

IN RE: Proposed Acquisition of: )  
National Alliance Insurance Company )  
By ) Case No. 070606319C  
Rockhill Insurance Company )

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

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

1. On or about May 22, 2007, a Form A Registration Statement was filed with the Missouri Department of Insurance, Financial Institutions and Professional Registration (the “Department”) on behalf of Rockhill Insurance Company (“Applicant”), in connection with the proposed acquisition of control of National Alliance Insurance Company (“NAIC”), a Missouri domestic insurance company. On June 19, 2007, the Department held a public hearing. Thomas H. Stahl appeared for the Applicant. Mark W. Stahlhuth appeared for the Department’s Insurance Solvency and Company Regulation Division.
2. The Applicant will acquire control of the Insurers by acquiring substantially all the issued and outstanding shares of Affinity Group Plans, Inc., which owns all the issued and outstanding shares of NAIC. Effective upon the acquisition, Applicant plans to change the name of NAIC to Plaza Insurance Company and to merge Affinity Group Plans, Inc., into NAIC, with the result that Applicant will own all the issued and outstanding shares of NAIC.
3. A preponderance of the evidence on the whole record fails to show that:
  - A. After the acquisition of control of NAIC, by the Applicant, NAIC will not be able to satisfy the requirements for the issuance of licenses to write the lines of insurance for which it is presently licensed.
  - B. The effect of the acquisition of control of NAIC will be to substantially lessen competition in insurance, or tend to create a monopoly in this state.
  - C. The financial condition of the Applicant is such as might jeopardize the financial stability of NAIC or prejudice the interest of the policyholders of NAIC

D. The Applicant's plans or proposals, if any, to liquidate NAIC, to sell its assets, to consolidate or merge it with any person, or to make any other material change in its business or corporate structure or management, are unfair or unreasonable to policyholders of NAIC or contrary to the public interest.

E. The competence, experience and integrity of the Applicant's management are such that it would be contrary to the interests of the policyholders of NAIC and of the public to permit the acquisition of NAIC by the Applicant.

F. The proposed acquisition of NAIC by the Applicant 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 National Alliance Insurance Company by Rockhill Insurance Company, as submitted in the Form A Statement and stated in paragraph 2 above, is hereby APPROVED.

So ordered, signed and official seal affixed this \_\_\_\_\_ day of June, 2007.

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DOUGLAS M. OMMEN, Director