



November 1, 2023

Re: Notice of Petition for Liquidation of 1st Auto & Casualty Insurance Company and Termination of Coverage

Dear 1st Auto Policyholders:

This notice relates to your current insurance policy with 1st Auto & Casualty Insurance Company (“1st Auto”). Please read this notice carefully.

PETITION FOR LIQUIDATION

On November 1, 2023, the Wisconsin Office of Commissioner of Insurance (the “OCI”) filed in the Dane County Circuit Court in the state of Wisconsin a Petition for Liquidation (“Petition”) with respect to Wisconsin Reinsurance Corporation (“WRC”) and its subsidiary, 1st Auto. WRC and 1st Auto are Wisconsin domiciled stock property and casualty insurance companies, with their main administrative office at 2810 City View Drive, Madison, WI 53718. Since June 21, 2023, WRC and 1st Auto have been in rehabilitation. The Dane County Circuit Court will schedule a hearing, if necessary, on the Petition.

The proposed effective date of the liquidation order is January 1, 2024. A copy of the Petition and other filings, frequently asked questions, and current information on the proposed liquidation of WRC and 1st Auto can be found on the OCI’s website at oci.wi.gov/WRC.

The OCI petitioned for liquidation when it became apparent rehabilitation of WRC and 1st Auto was no longer feasible. The Petition asks the court to appoint Wisconsin Commissioner of Insurance, Nathan Houdek, and his successors in office, as Liquidator of WRC and 1st Auto, and Justin Schrader of Noble Consulting Services as Special Deputy Commissioner for the liquidation.

TERMINATION OF COVERAGE

The liquidation of 1st Auto will impact your insurance coverage under a policy issued by the company. We urge you to immediately seek replacement coverage as soon as possible. If you take no action and 1st Auto is placed into liquidation your coverage will be terminated.

Wisconsin residents may seek general information on auto and vehicle insurance from OCI’s website at <https://oci.wi.gov/Pages/Consumers/AutoInsurance.aspx>. Policyholders outside of Wisconsin may look up their State Department of Insurance at <https://content.naic.org/state-insurance-departments>.

The proposed effective date for the liquidation order is January 1, 2024. Pursuant to § 645.43(1), Wis. Stat., all insurance policies issued by 1st Auto of Madison, Wisconsin will be terminated based on the court order at the earliest of the following dates:

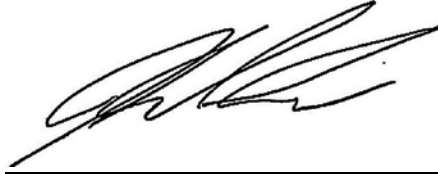
- (a) 15 days after the date of entry of the liquidation order, or
- (b) The normal date for the expiration of coverage; or
- (c) The date the insured has replaced the insurance coverage with equivalent insurance in another insurer; or
- (d) The date the Liquidator has affected a transfer of the policy obligation pursuant to §645.46(8), which ever time is less.

Following the effective date of the liquidation order you will receive additional correspondence detailing the procedures for filing proofs of claims and potential coverage you may have through the insurance guaranty association in your state.

If you have any questions, please contact:

Justin Schrader
Special Deputy Rehabilitator
1st Auto & Casualty Insurance Company
2810 City View Drive
Madison, WI 53718
Telephone: (402) 617-9340
E-Mail: jschrader@noblecon.net

Sincerely,

A handwritten signature in black ink, appearing to read 'Justin Schrader', written over a horizontal line.

Justin Schrader
Special Deputy Rehabilitator
1st Auto & Casualty Insurance Company