
In the Matter of the Acquisition of
Control of Settlers Life Insurance
Company by Everly Holdings, LLC

PROPOSED DECISION

Petitioners.

Case No. 22-C44360

Amy J. Malm, Hearing Examiner, Presiding

APPEARANCES

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- * Mr. Esposito and Ms. Ghaferi are appearing at the hearing as officers of the company, and not as legal counsel representing it in the hearing.
- ** Mr. Rosenfield is appearing at the hearing with his client, but not as legal counsel representing it in the hearing.

PRELIMINARY

Pursuant to a Notice of Hearing dated June 14, 2022, a hearing was held by teleconference on or about 8:00 a.m. on June 29, 2022, to determine whether the Petitioners' application for approval of the plan for acquisition of control should be granted. Based on the record, the Hearing Examiner makes the following:

PROPOSED FINDINGS OF FACT

- (1) Everly Holdings, LLC, the Petitioner, One Security Benefit Place, Topeka, Kansas 66636, a Delaware limited liability company.
- (2) Settlers Life Insurance Company, the Domestic Insurer, 2 East Gilman Street, Madison, Wisconsin 53703, a Wisconsin domestic stock life insurance company.
- (3) The Petitioner filed with the Office of the Commissioner of Insurance an application for approval of the acquisition of Settlers Life Insurance Company
- (4) The Petitioners were served with a Notice of Hearing.
- (5) The Petitioners fulfilled the filing requirements of s. Ins 40.02, Wis. Adm. Code.
- (6) The plan will not violate the law or be contrary to the interests of the insureds of Settlers Life Insurance Company.
- (7) After the acquisition of control, Settlers Life Insurance Company, will be able to satisfy the requirements for the issuance of a license to write the lines of insurance for which it is presently licensed.
- (8) The effect of the acquisition of control will not be to create a monopoly or substantially to lessen competition in any type or line of insurance in Wisconsin.
- (9) The financial condition of Everly Holdings, LLC, are not likely to jeopardize the financial stability of Settlers Life Insurance Company, or to prejudice the interests of its Wisconsin policyholders.

(10) There are no plans or proposals to liquidate the domestic insurer, Settlers Life Insurance Company, to sell its assets (other than investment portfolio transactions in the ordinary course of business), or to consolidate or merge it with any person or make any other material change in its business or corporate structure other than as described in the plan.

(11) The competence and integrity of the persons who will control the operation of the domestic insurer, Settlers Life Insurance Company, are such that it will be in the interest of the policyholders and the public to permit the acquisition of control.

PROPOSED CONCLUSION OF LAW

(12) The proposed findings of fact set forth above establish that the requirements of s. 611.72 and ch. 227 and 617, Wis. Stat., and ch. Ins 40, Wis. Adm. Code, have been satisfied and approval of the plan should be granted.

PROPOSED ORDER

NOW, THEREFORE, based upon the findings of fact and conclusion of law, I hereby recommend that:

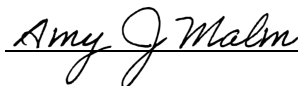
(13) The Petitioner shall obtain an audit from an independent CPA for NZC Capital LLC, annually, beginning with the year ended December 31, 2022. The Audit report shall be submitted to OCI.

(14) The Petitioner Shall engage an independent CPA to complete an agreed upon procedures engagement ("AUP"), as outlined in the Ernst & Young LLP letter provided to OCI on May 16, 2022, for the personal financial statements of Todd L. Boehly. The AUP shall be completed for the year ended for ended December 31, 2022. For subsequent years, an AUP shall be completed at OCI's request, to be submitted with the Form B filings.

(15) The Petitioners request in the Form A Filing, paragraph 5(c)a. Intercompany Services Agreement, remains under review and has not been non-disapproved as part of the Form A approval. Petitioner must obtain non-disapproval of the Intercompany Services Agreement from OCI subsequent to the completion of the transaction.

(16) The Petitioners request for approval of the plan for acquisition of control should be approved.

Dated at Madison, Wisconsin, this 29th day of June 2022.



Amy J. Malm
Hearing Examiner