
GEF-III, Second Floor
125 South Webster Street
Madison, WI 53703-3473

Re: Second Letter to Supplement the Form A Statement of Haven

Dear Mr. Junior:

We are representing Haven Holdings Inc. ("Haven Holdings") and Haven Insurance Company II ("Haven Insurance" and collectively with Haven Holdings, the "Applicants") in its planned acquisition of Time Insurance Company ("Time" or the "Domestic Insurer") from its parent, Interfinancial Inc. ("Interfinancial"), as more particularly described in the Form A statement filed on September 7, 2018 (the "Form A") with the Wisconsin Office of the Commissioner of Insurance (the "OCI"). This letter is meant to address a question you raised in connection with the post-acquisition risk-based capital ("RBC") levels of Time proposed by the Applicants in the Form A.

Specifically, as per our discussion, reference was made to Exhibit 12(a)(1) to the Form A, the actuarial pro forma projection of Time, which provides for capital and surplus of \$2,500,000 for Time immediately following the closing, which (absent any changes) would result in an RBC ratio level far below the requested RBC ratio level of 250-300%. As you are aware, under the laws of Puerto Rico, the jurisdiction to which Time seeks to redomesticate, segregated asset plans are permitted.¹ The Applicants propose to provide for segregated asset plans for each of Time's three primary reinsurance treaties with Prudential, John Hancock and Integon. The policies subject to each of these reinsurance agreements are 100% reinsured, with well-known, accredited reinsurers and, therefore, it makes sense to segregate them from the remainder of the policies of Time.

¹ See Chapter 61 of the Puerto Rico Insurance Code, 26 L.P.R.A. §§4301, *et seq.*

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By creating these segregated asset plans, Time's general account will consist of the approximately 150 directly insured run-off policies and four other much smaller reinsurance treaties. As you can see in the attached revised pro-formas, Time will be sufficiently capitalized to maintain a post-closing RBC level of over 300% as to the general account.

If acceptable to OCI, the Applicants respectfully request that you replace Exhibit 12(a)(1) to the originally filed Form A with the attached revised version of Exhibit 12(a)(1). Should you need any additional information in connection with the matters discussed herein, or any other matters, please contact me at the contact information specified above.

Regards,

A handwritten signature in cursive script that reads 'Jill Allison Opell'.

Jill Allison Opell

Cc: Michael Mancusi-Ungaro
Maximillian Holmes
Jonathan Feldman
Thomas Fritsch