

In the Matter of the Acquisition of Control  
of Physicians Insurance Company of Wisconsin, Inc.  
by American Physicians Assurance Corporation,

REQUEST FOR  
ADMISSION AS PARTY  
Case No. 04-C29283

Petitioner.

Physicians Insurance Company of Wisconsin, Inc., by its undersigned attorneys, Heller Ehrman White & McAuliffe LLP, requests admission as a party to this proceeding pursuant to Wis. Stat. § 227.44(2m). As grounds for this request, PIC Wisconsin asserts that it has a substantial interest that may be affected by the decision following the hearing in this proceeding required by Wis. Stat. § 611.72(3), and thus shall, upon request, be admitted as a party.

As evidenced by the accompanying affidavit of William T. Montei, President and Chief Executive Officer of PIC Wisconsin, the substantial interest of PIC Wisconsin that may be affected by a decision in this matter is its ability to fulfill its core mission, that is, serving the interests of Wisconsin physicians by providing stable and affordable medical liability insurance. As PIC Wisconsin will show at the hearing in this matter, there are many reasons that its substantial interest may be negatively affected if Petitioner's request to acquire control of PIC Wisconsin is approved, including:

1. As a public company concerned with short term results and share price, Petitioner's motivations are not consistent with PIC's primary motivation of service to its policy holders.
2. Petitioner's financial difficulties and financial status could adversely affect PIC Wisconsin's financial stability.
3. There are serious questions regarding the qualifications of the persons who control Petitioner.
4. There are serious questions about the accuracy and credibility of Petitioner's claims that it has no plans or proposals to make any material change in PIC Wisconsin's business, corporate structure, or management.
5. There are serious questions about Petitioner's expressed and unexpressed intentions regarding the controlling interest it seeks in PIC Wisconsin.
6. There are serious questions about Petitioner's history of acquisitions and dispositions of companies.
7. There are serious concerns about the potential impact of Petitioner's proposed acquisition on PIC Wisconsin, its policyholders, and the market for medical liability insurance in Wisconsin.
8. There are serious questions as to whether the proposed acquisition, the actions that Applicant has taken with respect to certain shareholders who have executed a stock

purchase agreement with Applicant and the manner in which the Applicant is seeking to obtain control of PIC Wisconsin violate the law.

Respectfully submitted this 15<sup>th</sup> day of October, 2004.

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