

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF THE ACQUISITION)	
OF CONTROL OF CITIZENS UNITED)	
RECIPROCAL EXCHANGE BY CONNING)	ORDER APPROVING
HOLDINGS LIMITED, CONNING U.S.)	ACQUISITION
HOLDINGS, INC., CONNING HOLDINGS)	
CORP. AND CONNING & COMPANY)	

I have read the Hearing Officer's report, dated September 24, 2025, regarding the above-captioned matter, and I concur with the recommendation contained therein. Accordingly, pursuant to N.J.S.A. 17:27A-2, I hereby approve the proposal of Conning Holdings Limited (“CHL”), Conning US Holdings, Inc. (“Conning US”), Conning Holdings Corp. (“Conning Holdings”), and Conning & Company (“Conning”) (collectively, the “Applicants”) to acquire and change control (“Form A Filing” or “Proposed Acquisition of Control”) of Citizens United Reciprocal Exchange (“CURE” or the “Domestic Insurer,”) subject to the following conditions:

1. COMPLIANCE WITH DEPARTMENT ORDER NO. A22-13 (“Order A22-13” – Attachment 1). The Applicants shall use their efforts to ensure MGG Structured Solutions Fund LP (the “MGG SS Fund”), MGG Structured Solutions Master Fund LP (“MGG SS Master Fund” and together with the MGG SS Fund, the “MGG Funds”), MGG Investment Group GP LLC (“MGG GP”), MGG Investment Group GP III LLC (“MGG GP III” and together with MGG GP, the “MGG GPs”), MGG Investment Group LP (the “MGG Investment Manager”), and Kevin F. Griffin (“Kevin Griffin” and together with the MGG Funds, the MGG GPs and the MGG Investment Manager, the “MGG Parties”) will exercise all efforts, including the MGG Parties’

voting and contractual rights of CURE, Reciprocal Management Corporation, Inc. (“RMC”), and RMC SPV LLC (“RMC SPV”) to comply with Order A22-13.

2. COMPLIANCE WITH RELEVANT LAWS AND REQUIREMENTS. The Applicants shall exercise their efforts, to ensure the MGG Parties exercise their voting and contractual rights of CURE, RMC and RMC SPV to comply with all relevant laws and requirements, including, but not limited to, N.J.S.A. 17:50-1 to -19; N.J.S.A. 17:27A-1 to -14; N.J.A.C. 11:1-35.1 to -35.14; N.J.A.C. 11:1-28.1 to 11.1-28.12, and N.J.A.C. 11:2-39.1 to -39.14 each as may be amended; all relevant Statements of Statutory Accounting Principles (“SSAP”), including but not limited to SSAP No. 25, as may be amended; submission of all required filings, including but not limited to, financial statements and Risk-Based Capital Reporting requirements; and, consents to the application of proceedings pursuant to N.J.S.A. 17:30C-1 to -31 if the financial condition warrants institution of delinquency proceedings in this State.

3. NO USE OF NEW JERSEY FUNDS FOR ACQUISITION. Upon consummation of the Proposed Acquisition of Control, the Applicants shall exercise their efforts to ensure the MGG Parties exercise their voting and contractual rights of CURE, RMC and RMC SPV to not:

(a) Assets: dispose of or otherwise use assets of the Domestic Insurer and/or any related parties, if any, that are licensed, authorized, certified or approved by the New Jersey Department of Banking and Insurance ("Department"), for the purpose of repaying any debt incurred to finance the transaction, use no part of the assets of the Domestic Insurer to pay, reimburse, or otherwise fund both the cash financing portion of the transaction and the debt related to the financing of the transaction except as approved or otherwise permitted by the relevant agency with regulatory authority; (b) Costs: pass onto the Domestic Insurer any acquisition costs or other consideration, including without limitation executive compensation paid to or accrued for the benefit of any

executive officers of the parties in connection with, or triggered by, the transaction; (c) Rates: seek premium rate increases applicable to New Jersey insureds that are intended to be used, or are used, to pay for the cost of the transaction; and, (d) Dividends: cause the Domestic Insurer to declare and/or pay any dividends (ordinary or extraordinary), make other distributions of cash or property or in any other way upstream any funds or property to their shareholders or any shareholders of the parties in NJ, if any, without the express prior approval of the Commissioner of the New Jersey Department of Banking and Insurance ("Commissioner") for a period of three (3) years from the consummation of the transaction.

4. MAINTAIN RBC AND LIQUIDITY RATIO. For a period of five (5) years from the consummation of the Proposed Acquisition of Control, Applicants shall exercise their efforts to ensure the MGG Parties exercise their voting and contractual rights of CURE, RMC and RMC SPV to cause Domestic Insurer to maintain a minimum Authorized Control Level, Risk Based Capital (RBC) level of 300% or higher at all times.

5. NEW JERSEY BUSINESS. The Applicants shall exercise their efforts to ensure the MGG Parties exercise their voting and contractual rights of CURE, RMC and RMC SPV in being committed to having the Domestic Insurer seek opportunities to write new business in New Jersey and support Domestic Insurer to maintain their existing service levels and not reduce current staffing levels within this State, if any, for a minimum of three (3) years from the consummation of the Proposed Acquisition of Control.

6. NO MATERIAL CHANGE TO BUSINESS. For a minimum of three (3) years from the consummation of the transaction, or as otherwise required by law, the Applicants shall exercise their efforts to ensure the MGG Parties exercise their voting and contractual rights of CURE, RMC and RMC SPV to refrain from the following: (i) liquidating Domestic Insurer; (ii)

selling any material portion of the assets of the Domestic Insurer; (iii) merging Domestic Insurer with any other person or persons; or (iv) making any other material change (not disclosed in the Form A Filing or those effected in the ordinary course of business) with regard to business, corporate structure, management or general plan of operations of Domestic Insurer, all without the express prior approval of the Commissioner. Any such material change, including those contemplated in the Form A Filing that require approval and/or notice under New Jersey law will continue to require such approval and/or notice and may affect the conditions set forth in this Order.

7. CYBERSECURITY. The Applicants shall exercise their efforts to ensure the MGG Parties exercise their voting and contractual rights of CURE, RMC, and RMC SPV in being committed to having the Domestic Insurer provide the Department with confidential access to its cybersecurity plan for review as a part of state examination pursuant to N.J.S.A. 17:27A-5, N.J.S.A. 17:27A-6, and N.J.S.A. 17:50-8. They shall provide notice to the Department when and if a cybersecurity breach takes place and shall work with the Department to protect New Jersey policyholders if they are affected. They shall take no action to oppose regulation and/or legislation regarding cybersecurity, the same as or substantially similar to, the Insurance Data Security Model Law adopted by the National Association of Insurance Commissioners (“NAIC”). They shall commit to serving as a resource to the Department and providing constructive input and expertise to the Department with respect thereto.

8. TAX ALLOCATION AGREEMENTS TO BE FILED. Any Tax Allocation Agreements to which the Domestic Insurer is a party with the Applicants, or their affiliates, shall be filed as agreements between or among affiliates requiring regulatory approval prior to

implementation pursuant to N.J.S.A. 17:27A-4 and shall comply with N.J.S.A. 17:27A-1 to -14, and implementing regulations set forth at N.J.A.C. 11:1-35.7, N.J.A.C. 11:1-35.10.

9. NO PUSH-DOWN OF GOODWILL FROM THE APPLICANTS. The Applicants shall not use any form of push-down accounting methods that result in the transfer or allocation of any of parties' goodwill, including goodwill related to this Proposed Acquisition of Control.

10. BACKGROUND OF APPLICANTS. Applicants represent that none of the individuals who will exercise control subsequent to this Proposed Acquisition of Control, directly or indirectly, over the Domestic Insurer or their affiliates have been found guilty of, or have pleaded guilty or nolo contendere to, a felony or a misdemeanor, other than a civil traffic offense. If the Department determines that any individual for whom the Applicants are required to submit background information as part of this Application is unacceptable under New Jersey Law, the Applicants or their representatives, and the Domestic Insurer shall remove the individuals in question within thirty (30) days of notice and replace them with a person or persons acceptable to the Department or shall undertake such other corrective action as directed by the Department. Failure to act will render the Proposed Acquisition of Control hazardous or prejudicial to the insurance buying public, pursuant to N.J.S.A. 17:27A-2(d)(1)(vii). Accordingly, the Department may take such administrative action as it deems appropriate upon the Certificates of Authority of the Domestic Insurer pursuant to applicable law.

11. NEW JERSEY INSURANCE HOLDING COMPANY SYSTEMS ACT. Applicants shall exercise their efforts to ensure the MGG Parties exercise their voting and contractual rights of CURE, RMC and RMC SPV to provide regulatory information to the Department in accordance with New Jersey Insurance Holding Company Systems Act, N.J.S.A. 17:27A-1 to -14, annually and upon occurrence, including but not limited to, any development in

ownership interests such that any person or entity possesses via in singular or aggregation of interests control as defined in N.J.S.A. 17:27A-1.

12. CORPORATE RECORDS. Applicants shall exercise their efforts to ensure the MGG Parties exercise their voting and contractual rights of CURE, RMC and RMC SPV to ensure the Domestic Insurer continues to maintain its books and records in a manner consistent with pre-acquisition practices and shall make all such items available for inspection by the Commissioner at any time.

13. ANNUAL AUDITED FINANCIAL STATEMENTS. Beginning with the year in which the Proposed Acquisition of Control takes place, the Applicants shall exercise their efforts to ensure the MGG Parties exercise their voting and contractual rights of CURE, RMC and RMC SPV to agree to file the annual audited financial statements for the Domestic Insurer, RMC, and RMC SPV on a confidential basis with the Department that will satisfy the requirements pursuant to N.J.S.A. 17:27A-3.


14. CONSUMMATION OF ACQUISITION OF CONTROL. Applicants shall provide the Department with written confirmation of the consummation of the Proposed Acquisition of Control by the end of the calendar month in which the acquisition takes place and no later than ninety (90) days after approval of this Form A Filing. The Applicants shall provide the Department with written details of the final purchase price after all adjustments used to complete the acquisition.

If the Proposed Acquisition of Control is not consummated within ninety (90) days of the date of this Order and the Applicants intend to consummate the proposed acquisition, the Applicants shall submit to the Commissioner a statement requesting an extension that shall include (i) the reason for the Applicants' inability to consummate the Proposed Acquisition of Control; (ii)

any material changes in the information contained in the Form A Filing; and (iii) the current financial statements of the Applicants and Domestic Entities. Any and all extensions shall be with the written approval of the Commissioner.

14. REGULATORY APPROVALS. Applicants represent they have or will have obtained all the required regulatory approvals in connection with the Form A Filing prior to consummation of the Proposed Acquisition of Control. Approval of the Form A Filing relates to the change of control of the Domestic Insurer by the Applicants and does not constitute approval or acceptance of any transactions or agreements which are either implicitly or explicitly disclosed in the Form A Filing.

September 24, 2025
Date



Justin Zimmerman
Commissioner

Attachment (Order A22-13)

Jd Order-CURE by Conning/Orders

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF THE ACQUISITION)	
OF CONTROL OF CITIZENS UNITED)	
RECIPROCAL EXCHANGE AND)	
RECIPROCAL MANAGEMENT)	
CORPORATION, INC., BY MGG RMC SPV)	
LLC, MGG STRUCTURED SOLUTIONS)	ORDER APPROVING
FUND LP, MGG STRUCTURED SOLUTIONS)	ACQUISITION
MASTER FUND (CAYMAN) LP, MGG)	
INVESTMENT GROUP GP LLC, MGG)	
INVESTMENT GROUP GP III LLC, MGG)	
INVESTMENT GROUP LP, KEVIN F.)	
GRIFFIN AND ERIC POE)	

I have read the Hearing Officer's report, dated December 22, 2022, regarding the above-captioned matter, and I concur with the recommendation contained therein. Accordingly, pursuant to N.J.S.A. 17:27A-2, I hereby approve the proposal of MGG RMC SPV LLC (the "Buyer"), MGG Structured Solutions Fund LP (the "MGG SS Fund"), MGG Structured Solutions Master Fund (Cayman) LP ("MGG SS Master Fund" and together with the MGG SS Fund, the "MGG Funds"), MGG Investment Group GP LLC ("MGG GP"), MGG Investment Group GP III LLC ("MGG GP III" and together with MGG GP, the "MGG GPs"), MGG Investment Group LP (the "MGG Investment Manager"), Kevin F. Griffin ("Kevin Griffin" and together with the Buyer, the MGG Funds, the MGG GPs and the MGG Investment Manager, the "MGG Applicants") and Eric S. Poe ("Eric Poe" and together with the MGG Applicants, the "Applicants") to acquire and change control ("Form A Filing" or "Proposed Acquisition of Control") of Citizens United Reciprocal Exchange ("CURE" or the "Domestic Insurer," NAIC Company Code: 37028) and Reciprocal Management Corporation, Inc., a New Jersey corporation ("RMC" or the "Attorney-in-Fact" and along with CURE, the "Domestic Entities") subject to the following conditions:

1. COMPLIANCE WITH RELEVANT LAWS AND REQUIREMENTS. The Applicants shall ensure compliance with all relevant laws and requirements, including, but not limited to, N.J.S.A. 17:50-1 to -19; N.J.S.A. 17:27A-1 to -14; N.J.A.C. 11:1-35.1 to -35.14; and

N.J.A.C. 11:2-39.1 to -39.14; all relevant Statements of Statutory Accounting Principles (“SSAP”), including but not limited to, SSAP 25; submission of all required filings, including but not limited to, financial statements and Risk-Based Capital Reporting; and, consents to the application of proceedings pursuant to N.J.S.A. 17:30C-1 to -31 if the financial condition warrants institution of delinquency proceedings in this State.

2. NO USE OF NEW JERSEY FUNDS FOR ACQUISITION. Upon consummation of the transaction, the Applicants shall not: (a) Assets: dispose of or otherwise use assets of the Domestic Insurer and/or any related parties, if any, that are licensed, authorized, certified or approved by the New Jersey Department of Banking and Insurance ("Department"), for the purpose of repaying any debt incurred to finance the transaction, use no part of the assets of the Domestic Entities to pay, reimburse, or otherwise fund both the cash financing portion of the transaction and the debt related to the financing of the transaction except as approved or otherwise permitted by the relevant agency with regulatory authority; (b) Costs: pass onto the Domestic Entities any acquisition costs or other consideration, including without limitation executive compensation paid to or accrued for the benefit of any executive officers of the parties in connection with, or triggered by, the transaction; (c) Rates: seek premium rate increases applicable to New Jersey insureds that are intended to be used, or are used, to pay for the cost of the transaction; and, (d) Dividends: cause the Domestic Insurer to declare and/or pay any dividends (ordinary or extraordinary), make other distributions of cash or property or in any other way upstream any funds or property to their shareholders or any shareholders of the parties in NJ, if any, without the express prior approval of the Commissioner of Banking and Insurance ("Commissioner") for a period of three (3) years from the consummation of the transaction.

3. CAPITAL MAINTENANCE AGREEMENT. The Applicants shall submit a Capital Maintenance Agreement executed for the benefit of CURE by and among RMC, the Buyer (and together with RMC, the “Operator Support Providers”), and the MGG Funds, the MGG GPs, the MGG Investment Manager, Kevin Griffin and Eric Poe (and together with Kevin Griffin, the MGG Funds, the MGG GPs and the MGG Investment Manager, the “Investor Support Providers”) to cause CURE to maintain a minimum Authorized Control Level, Risk-Based Capital (“RBC”) level of 300% or higher at all times during a period of five (5) years from the consummation of the transaction.

4. **SURPLUS NOTES:** Simultaneous with the Closing, MGG Funds shall purchase surplus notes issued by CURE (the “Surplus Notes”) in an aggregate amount of \$12.5 million. The Surplus Notes are approved concurrent with this Order conditioned on the Applicants ensuring the Surplus Notes comply with all applicable laws and requirements at all times.

5. **NEW JERSEY BUSINESS.** The Applicants shall be committed to having the Domestic Insurer seek opportunities to write new business in New Jersey.

6. **NO MATERIAL CHANGE TO BUSINESS.** For a minimum of three (3) years from the consummation of the transaction, or as otherwise required by law, the Applicants shall refrain from the following: (i) liquidating Domestic Entities; (ii) selling any material portion of the assets of the Domestic Entities; (iii) merging Domestic Entities with any other person or persons; or (iv) making any other material change (not disclosed in the Form A Filing or those effected in the ordinary course of business) with regard to business, corporate structure, management or general plan of operations of Domestic Entities, all without the express prior approval of the Commissioner. Any such material change, including those contemplated in the Form A statement, that require approval and/or notice under New Jersey law will continue to require such approval and/or notice.

7. **CYBERSECURITY.** The Domestic Entities shall provide the Department with confidential access to its cybersecurity plan for review as a part of state examination pursuant to N.J.S.A. 17:27A–5, N.J.S.A. 17:27A–6, and 17:50-8. They shall provide notice to the Department when and if a cybersecurity breach takes place and shall work with the Department to protect New Jersey policyholders if they are affected. They shall take no action to oppose regulation and/or legislation regarding cybersecurity, the same as or substantially similar to, the Insurance Data Security Model Law adopted by the National Association of Insurance Commissioners (“NAIC”). They shall commit to serving as a resource to the Department and providing constructive input and expertise to the Department with respect thereto.

8. **TAX ALLOCATION AGREEMENTS TO BE FILED.** Any Tax Allocation Agreements to which the Domestic Entities are a party with the Applicants, or their affiliates, shall be filed as agreements between or among affiliates requiring regulatory approval prior to implementation pursuant to N.J.S.A. 17:27A–4 and shall comply with N.J.S.A. 17:27A–1 et seq. and implementing regulations set forth at N.J.A.C. 11:1–35.7, N.J.A.C. 11:1–35.10.

9. NO PUSH-DOWN OF GOODWILL FROM THE DOMESTIC ENTITIES OR APPLICANTS. The Applicants and Domestic Entities shall not use any form of push-down accounting methods that result in the transfer or allocation of any of parties' goodwill, including goodwill related to this acquisition.

10. BACKGROUND OF APPLICANTS. Applicants represent that none of the individuals who will exercise control subsequent to this acquisition, directly or indirectly, over the Domestic Entities or their subsidiaries have been found guilty of, or have pleaded guilty or nolo contendere to, a felony or a misdemeanor, other than a civil traffic offense. If the Department determines that any individual for whom the Applicants are required to submit background information as part of this Application is unacceptable under New Jersey Law, the Applicants or their representatives, and the Domestic Entities shall remove the individuals in question within thirty (30) days of notice and replace them with a person or persons acceptable to the Department or shall undertake such other corrective action as directed by the Department. Failure to act will render the acquisition hazardous or prejudicial to the insurance buying public, pursuant to N.J.S.A. 17:27A-2(d)(1)(vii). Accordingly, the Department may take such administrative action as it deems appropriate upon the Certificates of Authority of the Domestic Entities pursuant to applicable law.

11. ANNUAL AUDITED FINANCIAL STATEMENTS. Beginning with the year in which the acquisition takes place, the Applicants agree to file the annual audited financial statements for the Domestic Entities and the MGG Funds on a confidential basis with the Department along with annual financial statements for the Buyer that will satisfy the requirements pursuant to N.J.S.A. 17:27A-3.

12. CONSUMMATION OF ACQUISITION OF CONTROL. Applicants shall provide the Department with written confirmation of the consummation of the acquisition of control by the end of the calendar month in which the acquisition takes place and no later than ninety (90) days after approval of this Form A filing. The Applicants shall provide the Department with written details of the final purchase price after all adjustments used to complete the acquisition.

If the proposed acquisition is not consummated within ninety (90) days of the date of this Order and the Applicants intend to consummate the proposed acquisition, the Applicants shall submit to the Commissioner a statement requesting an extension that shall include (i) the reason for the Applicants' inability to consummate the proposed acquisition; (ii) any material changes in the information contained in the Form A filing; and (iii) the current financial statements of the Applicants and Domestic Entities. Any and all extensions shall be with the written approval of the Commissioner.

13. **REGULATORY APPROVALS.** Applicants represent they have or will have obtained all the required regulatory approvals in connection with the Form A filing prior to consummation of the proposed acquisition. Approval of the Form A filing relates to the change of control of the Domestic Entities by the Applicants and does not constitute approval or acceptance of any transactions or agreements which are either implicitly or explicitly disclosed in the Form A filing, except for the approval of the Surplus Notes as referenced above.

12/22/2022
Date



Marlene Caride
Commissioner

LG 2022 RMC and CURE by MGG Applicants and Eric Poe Order/Orders