

P.O. Box 690, Jefferson City, Mo. 65102-0690

IN RE:	The Proposed Acquisition of	)	
	Control of Medical Defense	)	
	<b>Associates and Medical Defense</b>	)	Case No. 00-0224199C
	Insurance Company by Ivy	)	
	Medical, LLP	)	

## FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

Based on the testimony and other evidence presented, I, Keith A. Wenzel, Director of the Department of Insurance, State of Missouri, ("Director") hereby enter the following findings, conclusions and order:

## **Findings of Fact and Conclusions of Law**

1. On or about February 23, 2000, Ivy Medical, LLC (the "Applicant"), filed a Form A statement with the Missouri Department of Insurance (the "Department") seeking the Department's approval of the Applicant's acquisition of control of Medical Defense Associates ("Associates") and Medical Defense Insurance Company ("Insurance") or collectively ("Medical Defense"), Missouri domestic stock insurance companies. Applicant is a limited liability company organized under the laws of the State of Missouri. On February 28, 2000, the Department ordered a public hearing on the proposed acquisition be held at 10:00 a.m. on March 23, 2000, in Room 630 of the Harry S Truman Building, 301 West High Street, Jefferson City, Missouri. A public hearing was held as scheduled. The Applicant and the Department's Division of Financial Regulation appeared by counsel.

- 2. A preponderance of the evidence is not contrary to any of the following findings:
- (1) After the acquisition of Medical Defense by the Applicant, Medical Defense 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.
- (2) The effect of the acquisition of Medical Defense by the Applicant will not substantially lessen competition in insurance or tend to create a monopoly in this state.
- (3) The financial condition of Applicant is not such as might jeopardize the financial stability of Medical Defense or prejudice the interests of its policyholders.
- (4) Other than as set forth in the record of this application, Applicant has no plans to liquidate or sell Medical Defense or to consolidate or merge it with other companies or to make any other material change in Medical Defense's business, corporate structure, or management. Such plans as are set forth in the record would not be unfair or unreasonable to policyholders of Medical Defense or contrary to the public interest.
- (5) The competence, experience and integrity of the Applicant's management are such that it would not be contrary to the interest of policyholders of Medical Defense and of the public to permit the acquisition of Medical Defense by the Applicant.
- (6) The proposed acquisition of Medical Defense by the Applicant is not likely to be hazardous or prejudicial to the insurance buying public.

## Order

Based on the foregoing findings and conclusions, the proposed acquisition of Medical Defense Associates and Medical Defense Insurance Company by Ivy Medical, LLC, is **APPROVED**.

So ordered, signed and official seal affixed this April 4th, 2000.

KEITH A. WENZEL, Director