

FORM A
STATEMENT REGARDING THE
ACQUISITION OF CONTROL OF OR MERGER WITH A DOMESTIC INSURER

Michigan Professional Insurance Exchange

By

Curi Holdings, Inc.

Filed with the Michigan Department of Insurance and Financial Services

Dated: March 7, 2023

Name, Title, address and telephone number of Individual to Whom Notices and Correspondence Concerning this Statement Should Be Addressed:

Steven Sawyer
Senior Vice President, Administration
Curi Holdings, Inc.
700 Spring Forest Road, Suite 400
Raleigh, North Carolina 27609
919-878-7502
steven.sawyer@curi.com

Constellation Contact:

David R. Melloh
Partner, Taft
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402-2157
dmelloh@taftlaw.com

ITEM 1. METHOD OF ACQUISITION

The name and address of the domestic insurer to which this application relates and a brief description of how control is to be acquired.

Michigan Professional Insurance Exchange ("MPIE")
221 Michigan Street North East, Suite 403
Grand Rapids, MI 49503

MPIE is a Michigan domiciled reciprocal insurance exchange.

In a transaction that closed on January 1, 2023, Constellation Solutions, Inc. ("Solutions") acquired MPIE's membership interests in PRCD Holdings, LLC ("PRCD"), MPIE's attorney-in-fact, and Solution's affiliate, MMIC Insurance, Inc. ("MMIC Insurance"), acquired certain rights to renew policies issued by MPIE. *See*, the Amended and Restated Asset Purchase Agreement, dated March 25, 2022, entered into between MPIE, PRCD, MMIC Insurance, and Solutions, and filed with and approved by the Michigan Department of Insurance and Financial Services.

Solutions and MMIC Insurance are subsidiaries of Constellation, Inc. ("Constellation"), a Minnesota domiciled mutual insurance holding company. The policyholders of MMIC Insurance, together with the policyholders of its two subsidiary insurers, UMIA Insurance, Inc. ("UMIA"), a Utah domiciled insurer, and Arkansas Mutual Insurance Company ("AMIC"), an Arkansas domiciled insurer, are members of Constellation. An organizational chart for Constellation listing the current members of its holding company system is incorporated by reference to its current Holding Company Registration Statement (Form B).

Constellation intends to merge with and into Curi Holdings, Inc. (the "Applicant"), a North Carolina domiciled mutual insurance holding company, with the Applicant as the surviving corporation (the "Merger"). By merging Constellation into the Applicant, the Merger will thereby effect a change in control of MPIE. This Form A is filed pursuant to Mich. Comp. Laws §500.1311 (2022) to request the Director's approval of the change of control for MPIE as described above.

Key elements of the Merger include (without limitation) the following:

- MPIE's operations will continue as contemplated in the Amended and Restated Asset Purchase Agreement dated March 25, 2022.
- The Merger will not lessen competition in insurance in Michigan.
- The Applicant and its affiliated insurance companies are all financially strong with AM Best ratings of A (Excellent).

- The Board of Directors of the post-Merger Applicant will initially be composed of an equal number of pre-Merger directors of the Applicant and Constellation.
- The CEO of Constellation will become the CEO of the Applicant's insurance operations, with the Applicant's CEO leading the overall operation.
- The increase in surplus resulting from the consolidation will provide stronger capitalization to support the combined organization's current members and facilitate growth.
- The members of Constellation (which will include the policyholders of MPIE that renew their policies with MMIC Insurance) or, in some cases, physicians insured under policies issued to such member, will become members of the Applicant (see Item 8 below).

Constellation's Board of Directors has determined that the Merger is fair to and protects the interests of the policyholders of MPIE and the members of Constellation. In reaching this conclusion, Constellation's Board of Directors relied upon a detailed analysis of the financial fairness of the Merger to Constellation's members that was provided by Janney Montgomery Scott. A copy of their analysis can be provided to the Department upon its request.

ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANT

(a) The name and address of the Applicant.

Curi Holdings, Inc.,
700 Spring Forest Rd, Suite 400
Raleigh, NC 27609

(b) The nature of the Applicant's business operations for the past five (5) years and a description of the business intended to be done by the Applicant and its subsidiaries.

The Applicant is a North Carolina-domiciled mutual insurance holding company formed by the 2014 demutualization and reorganization of Medical Mutual Insurance Company of North Carolina ("MMICNC"). As a result of that reorganization, physicians insured under policies issued by MMICNC are members of the Applicant, with governance and distribution rights. Through MMICNC and Medical Security Insurance Company, an insurance company subsidiary of MMICNC ("MSIC"), the Applicant provides medical professional liability insurance to physicians and healthcare professionals and entities in many states throughout the U.S. MMICNC and MSIC are North Carolina-domiciled corporations and will continue as North Carolina domiciled corporations after the Merger. The Applicant, through additional subsidiaries, also provides practice consulting and financial advisory services.

- (c) **An exhibit presenting the identities of the interrelationships among the Applicant and its affiliates is appended to this Form A as Exhibit 2(c). The exhibit includes all members of the Applicant's holding company system.**

ITEM 3. IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANT

Individuals associated with the Applicant are listed on Exhibit 3. Biographical affidavits for those individuals have been submitted under separate cover and background reports have been ordered.

Biographical affidavits for the directors and officers of Constellation are on file with the Department.

ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION

- (a) **The nature, source and amount of funds or other considerations used or to be used in effecting the merger or other acquisition of control.**

The Merger will be accomplished by a statutory merger under the laws of Minnesota and North Carolina. No consideration will be paid or exchanged in conjunction with this merger, although the parties have incorporated voting and distribution rights provisions in the Applicant's Amended and Restated Articles of Incorporation (the "Restated Articles"), to be effective as of the effective date of the Merger, addressing the respective voting and distribution rights of the members of the Applicant and Constellation from and after the effective date of the Merger. For the period commencing on the effective date of the Merger and generally ending no sooner than the third anniversary of the effective date of the Merger, the Restated Articles include (without limitation) provisions to equalize the aggregate effect of the votes cast by the legacy members of Constellation and the aggregate effect of the votes cast by the legacy members of the Applicant, and to allocate member distributions from a sale, liquidation or sponsored demutualization (to the extent not distributed to new, post-Merger members) between the legacy members of Constellation and the legacy members of the Applicant in proportion to the parties' respective amounts of GAAP equity as of immediately prior to the Merger. This period during which these provisions will apply could be longer in certain circumstances.

- (b) **The criteria used in determining the nature and amount of such consideration.**

Not Applicable, see Item 4(a) above.

- (c) **If the source of the consideration is a loan made in the lender's ordinary course of business.**

Not Applicable.

ITEM 5. FUTURE PLANS OF INSURER

MPIE's operations will continue as contemplated in the Amended and Restated Asset Purchase Agreement dated March 25, 2022. Other than as described in this statement, including (without limitation) as to changes in officers and directors, and as may arise in the ordinary course of business, the Applicant has no current plans to cause MPIE or MMIC Insurance, the insurer offering renewal policies to MPIE's policyholders, to declare an extraordinary dividend, liquidate or sell its assets, merge or consolidate, or otherwise make any material changes to its current business operations or management as a result of the Merger. The Applicant may reorganize the corporate structure of the combined organization and its affiliates to provide flexibility and capital efficiency for the merged organization. Changes in corporate structure subject to Mich. Comp. Laws §500.1355(3) (2022) will be filed accordingly.

ITEM 6. VOTING SECURITIES TO BE ACQUIRED

PRCD's authorized and issued shares of common stock are held by Solutions. As a consequence of the Merger, the holder of PRCD's issued and outstanding shares will remain Solutions, with the Applicant acquiring control of Solutions. The ownership of MPIE will remain unchanged, with the policyholders of MPIE retaining their full rights as a subscriber of a reciprocal insurer so long as such insureds remain policyholders of MPIE. Upon an MPIE policyholder's purchase of an MMIC Insurance insurance policy, the policyholder will become a member of Applicant and its subscriber rights in MPIE will terminate.

The terms for the Merger are set forth in the Agreement and Plan of Merger ("Agreement") appended to this Form A as Exhibit 6.

ITEM 7. OWNERSHIP OF VOTING SECURITIES

See Item 6, above.

ITEM 8. CONTRACTS, ARRANGEMENTS, OR UNDERSTANDINGS WITH RESPECT TO VOTING SECURITIES OF THE INSURER

By operation of the Merger, each member of Constellation or, in some cases, the physicians insured under policies issued to such a member, will become a member of the Applicant with adjusted membership rights, in accordance with the Agreement and the Amended and Restated Articles of Incorporation of the Applicant. See response to Item 4(a), above, for an abbreviated summary of certain of these adjusted membership rights as a result of the Merger.

There are no other contracts, arrangements or understandings with respect to any voting securities of MPIE, its affiliates or any persons listed in Item 3.

ITEM 9. RECENT PURCHASES OF VOTING SECURITIES

MPIE has not issued any voting securities. As a result, there have not been any purchases of any voting securities of MPIE by the Applicant, its affiliates or any person listed in Item 3 during the twelve (12) calendar months preceding the filing of this statement.

ITEM 10. RECENT RECOMMENDATIONS TO PURCHASE

MPIE has not issued any voting securities. As a result, there have not been any recommendations to purchase any voting security of MPIE by the Applicant, its affiliates or any person listed in Item 3, or by anyone based upon interviews or at the suggestion of the Applicant, its affiliates or any person listed in Item 3 during the twelve (12) calendar months preceding the filing of this statement.

ITEM 11. AGREEMENTS WITH BROKER-DEALERS

There has not been any agreement, contract or understanding made with any broker-dealer as to solicitation of voting securities of MPIE.

ITEM 12. FINANCIAL STATEMENTS AND EXHIBITS

(a) The following financial statements and exhibits to the financial statements are appended to this Form A or incorporated by reference to statutory statements:

- Three-year financial projections and a three-year narrative business plan of MPIE will be submitted under separate cover.
- The Combined Annual Statements of MMICNC and MSIC and the audited financial statements for MMICNC and MSIC for each the preceding five years, and unaudited quarterly financial statements for the first, second and third quarters of 2022, have been filed with the National Association of Insurance Commissioners and are incorporated by reference.
- The audited consolidated GAAP financial statements for the Applicant for each of the preceding five years, as Exhibit 12(a)(ii). Included with the statements are certifications of its independent public accountants that the statements present fairly the Applicant's financial position and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

(b) Agreements with respect to voting securities, or consultation, advisory, managing general agent, or controlling producer agreements or annual reports and proxy statements to stockholders.

Other than the Agreement and the information statement and other proxy materials intended to be used in connection with the meeting of Constellation's members for approving the Merger, there have been no tender offers for, requests or invitations for, tenders of, exchange offers for, or agreements to acquire or exchange any voting securities of MPIE or additional soliciting material relating thereto. There are no proposed consultation, advisory, or management contracts concerning MPIE in connection with the Merger, or annual reports to the stockholder of MPIE for the last two fiscal years. The Applicant's annual reports to its members for 2021 and 2020 are appended to this Form A as Exhibit 12(b).

There are no proposed employment contracts between MPIE and any individual in connection with the Merger. Certain individuals, including (without limitation) current employees of Constellation, are expected to enter into new employment contracts with Curi or an affiliate thereof (other than MPIE) in connection with the Merger.

ITEM 13. ENTERPRISE RISK MANAGEMENT AND FORM B

The Applicant will file the annual enterprise risk report for as long as it controls MPIE. The Applicant will provide, and ensure that all subsidiaries within its control in the insurance holding company system will provide, information to the Director upon request as necessary to evaluate enterprise risk to MPIE.

NOTIFICATION UNDER MICHIGAN LAWS §500.405(1)

All affiliates of the Applicant and Constellation that are qualified as a licensed foreign insurer under Michigan law will submit an application under Mich. Comp. Laws Ann. §500.405(1), within ninety (90) days of closing in order to retain its certificate of authority.

(SIGNATURE AND CERTIFICATION PAGE FOLLOWS)

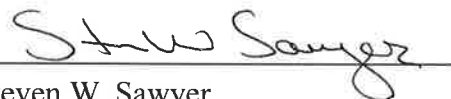
ITEM 14. SIGNATURE AND CERTIFICATION

Pursuant to the requirements of Mich. Comp. Laws. §500.1311 (2022), Curi Holdings, Inc. has caused this application to be duly signed on its behalf in the City of Raleigh and State of North Carolina on the 7th day of March, 2023.

Curi Holdings, Inc.


BY 
Jason T. Sandner, Chief Executive Officer

Attest:


Steven W. Sawyer
Assistant Secretary

CERTIFICATION

The undersigned deposes and says that the undersigned has duly executed the attached application dated March 7, 2023, for and on behalf of Curi Holdings, Inc.; that the undersigned is the Chief Executive Officer of such company, and that he is authorized to execute and file this statement. Deponent further says that the deponent is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of the undersigned's knowledge, information, and belief.

Signature 
Jason T. Sandner
Chief Executive Officer