



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

IN RE:           The Proposed Acquisition of           )  
                  Traders Insurance Company        )  
                  by Mark C. Concannon            )           Case No. 020502349C

**FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER**

Findings of Fact and Conclusions of Law

Based on the testimony and other evidence presented, I, SCOTT B. LAKIN, Director of the Department of Insurance, State of Missouri, find that:

1.       On or about April 18, 2002, Mark C. Concannon filed a Form A Statement with the Missouri Department of Insurance (the "Department"), in connection with the proposed acquisition of Traders Insurance Company (Traders), a Missouri stock insurance company. A public hearing was held on May 21, 2002, as ordered by the Department on May 3, 2002. Mr. Concannon appeared in person and by counsel and the Department's Division of Financial Regulation appeared by counsel.

2.       The Concannon Group of Companies, Inc. (CGC), owns all of the voting securities of Traders. Mark C. Concannon currently indirectly owns about nine percent (9%) of the issued and outstanding shares of CGC. According to the Form A, Mr. Concannon will acquire direct ownership of an additional 2,682 of the issued and outstanding shares of CGC pursuant to a distribution from the Bernard P Concannon, Jr. Trust dated July 11, 1997. The acquisition of the additional shares will increase Mark C. Concannon's direct and indirect ownership of CGC to about forty-nine percent (49%), thereby making Mark C. Concannon the ultimate controlling person of

Traders.

3. A preponderance of evidence on the whole record fails to show that:

A. After the acquisition of Traders by Mark C. Concannon, Traders will not be able to satisfy the requirements for the issuance of a license to write the lines of insurance for which it is presently licensed.

B. The effect of the acquisition of Traders by Mr. Concannon will be to substantially lessen competition in insurance or tend to create a monopoly in this State.

C. The financial condition of Mr. Concannon is such as might jeopardize the financial stability of Traders or prejudice the interests of its policyholders.

D. Mr. Concannon's plans, if any, to liquidate or sell Traders or to consolidate or merge it with other companies or to make any other material change in Traders's business, corporate structure, or management, would be unfair or unreasonable to policyholders of Traders or contrary to the public interest.

E. The competence, experience, and integrity of Mr. Concannon's management are such that it would be contrary to the interest of policyholders of Traders and to the public to permit the acquisition of Traders by Mr. Concannon.

F. The proposed acquisition of Traders by Mr. Concannon is likely to be hazardous or prejudicial to the insurance buying public.

### **ORDER**

Based on the foregoing Findings and Conclusions and pursuant to the provisions of sections 382.040 to 382.060, RSMo, the acquisition of control of Traders Insurance Company by Mark C. Concannon as proposed in the Form A Statement filed in this matter is **APPROVED**.

So ordered, signed and official seal affixed this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

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SCOTT B. LAKIN, Director  
Missouri Department of Insurance