

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

The Guarantee Company of North America USA
Name of Domestic Insurer

BY

HADRON HOLDCO LLC
a Delaware Limited Liability Company

Filed with the Michigan Department of Insurance and Financial Services

Date: March 25, 2025

Name, Title, Address and Telephone Number of Individual to Whom Notices and Correspondence concerning this Statement Should be Addressed:

To:

<u>For the Applicants:</u>		<u>With copies to:</u>
Charlene C. McHugh, Esq. Norton Rose Fulbright US LLP 1301 Avenue of the Americas New York, NY 10019 212.318.3020 charlene.mchugh@nortonrosefulbright.com		Steve Stephan Hadron Holdco LLC 12600 Deerfield Pkwy, Suite 100 Alpharetta, GA 30004 888.831.4742 Steve.Stephan@hadroninsurance.com
<u>For the Domestic Insurer:</u> Jason D. Kimpel Faegre Drinker Biddle & Reath LLP 300 N. Meridian Street, Suite 2500 Indianapolis, Indiana 46204, USA 317.237.1172 Jason.Kimpel@faegredrinker.com		Atlantic Specialty Insurance Company 605 Highway 169 N., Suite 800 Plymouth, MN 55441 Attn: Sarah Kolar, General Counsel 952.852.0191 SKolar@intactinsurance.com

Introduction and Purpose of Form

This Form A Statement Regarding the Acquisition of Control or Merger with a Domestic Insurer (this “**Form A**”) seeks the approval of the Director of the Michigan Department of Insurance and Financial Services (the “**Department**”) for the acquisition of control of The Guarantee Company of North America USA, a Michigan-domiciled insurance company (the “**Domestic Insurer**” or “**GCNA**”), by Hadron Holdco LLC, a Delaware limited liability company (the “**Applicant**” or “**Hadron Holdco**”) pursuant to a Stock Purchase Agreement (“**Purchase Agreement**”) between Applicant and Domestic Insurer’s direct parent, Atlantic Specialty Insurance Company, a New York domiciled insurance company (“**Seller**” or “**Atlantic Specialty**”) whereby Applicant will acquire all of the issued and outstanding shares of GCNA from Seller (the “**Proposed Transaction**”).

Applicant is the direct owner of Hadron Specialty Insurance Company, an eligible surplus lines insurer domiciled in Arkansas (“**HSIC**”), and the Ultimate Control Person of the Applicant and HSIC is Mr. Keoni Schwartz, a U.S. citizen and resident of California (“**UCP**”).

Further Background Information about the Current Structure of the Domestic Insurer

The current and proposed post-closing ownership structure of the Domestic Insurer is identified in the organizational charts attached as **Exhibit 2** and **Exhibit 3(B)**.

A narrative description of the Domestic Insurer’s current ownership is as follows:

Originally formed in 1989 under the name Mid-State Surety Corporation (“**Mid-State**”) as a Michigan domiciled insurance company, the Domestic Insurer began operations on January 23, 1990, focusing on surety bonds in Michigan. On January 1, 2003, The Guarantee Company of North America, a surety bond writer in Canada (“**GCNA Canada**”), acquired Mid-State through its U.S. subsidiary, The Guarantee Company of North America (U.S.) Holdings Ltd (“**GCNA Holdings**”). Later that year, Mid-State merged with The Guarantee Company of North America USA, a New Jersey domiciled insurance company and wholly owned subsidiary of GCNA Holdings. Mid-State was the surviving entity of the merger, but it assumed the name of The Guarantee Company of North America USA and remained a Michigan-domiciled company.

Effective December 2, 2019, Intact Financial Corporation, a Canadian corporation whose shares are publicly traded on the Toronto Stock Exchange (TSX: IFC) (“**IFC**”), acquired GCNA Canada and, thereby, indirectly acquired control of the Domestic Insurer. The Department approved such acquisition of control of the Domestic Insurer by IFC via order dated October 21, 2019. Following certain internal reorganizations of the Domestic Insurer within IFC’s U.S. subsidiaries, ultimately, on October 30, 2020, the Domestic Insurer was directly acquired by Atlantic Specialty, an indirect wholly owned subsidiary of IFC. The Department approved of a Form A Exemption request regarding Atlantic Specialty’s acquisition of the Domestic Insurer via order dated October 5, 2020. As of the date of this Form A, the Domestic Insurer remains a direct, wholly owned subsidiary of Atlantic Specialty.

The Domestic Insurer currently maintains its home office at One Towne Square, Suite 1470, Southfield, Michigan 48076-3725, and principal executive office at 605 Highway 169 North, Suite 800, Plymouth, MN 55441.

ITEM 1. METHOD OF ACQUISITION

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

Domestic Insurer

The Guarantee Company of North America USA
One Towne Sq Ste 1470
Southfield, MI 48076
Phone Number: (800) 662-0156

Acquisition of Control

Subject to the approval of the Department, control is to be acquired pursuant to and through the Purchase Agreement whereby Applicant will acquire all of the issued and outstanding shares of GCNA from Seller. A copy of the Purchase Agreement is attached hereto as **Exhibit 1**. All summaries and descriptions of, and references to, the Purchase Agreement made herein are qualified in their entirety by the terms and conditions of the Purchase Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Purchase Agreement.

Prior to Closing and in accordance with the Purchase Agreement, it is anticipated that the Domestic Insurer will issue a Pre-Closing Dividend to Domestic Insurer's direct parent company, Atlantic Specialty. In accordance with the Purchase Agreement, Seller will cause the Company to file a notice or request for approval of the Pre-Closing Dividend with the Department. The Pre-Closing Dividend will include all distributions paid to the Seller by the Domestic Insurer after the date of the Purchase Agreement through the date of, or prior to, the Closing. The amount of the Pre-Closing Dividend is expected to be a total amount that results in the Domestic Insurer's Surplus as Regards Policyholders (after giving effect to such Pre-Closing Dividend) being approximately \$8.4 million,

As indicated in the organizational chart attached as Exhibit 3(B), following the Closing of the Proposed Transaction, the Domestic Insurer will become a direct, wholly-owned subsidiary of Hadron Holdco.

ITEM 2. IDENTITY AND BACKGROUND OF THE APPLICANT

(a) State the name and address of the applicant seeking to acquire control over the insurer.

Hadron Holdco LLC
12600 Deerfield Pkwy
Suite 100
Alpharetta, GA 30004
Phone Number: (888) 831-4742

(b) If the applicant is not an individual, state the nature of its business operations for the past 5 years or for such lesser period as such person and any predecessors thereof shall have

been in existence. Describe the business intended to be done by the applicant and the applicant's subsidiaries.

Hadron Holdco is comprised of a group of companies, including HSIC, rated A- (Excellent) by AM Best. Hadron Holdco's mission is to enhance the access, growth and affordability of specialty insurance solutions by efficiently connecting distribution to risk capital, leveraging modern technology and data to build greater insight and transparency across the insurance value chain. Hadron Holdco was formed in the state of Delaware on April 14, 2023 for the purpose of acting as the holding company of HSIC.

HSIC was organized as a domestic surplus lines insurer in Arkansas and is eligible to transact business under the Nonadmitted and Reinsurance Reform Act, 15 U.S.C. § 8202 ("**NRRA**"). HSIC underwrites insurance through excess and surplus lines brokers who are permitted to place insurance with HSIC based on HSIC's eligibility under the NRRA or, in some states, inclusion on the state's list of approved and eligible insurer. Currently, HSIC is operating as a surplus lines carrier in forty-eight (48) states and the District of Columbia.

Currently, insurance written by HSIC provides capacity to small and medium sized businesses and lower middle-market insureds. HSIC provides best-in-class support to utilizes a diverse and uniquely selected set of sophisticated specialty underwriting, MGU, and Program Administration partners, backed by highly-rated reinsurance counterparties and high-quality capital partners.

Additional information on the Applicant is provided in Section 1 of the Business Plan, which is attached hereto as **Exhibit 6**.

- (c) *Furnish a chart or listing clearly presenting the identities of the interrelationships among the applicant and all affiliates of the applicant, including the ultimate controlling person(s). Indicate in such chart or listing the percentage of voting securities of each such person which is owned or controlled by the applicant or by any other such person. If control of any person is maintained other than by the ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing indicate the type of organization (e.g. corporation, trust, partnership), primary business (e.g. holding company, insurance agency, manufacturer) and the state or other jurisdiction of domicile. If court proceedings involving a reorganization or liquidation are pending with respect to any such person, indicate which person, and set forth the title of the court, nature of proceedings and the date when commenced.*

Please see Current and Proposed Post-Closing Organizational Charts, attached as **Exhibit 2**, **Exhibit 3(A)** and **Exhibit 3(B)**. Unless otherwise indicated in such charts, ownership of voting securities is maintained at 100% for each entity. No court proceedings involving a reorganization or liquidation are pending with respect to any entity listed on such charts.

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

The names and titles of all persons who are directors, officers and owners of 10% or more of the voting interests of the Applicant are as follows:

- Mr. Samuel Gaynor, Director of Hadron Holdco.
- Mr. Samuel Reeder, Chief Executive Officer of Hadron Holdco.
- Mr. Robert Passaro, Chief Financial Officer of Hadron Holdco.
- Mr. Nicholas Mehelic, Chief Operating Officer of Hadron Holdco.
- Mr. Steven Stephan, General Counsel and Secretary of Hadron Holdco.
- Mr. Keoni Schwartz, Ultimate Controlling Person of Hadron Holdco.
 - Keoni Schwartz, a U.S. citizen and resident of California, indirectly holds 100% of the voting interests of Hadron Holdco, making Mr. Schwartz the UCP of Hadron Holdco and HSIC. Mr. Schwartz is a Co-Founder and Managing Director of Altamont Capital Partners (“*Altamont*”), a Palo Alto-based private equity investment firm with more than four (4) billion \$USD of capital under management focused primarily on making long term, control investments in middle market businesses. Altamont has developed extensive insurance investment expertise, with principals having completed ten platform investments in insurance businesses, including seven carriers.
 - Before joining Altamont, Mr. Schwartz was a Principal at Golden Gate Capital, where he served as Domain Lead for the firm’s investments in the financial services vertical and also completed transactions in the consumer products and technology sectors. In addition, Mr. Schwartz helped to build and manage the firm’s public equities investing activities, working extensively on the firm’s public equity investing vehicle, GGC Public Opportunities. Prior to joining Golden Gate Capital, Mr. Schwartz worked as a consultant in both the Boston and San Francisco offices of Bain & Company. Previously, he also worked as a consultant for The Bridgespan Group, a 501(c)(3) consulting firm. Mr. Schwartz received a B.A. in History with honors from Princeton University.

Post-closing, the names and titles of all individuals who will be directors, officers and owners of 10% or more of the voting interests of the Domestic Insurer will be:

- Mr. Samuel Reeder, Chief Executive Officer of the Domestic Insurer.
- Mr. Robert Passaro, Treasurer and Chief Financial Officer of the Domestic Insurer.
- Mr. Nicholas Mehelic, Chief Operating Officer of the Domestic Insurer.
- Mr. Steven Stephan, General Counsel and Secretary of the Domestic Insurer.
- Mr. Peter Buccola, Chief Underwriting Officer of the Domestic Insurer.
- Ms. Susan Richardson, Director of the Domestic Insurer.
- Mr. James Gerber, Director of the Domestic Insurer (a Michigan resident).
- Mr. William Woolverton, Director of the Domestic Insurer.

- Mr. Paul Springman, Director of the Domestic Insurer.
- Keoni Schwartz, the UCP of the Domestic Insurer.

Biographical Affidavits on the National Association of Insurance Commissioners Form for the above-named persons are attached as **Exhibit 4(A) through Exhibit 4(K)** to this Form A. Additionally, third party background checks will be provided to the Department by AbilityScreening.com (a Michigan-approved vendor) for all individuals noted under this Item 3.

ITEM 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION

- (a) *Describe the nature, source and amount of funds or other considerations used or to be used in effecting the merger or other acquisition of control. Describe any transaction where funds were or are to be obtained for such purpose, including any pledge of the insurer's stock or pledge of the stock of any of its subsidiaries or controlling affiliates.*

If any part of the same is represented or is to be represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding or trading securities, furnish a description of the transaction, the names of the parties thereto, the relationship, if any, between the borrower and the lender, the amounts borrowed or to be borrowed, and copies of all agreements, promissory notes and security arrangements relating thereto.

Further to the Purchase Agreement, the aggregate consideration to be payable in cash by Applicant to the Seller (the "**Purchase Price**"), shall be, subject to various purchase price adjustments as described in the Purchase Agreement, equal to:

- (a) Eleven Million Nine Hundred Thousand Dollars (\$11,900,000.00) plus:
- (b) an amount equal to the Surplus as Regards Policyholders of the Domestic Insurer calculated as of the Closing Date of the Proposed Transaction and determined in accordance with Statutory Accounting Practices and certain other agreed accounting principles, and, for the avoidance of doubt, after giving effect to the payment of a Pre-Closing Dividend; plus
- (c) \$500,000.

In June 2024, in anticipation of the Proposed Transaction, Applicant's indirect parent company, Hadron Holdings LP, paid One Hundred Thousand Dollars (\$100,000.00) to Intact Insurance Group USA LLC, the direct parent company of Seller, pursuant to a certain Deposit Agreement, dated as of June 24, 2024. Such amount will be deducted from the portion of the Purchase Price payable by Applicant to Seller upon the Closing Date.

The Purchase Price noted above will be paid in cash on-hand and is not contingent on any borrowing or lending agreements. Hadron Holdco will at all times be adequately capitalized, as supported by the financial statements and annual reports for Hadron Holdco and HSIC (see **Exhibit 5(A)** and **Exhibit 5(B)**), and the Domestic Insurer (**Exhibit 5(C)**). The personal financial information of the UCP is included within **Exhibit 5(D)**.

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

The nature and amount of consideration to be paid in connection with the acquisition of the Domestic Insurer was determined by arm's length negotiations as set forth in the Purchase Agreement. Applicant performed due diligence and reviewed, among other things, the financial statements, operations and material legal documents of the Domestic Insurer. Applicant utilized widely accepted valuation techniques to obtain an indication of value for determining the amount of consideration and also considered such additional factors and information as Applicant deemed relevant under the circumstances including, but not limited to, the financial position of the Domestic Insurer, its past and current business operations, historical and potential earnings, financial prospects, continued assumption of reinsurance and other liabilities of the Domestic Insurer by Seller or its affiliates, and the Domestic Insurer's assets and liabilities. Applicant utilized financial advisors, consultants and legal counsel to assist it in its due diligence.

(c) *If the source of the consideration is a loan made in the lender's ordinary course of business and if the applicant wishes the identity of the lender to remain confidential, the applicant must specifically request that the identity be kept confidential.*

Not applicable.

ITEM 5. FUTURE PLANS FOR INSURER

Describe any plans or proposals which the applicant may have for the insurer to declare a dividend, (whether or not extraordinary), to liquidate the insurer, to sell its assets, to merge it with any person or persons, or to make any other material change in its business operations or corporate structure or management.

Hadron Holdco has no plans to cause the Domestic Insurer to declare any extraordinary dividend, to liquidate or sell the assets of the Domestic Insurer, or to merge the Domestic Insurer with any person following the Closing of the Proposed Transaction. In the event Hadron Holdco were to enter into any such agreements in the future that require review by, or approval of, the Department, such review or approval would be sought at such time. Hadron Holdco intends to continue to follow the requirements applicable to Domestic Insurer by law, including, but not limited to, the financial and capital requirements.

Effective January 1, 2020, pursuant to a 100% quota share reinsurance agreement, the Domestic Insurer has ceded 100% of the risk from all policies it has issued to Atlantic Specialty, an A+ rated (A.M. Best) insurance company with more than \$1 billion of surplus. Pursuant to the terms of the Purchase Agreement, the reinsurance relationship between Domestic Insurer and Atlantic Specialty will continue post the Closing pursuant to the Reinsurance Agreement (as defined below).

On or prior to the Closing Date, the Domestic Insurer will enter into the Amended and Restated 100% Quota Share Reinsurance Agreement, the form of which is attached to the Purchase Agreement and attached hereto as **Exhibit 8** (the "**Reinsurance Agreement**") with Atlantic Specialty. Under the Reinsurance Agreement, Atlantic Specialty will reinsure, on a 100% quota share basis, all of the Domestic Insurer's "**In-Force Policies**" (as that term is defined in the Reinsurance Agreement) and any renewals of the In-Force Policies effected on or after the

Closing Date (collectively, the “*Insurance Policies*” as further defined in the Reinsurance Agreement). The scope of such reinsurance includes all “*Contractual Liabilities*” and “*Extra-Contractual Liabilities*” (each, as defined in the Reinsurance Agreement). As required by the Reinsurance Agreement, Atlantic Specialty will administer the Insurance Policies in accordance with the terms of the Administrative Services Agreement (as defined below).

On or prior to the Closing Date, the Domestic Insurer will enter into the Amended and Restated Services Agreement, the form of which is attached to the Purchase Agreement and attached hereto as **Exhibit 7** (the “*Administrative Services Agreement*”) with Atlantic Specialty (as Administrator). Under the Administrative Services Agreement, Atlantic Specialty will provide all administrative, communication, financial and related services that are required, necessary or appropriate for, or otherwise incidental to, the administration of the Insurance Policies pertaining to the Reinsurance Agreement.

As the Department is aware, since 2020, the Domestic Insurer has been transitioning its existing book of direct business to Atlantic Specialty. The impact of that deliberate action has been a decline in gross premium from \$90.8 million to \$8.9 million in 2024 and a decline in gross loss and loss adjustment expense reserves from \$26.5 million as of December 31, 2019 to \$6.1 million as of December 31, 2024. That transition is expected to continue following the Closing.

As set forth in the Business Plan attached hereto as **Exhibit 6**, following the Closing, Hadron Holdco intends to cause the Domestic Insurer to offer and underwrite small and medium enterprise commercial insurance in those jurisdictions in which the Domestic Insurer has a certificate of authority to transact insurance. The Business Plan also includes pro forma financial projections of the Domestic Insurer for the three-year period following the Closing Date, included separately as **Exhibit 9**.

Applicant also plans to replace the current officers and directors of the Domestic Insurer at the time of the Closing. The following individuals will serve as the directors and officers of the Domestic Insurer:

Directors

- Ms. Susan Richardson, Director of the Domestic Insurer.
- Mr. James Gerber, Director of the Domestic Insurer (a Michigan resident).
- Mr. William Woolverton, Director of the Domestic Insurer.
- Mr. Paul Springman, Director of the Domestic Insurer.

Officers

- Mr. Samuel Reeder, Chief Executive Officer of the Domestic Insurer.
- Mr. Robert Passaro, Treasurer and Chief Financial Officer of the Domestic Insurer.
- Mr. Nicholas Mehelic, Chief Operating Officer of the Domestic Insurer.
- Mr. Steven Stephan, General Counsel and Secretary of the Domestic Insurer.
- Mr. Peter Buccola, Chief Underwriting Officer of the Domestic Insurer.

During the pendency of this Form A, Applicant will keep the Department apprised of any changes to Applicant’s present plans or proposals with respect to the Domestic Insurer, as described herein. From time to time following the Closing of the Proposed Transaction, in the

ordinary course of business, Applicant and the management of the Domestic Insurer may evaluate the business and operations of the Domestic Insurer and make any necessary or desirable changes to such business and operations, subject in each case to obtaining any required regulatory approvals.

ITEM 6. VOTING SECURITIES TO BE ACQUIRED

State the number of shares of the insurer's voting securities which the applicant, its affiliates and any person listed in Item 3 plan to acquire, and the terms of the offer, request, invitation, agreement or acquisition, and a statement as to the method by which the fairness of the proposal was arrived at.

Pursuant to the Purchase Agreement, the Applicant will acquire 500,001 shares of common stock of the Domestic Insurer, which shares represent all of the issued and outstanding shares of the Domestic Insurer. Please refer to Item 4(b) above for a description of the method by which the terms of the Purchase Agreement were determined.

ITEM 7. OWNERSHIP OF VOTING SECURITIES

State the amount of each class or any voting security of the insurer which is beneficially owned or concerning which there is a right to acquire beneficial ownership by the applicant, its affiliates or any person listed in Item 3.

Except as otherwise set forth herein and pursuant to the terms of the Purchase Agreement, none of the Applicant, nor any person controlling, controlled by or under common control with the Applicant, or any person listed in Item 3 to this Form A beneficially owns or has a right to acquire beneficially any voting securities of the Domestic Insurer or any securities convertible into or evidencing a right to acquire any such voting securities whether or not such right of conversion or acquisition is exercisable immediately or at some future time.

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

Give a full description of any contracts, arrangements or understandings with respect to any voting security of the insurer in which the applicant, its affiliates or any person listed in Item 3 is involved, including but not limited to transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or withholding of proxies. Such description shall identify the persons with whom the contracts, arrangements or understandings have been entered into.

The Proposed Transaction will be effected pursuant to the terms of the Purchase Agreement. Except as otherwise set forth herein or pursuant to the terms of the Purchase Agreement, there are no contracts, arrangements or understandings directly or indirectly relating to any voting securities of the Domestic Insurer involving the Applicants or any of their affiliates or any person listed in Item 3 of this Form A, including but not limited to the transfer of any of the Domestic Insurer's voting securities, joint ventures, loan or option arrangements, puts or calls, guarantees

of loans, guarantees against losses or guarantees of profits, division of losses or profits, or the giving or withholding of proxies.

ITEM 9. RECENT PURCHASES OF VOTING SECURITIES

Describe any purchases of any voting securities of the insurer by the applicant, its affiliates or any person listed in Item 3 during the 12 calendar months preceding the filing of this statement. Include in the description the dates of purchase, the names of the purchasers, and the consideration paid or agreed to be paid therefore. State whether any shares so purchased are hypothecated.

None.

ITEM 10. RECENT RECOMMENDATIONS TO PURCHASE

Describe any recommendations to purchase any voting security of the insurer made 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 12 calendar months preceding the filing of this statement.

None.

ITEM 11. AGREEMENTS WITH BROKER-DEALERS

Describe the terms of any agreement, contract or understanding made with any broker-dealer as to solicitation of voting securities of the insurer for tender and the amount of any fees, commissions or other compensation to be paid to broker-dealers with regard thereto.

None.

ITEM 12. FINANCIAL STATEMENTS AND EXHIBITS

- (a) *Financial statements, exhibits, and three-year financial projections of the insurer(s) shall be attached to this statement as an appendix, but list under this item the financial statements and exhibits so attached. Also provide a three-year narrative business plan which describes the types of business to be written by the insurer, and marketing plan. The financial projections shall include projected direct, assumed, ceded, and net written premiums by line, pro-forma statutory balance sheets and income statements. Also, describe proposed changes to the insurer's reinsurance program (if any), amount, timing, and type of capital contributions (if any), proposed changes to the insurer's executive officers and directors, and compliance plan with the "books and records in Michigan" requirement of Section 5256.*

Please see the following Attachments:

- Exhibit 1: Purchase Agreement
- Exhibit 2: Current Organizational Chart of the Domestic Insurer
- Exhibit 3(A): Current Organizational Chart of Applicant

- Exhibit 3(B): Proposed Organizational Chart of Applicant
- Exhibit 4(A): Biographical Affidavit for Keoni Schwartz
- Exhibit 4(B): Biographical Affidavit for Samuel Gaynor
- Exhibit 4(C): Biographical Affidavit for Samuel Reeder
- Exhibit 4(D): Biographical Affidavit for Robert Passaro
- Exhibit 4(E): Biographical Affidavit for Nicholas Mehelic
- Exhibit 4(F): Biographical Affidavit for Steven Stephan
- Exhibit 4(G): Biographical Affidavit for Peter Buccola
- Exhibit 4(H): Biographical Affidavit for Susan Richardson
- Exhibit 4(I): Biographical Affidavit for James Gerber
- Exhibit 4(J): Biographical Affidavit for William Woolverton
- Exhibit 4(K): Biographical Affidavit for Paul Springman
- Exhibit 5(A): Financial Statements for Hadron Holdco
- Exhibit 5(B): Financial Statements and Annual Reports for HSIC
- Exhibit 5(C): Annual Statement of the Domestic Insurer
- Exhibit 5(D): Personal Financial Information for the UCP, Keoni Schwartz
- Exhibit 6: Business Plan of the Domestic Insurer
- Exhibit 7: Administrative Services Agreement between the Domestic Insurer and Atlantic Specialty
- Exhibit 8: Reinsurance Agreement between the Domestic Insurer and Atlantic Specialty
- Exhibit 9: Three Year Financial Projections of the Domestic Insurer (UCAA Proforma Financial Statements on UCAA Form 13).

(b) *The financial statements shall include the audited annual financial statements of the persons (both corporate and individual) identified in Item 2(c), including individuals who are applying to be the ultimate controlling persons, for the preceding 5 fiscal years (or for such lesser period as such applicant and its affiliates and any predecessors thereof shall have been in existence), and similar information covering the period from the end of such person's last fiscal year as of a date not earlier than 90 days prior to the filing of the statement if the information is available. The statements may be prepared on either an individual basis, or, unless the Director otherwise requires, on a consolidated basis if consolidated statements are prepared in the usual course of business. The consolidated financial statements shall include the consolidating work sheets.*

Any ultimate controlling person who is an individual may file personal financial statements that are reviewed rather than audited by an independent public accountant. The review shall be conducted in accordance with standards for review of personal financial statements published in the Personal Financial Statements Guide by the American Institute of Certified Public accountants. Personal financial statements shall be accompanied by the independent public accountant's Standard Review Report stating that the accountant is not aware of any material modifications that should be made to the financial statements in order for the statements to be in conformity with generally accepted accounting principles.

The annual financial statements of the applicant shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the

financial position of the applicant and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the applicant is an insurer which is actively engaged in the business of insurance, the financial statements need not be certified, provided they are based on the Annual Statement of the person filed with the insurance department of the person's domiciliary state and are in accordance with the requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of the state.

Hadron Holdco, having recently been formed, is able to produce a financial statement but not audited financial statements. Instead, we have provided the 2024 Annual Statement of HSIC (**Exhibit 5(B)**), as well as the personal financial information of the UCP (**Exhibit 5(D)**).

- (c) *File as exhibits copies of all tender offers for, requests or invitations for tenders of, exchange offers for, and agreements to acquire or exchange any voting securities of the insurer and (if distributed) of additional soliciting material relating thereto, any proposed employment, consultation, advisory, managing general agent, controlling producer, or management contracts concerning the insurer, annual reports and proxy statements to the stockholders or the insurer and the applicant for the best two fiscal years, and any additional documents or papers required by Form A forms and instructions for Sections 4 and 6.*

Neither Hadron Holdco, HSIC nor the Domestic Insurer provide annual reports to their respective shareholders.

ITEM 13. AGREEMENT REQUIREMENT FOR ENTERPRISE RISK MANAGEMENT

Applicant agrees to provide, to the best of its knowledge and belief, the information required by Form F within fifteen (15) days after the end of the month in which the Closing of the Proposed Transaction occurs.

ITEM 14. SIGNATURE AND CERTIFICATION

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of Section 1311 of the Ins. Code of 1956, as amended, Hadron Holdco LLC has caused this application to be duly signed on its behalf in the City of New York and the State of New York, on the 25th day of March, 2025.


Hadron Holdco LLC

By: 
Sam Reeder (Mar 25, 2025 14:44 GMT)

Samuel Reeder

Its: President

Attest:

By: 
Steve Stephan (Mar 25, 2025 09:58 CDT)

Steven Stephan
Its: Secretary and General Counsel

CERTIFICATION

The undersigned deposes and says that he has duly executed the attached application dated March 25th, 2025, for and on behalf of Hadron Holdco LLC; that he is the President of such company and that he is authorized to execute and file such instrument. Deponent further says that he is familiar with the instrument and the contents thereof, and that the facts therein set forth are true to the best of his knowledge, information and belief.

Hadron Holdco LLC

By: 
Sam Reeder (Mar 25, 2025 14:44 GMT)

Samuel Reeder

Its: President _____