



DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

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

IN RE:	The Proposed Acquisition of:)	
)	
	Essentia Insurance Company)	Case No. 121023570C
)	
	By Markel Corporation.)	

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

Based on the competent and substantial evidence on the whole record, I, John M. Huff, Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration, find and conclude that:

1. On October 18, 2012, Markel Corporation, (“Acquiring Party”) filed a Form A Statement with the Missouri Department of Insurance, Financial Institutions and Professional Registration (“Department”), in connection with the proposed acquisition of Essentia Insurance Company, a Missouri domestic insurance company.

2. The Director issued a Notice of Hearing on October 23, 2012 for a public hearing on November 15, 2012. Markel Corporation provided a timely notice of the hearing to Essentia Insurance Company (“Essentia”). At the November 15, 2012 hearing, Keith A. Wenzel appeared for Acquiring Party and Mark W. Stahlhuth appeared for the Department’s Division of Insurance Company Regulation.

3. According to the Form A Statement, Markel Corporation will acquire all of the issued and outstanding shares of common stock of Essentia for the purchase price of approximately \$23,000,000.00.

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

- A. After the acquisition of Essentia Insurance Company by the Acquiring Party, Essentia will not be able to satisfy the requirements for the issuance of a license to write the lines of business for which they are presently licensed.
- B. The effect of the acquisition of Essentia by the Acquiring Party will be to substantially lessen competition in insurance or tend to create a monopoly in this State.
- C. The financial condition of the Acquiring Party is such as might jeopardize the financial stability of Essentia or prejudice the interests of its policyholders.
- D. The Acquiring Party's plans or proposal, if any, to liquidate or sell Essentia or to consolidate or merge it with other companies or to make any other material change in Essentia's businesses, corporate structures, or management, would be unfair or unreasonable to policyholders of Essentia or contrary to the public interest.
- E. The competence, experience and integrity of the Acquiring Party's management are such that it would be contrary to the interest of policyholders of Essentia and to the public to permit the acquisition of Essentia by the Acquiring Party.

- F. The proposed acquisition of Essentia by the Acquiring Party is likely to be hazardous or prejudicial to the insurance buying public.

ORDER

Based on the foregoing findings and conclusions, the proposed acquisition of control of Essentia Insurance Company by Markel Corporation as submitted in the Form A Statement is hereby **APPROVED**.

So ordered, signed and official affixed this 12th day of December, 2012.


JOHN M. HUFF, Director

