

MIKE KREIDLER
STATE INSURANCE COMMISSIONER



DECLARATION OF MAILING

I declare under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused delivery of a true copy of this document to parties listed below
DATED this 20th day of November 2006 at Tumwater, Washington.

Signed: W. Galloway

OFFICE OF
INSURANCE COMMISSIONER
HEARINGS UNIT
Fax: (360) 664-2782

FILED

2006 NOV 20 P 3: 21

Patricia D. Petersen
Chief Hearing Officer
(360) 725-7105

Hearings Unit, DIC
Wendy Galloway, D. Petersen
Paralegal Chief Hearing Officer
(360) 725-7002
Wendyg@oic.wa.gov.

BEFORE THE STATE OF WASHINGTON
OFFICE OF INSURANCE COMMISSIONER

In the Matter of the Acquisition of:

UNIGARD INSURANCE COMPANY,
UNIGARD INDEMNITY COMPANY, and
UNIGARD PACIFIC INSURANCE
COMPANY, Washington Insurers, by
AXA, a French Stock Corporation.

)
) G2006-64
)
) NOTICE OF HEARING ON
) PROPOSED ACQUISITION OF 1)
) UNIGARD INSURANCE COMPANY,
) 2) UNIGARD INDEMNITY COMPANY,
) AND 3) UNIGARD PACIFIC
) INSURANCE COMPANY,
) WASHINGTON INSURERS, BY AXA,
) A FRENCH STOCK CORPORATION

TO: Daniel Rabinowitz, Esq.
Sullivan & Cromwell, LLP
125 Broad Street
New York, NY 10004

Timothy J. Parker, Esq.
Carney Badley Spellman, P.S.
701 Fifth Avenue, Suite 3600
Seattle, Wa 98104-7010

Vito N. Ciraco, Esq.
Dewey Ballantine LLP
1301 Avenue of the Americas
New York, New York 10019

Anne B. Smith, Esq.
Senior Vice President & General Counsel
Unigard Insurance Company & Winterthur U.S. Holdings Inc.
1 General Drive
Sun Prairie, WI 53590

Mailing Address: P.O. Box 40255 • Olympia, WA 98504-0255
Street Address: 5000 Capitol Blvd. • Tumwater, WA 98501

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COPY TO: Mike Kreidler, Insurance Commissioner
Michael G. Watson, Chief Deputy Insurance Commissioner
James T. Odiorne, Deputy Commissioner, Company Supervision Div.
Andrea Philhower, Staff Attorney, Legal Affairs Division
Ronald Pastuch, Holding Company Manager, Company Supervision
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

Credit Suisse is a Swiss financial holding company, with banking, insurance and other business operations worldwide. Credit Suisse wholly owns Winterthur Swiss Insurance Company, a Swiss insurance company which is not licensed in the United States. Winterthur Swiss Insurance Company wholly owns Winterthur U.S. Holdings, Inc., a Delaware corporation which acts as the holding company for Winterthur's U.S. operations. Winterthur U.S. Holdings, Inc. wholly owns Unigard Inc.

Unigard Inc. is a Washington insurance holding company. Unigard Inc. wholly owns Unigard Insurance Company, a Washington domestic insurance company (Washington Certificate of Authority No. 740, NAIC Co. Code 25747). Unigard Insurance Company wholly owns Unigard Pacific Insurance Company and Unigard Indemnity Company, both Washington domestic insurance companies (Certificate of Authority Nos. 211 and 1832, respectively; NAIC Co. Codes 11096 and 25798, respectively). The Unigard companies currently have their headquarters in Bellevue, Washington.

On July 24, 2006, AXA, a French stock corporation and holding company, by and through its local counsel Timothy J. Parker, filed an Application for approval of the proposed acquisition by AXA. Specifically, AXA proposes to acquire 100% of the capital stock of Winterthur Swiss Insurance Company, so that Winterthur Swiss Insurance Company would be a direct wholly-owned subsidiary of AXA. Further, all of the issued and outstanding shares of Winterthur U.S. Holdings, Inc. (WUSH), WUSH's wholly owned subsidiary Unigard Inc., and Unigard Inc.'s wholly owned subsidiaries, Unigard Insurance Company, Unigard Pacific Insurance Company and Unigard Indemnity Company, would all become indirect wholly-owned subsidiaries of AXA. AXA's acquisition of the Unigard companies, should it be approved, would result in a change of control of these Unigard companies. (As part of the overall transaction, which involves an approximate purchase price of \$9 billion, AXA also proposes to acquire other specified Wisconsin, Georgia, Illinois and Indiana insurance companies; these other proposals are not the subject of the proceeding herein.)

An abbreviated organizational chart of Winterthur Swiss Insurance Company and its relevant insurance subsidiaries, and an abbreviated organizational chart of AXA's U.S. licensed insurance companies as of June 2006, are included in the below referenced Form A which accompanied this request for approval and are by this reference incorporated herein.

Pursuant to RCW 48.31B.015(1) and (2), on July 24, 2006, AXA filed a preacquisition notification with the Insurance Commissioner (Form "A" Statement Regarding the Acquisition of

Control of a Domestic Insurer), which shall be entered as evidence herein. Said Form A, as later supplemented, includes 1) substantial information and agreements concerning this proposed acquisition as required by RCW 48.31B.015(2) and in accordance with RCW 48.31B.020(3)(a); and 2) information and agreements relative to the issues which must be the subject of findings pursuant to RCW 48.31B.015(4).

Pursuant to RCW 48.31B.015(4), the Insurance Commissioner shall approve an acquisition of a domestic insurer unless, after a public hearing thereon, it is found: 1) that after the change of control, the domestic insurer would not be able to satisfy the requirements for the issuance of a license to write the line or lines of insurance for which it is presently licensed; 2) that the effect of the acquisition of control would be substantially to lessen competition in insurance in this state or tend to create a monopoly therein; 3) that the financial condition of an acquiring party is such as might jeopardize the financial stability of the insurer, or prejudice the interests of its policyholders; 4) that the plans or proposals that the acquiring party has to liquidate the insurer, sell its assets, consolidate or merge it with any person, or to make any other material change in its business or corporate structure or management, are unfair and unreasonable to policyholders of the insurer and not in the public interest; 5) that the competence, experience, and integrity of those persons who would control the operation of the insurer are such that it would not be in the interest of policyholders of the insurer and of the public to permit the acquisition or control; or 6) that the acquisition is likely to be hazardous or prejudicial to the insurance-buying public.

Toward this end, the parties are advised that the Insurance Commissioner is expected to testify as to whether he has given reasonable advance notice to the public of the hearing scheduled herein and whether he has received any objections or other input relative to this proposed transaction. The Insurance Commissioner is also expected to testify as to the conclusions he has reached during his examination of the subject Form A insofar as they relate to the above stated issues 1) through 6). A duly authorized representative of AXA is expected to testify as to the above stated issues and as to whether AXA has received any objections to the proposed transaction.

Finally, a duly authorized representative of the Unigard companies is expected to testify as to the above stated issues and as to whether the companies have received any objections to the proposed transaction. While live testimony from the parties will be taken during the hearing as to the above identified issues, written declarations from those parties are advisable. Further, oral opening statements and closing arguments from the Applicant, AXA, are expected and a written opening statement is advisable.

YOU ARE HEREBY NOTIFIED that a hearing will be held commencing at 2 p.m. Pacific Standard Time on Monday, December 4, 2006, in the Office of the Insurance Commissioner, 5000 Capitol Boulevard, Tumwater, Washington 98501, to consider the acquisition of Unigard Insurance Company, Unigard Indemnity Company and Unigard Pacific Insurance Company by AXA.

The hearing will be held under the authority granted the Insurance Commissioner by Chapter 48.04 RCW and specifically RCW 48.31B.015 and shall have as its purpose consideration of AXA's request for approval of its proposed acquisition of control of Unigard Insurance

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Company, Unigard Pacific Insurance Company and Unigard Indemnity Company.

The Insurance Commissioner has not taken, and will not take, any position on this matter prior to entry of the Findings of Facts, Conclusions of Law and Final Order to be entered after hearing.

YOU ARE FURTHER NOTIFIED that all interested individuals and entities may submit comments on, or objections to, this proposed acquisition to the undersigned. Said comments or objections, which will be included in the hearing record and will be considered by the undersigned prior to her making her final decision, must be submitted by 2:00 p.m., Pacific Standard Time on Monday, December 4, 2006, by fax, U.S. Mail, personal delivery, or email. The fax number of the undersigned is (360) 664-2782, her mailing address is PO Box 40255, Olympia, WA 98504-0255, her delivery address is 5000 Capitol Boulevard, Tumwater, Washington 98501, and the e-mail address for her paralegal is Wendyg@oic.wa.gov. Further, pursuant to RCW 48.31B.015(4)(b), any person whose interest is determined by the undersigned to be affected may present evidence, examine and cross-examine witnesses, and offer oral and written arguments, and in connection therewith may conduct discovery proceedings as authorized by Title 34 RCW.

Finally, all parties may participate in the hearing. They may examine witnesses and fully respond and present evidence and argument on all issues involved, as required by the Administrative Procedure Act. The hearing will be governed by the Administrative Procedure Act, Chapter 34.05 RCW, and the model rules of procedure contained in Chapter 10-08 WAC. A party who fails to attend or participate in any stage of the proceeding may be held in default in accordance with Chapter 34.05 RCW.

The Insurance Commissioner will be represented by Andrea Philhower, Esq., Staff Attorney with the Legal Affairs Division, Office of the Insurance Commissioner, 5000 Capital Blvd., Tumwater, WA 98501. She can be reached at (360) 725-7063. AXA will be represented by Daniel Rabinowitz, Esq., of Sullivan & Cromwell, LLP, 125 Broad Street, New York, New York 10004, U.S. Counsel for AXA. He can be reached at (212) 558-3471. Timothy Parker, Esq. of Carney Badley Spellman, P.S., 701 Fifth Avenue, Suite 3600, Seattle, Washington, will also be representing AXA as local Washington counsel in this proceeding. He can be reached at (206) 607-4153. Winterthur U.S. Holdings, Inc. and the Unigard companies will be represented by Anne B. Smith, Esq., Senior Vice President & General Counsel of Winterthur U.S. Holdings, Inc., 1 General Drive, Sun Prairie, WI 53590. She can be reached at (608) 825-5588. Credit Suisse may appear, represented by Vito N. Ciraco, Esq., of Dewey Ballantine, LLP, 1301 Avenue of the Americas, New York, New York, 10019, or another duly authorized representative. Mr. Ciraco can be reached at (212) 259-8348.

Based upon a delegation of authority from the Insurance Commissioner, the undersigned will conduct the hearing and will make the final decision and enter the final order relative to this matter without input from the Insurance Commissioner or his staff or any other individual who has knowledge of the issues herein, except as will be presented as evidence in the hearing. Her address is Office of the Insurance Commissioner, P.O. Box 40255, Olympia, WA 98504-0255 and her telephone number is (360) 725-7105. All questions or concerns should be directed to

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Wendy Galloway, paralegal to the undersigned, who may be reached at the telephone, e-mail and fax number specified above.

On November 17, 2006, the undersigned held a first prehearing conference in this matter. The Insurance Commissioner was represented by Andrea Philhower, Esq.; AXA was represented by Daniel Rabinowitz, Esq., with Timothy J. Parker, Esq., as local Washington counsel in this proceeding; Credit Suisse was represented by Vito N. Ciraco, Esq., and Winterthur U.S. Holdings, Inc. and the Unigard companies were represented by Anne B. Smith, Esq. During said first prehearing conference, the undersigned identified the parties and statutes involved, reviewed procedure to be expected at hearing, and responded to all questions and concerns of the parties. As stated above, should any party have any further questions or concerns prior to the hearing date, they are advised to telephone or e-mail Wendy Galloway, paralegal to the undersigned, for assistance or to schedule a second prehearing conference if necessary.

Pursuant to WAC 10-08-040(2) and in accordance with ch. 2.42 RCW, if a limited English-speaking or hearing impaired or speech impaired party or witness needs an interpreter, a qualified interpreter will be appointed. There will be no cost to the party or witness therefore, except as may be provided by ch. 2.42 RCW. Following this Notice is a form you may use to advise the Chief Hearing Officer of your need for an interpreter.

ENTERED at Olympia, Washington, this 20th day of November, 2006, pursuant to Title 48 RCW and specifically RCW 48.31B.015, Title 34 RCW, and regulations applicable thereto.



PATRICIA D. PETERSEN

Presiding Officer
Chief Hearing Officer



OFFICE OF
INSURANCE COMMISSIONER
HEARINGS UNIT

Fax: (360) 664-2782

Patricia D. Petersen
Chief Hearing Officer
(360) 725-7105

Wendy Galloway
Paralegal
(360) 725-7002
wendyg@oic.wa.gov

To request an interpreter, complete and mail this form to:

Chief Hearing Officer
Office of Insurance Commissioner
P.O. Box 40255
Olympia, Washington 98504-0255

REQUEST FOR INTERPRETER

I am a party or witness in Matter No. _____, before the Insurance Commissioner. I NEED AN INTERPRETER and request that one be furnished.

Please check the statements that apply to you:

I am a non-English-speaking person. I cannot readily speak or understand the English language. My primary language is _____ (insert your primary language). I need an interpreter who can translate to and from the primary language and English.

I am unable to readily understand or communicate the spoken English language because:

- I am deaf.
- I have an impairment of hearing.
- I have an impairment of speech.

[Please state below or on the reverse side any details which would assist the commissioner or presiding officer in arranging for a suitable interpreter, or in providing appropriate mechanical or electronic amplification, viewing, or communication equipment.]

Date: _____

Signed: _____

Please print or type your name: _____

Address: _____

Telephone: _____