

**FILED**

2016 JUL 15 P 1:41

HEARINGS UNIT  
OFFICE OF  
INSURANCE COMMISSIONER

**STATE OF WASHINGTON  
OFFICE OF THE INSURANCE COMMISSIONER**

*In the Matter of*

The Form A Application for the Proposed  
Acquisition of Control of:

**Northwest Dentists Insurance Company**

by

**The Dentists Insurance Company.**

Docket No. 16-0176

HEARING REQUEST

**REQUEST TO SET THIS MATTER FOR HEARING**

The Insurance Commissioner's Legal Affairs Division requests the Insurance Commissioner's Hearings Unit to set this matter for hearing in accordance with RCW 48.04.010, RCW 48.31B.015, RCW 48.31B.020, and RCW 34.05.434.

**BASIS**

1. Northwest Dentists Insurance Company is an authorized insurer domiciled in Washington. The Dentists Insurance Company is an insurer domiciled in California.
2. On July 12, 2016, The Dentists Insurance Company filed its Form A Statement Regarding the Acquisition of Control of or Merger with a Domestic Insurer ("Form A"). In the Form A, The Dentists Insurance Company described how it proposes to acquire control of Northwest Dentists Insurance Company. The Form A, along with supplement information, is attached to this Hearing Request.
3. The Insurance Commissioner will participate in this matter through his designated representative, Marcia Stickler, Insurance Enforcement Specialist, P.O. Box 40255, Olympia,

HEARING REQUEST  
No. 16-0176

LA 1386520

1

Office of the Insurance Commissioner  
PO Box 40255  
Olympia, WA 98504-0255

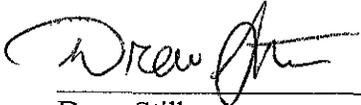
Washington 98504-0255, MarciaS@oic.wa.gov, (360) 725-7048.

Dated at Tumwater, Washington, this 15<sup>th</sup> day of July 2016.



MIKE KREIDLER  
Insurance Commissioner

By and through his designee



Drew Stillman  
Insurance Enforcement Specialist  
Legal Affairs Division

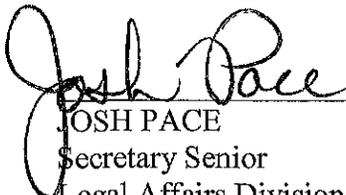
CERTIFICATE OF MAILING

The undersigned certifies under the penalty of perjury under the laws of the state of Washington that I am now and at all times herein mentioned, a citizen of the United States, a resident of the state of Washington, over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein.

On the date given below I caused to be filed and served the foregoing Hearing Request on the following persons listed below in the manner shown:

<p>OIC Hearings Unit William Pardee, Presiding Officer 5000 Capitol Blvd. SE Tumwater, WA 98501</p> <p><i>Via Hand Delivery</i></p>	<p>Alison Sandman, Chief Legal Officer The Dentists Insurance Company 1201 K Street, 14<sup>th</sup> Floor Sacramento, CA 95814</p> <p>Sarah W. Schroeder, President Rector &amp; Associates, Inc. 172 E. State Street, Suite 305 Columbus, OH 43215</p> <p>Northwest Dentists Insurance Company 10505 SE 17<sup>th</sup> Avenue Milwaukie, OR 97222</p> <p><i>By depositing in the U.S. mail via state Consolidated Mail Service with proper postage affixed.</i></p>
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Dated this 15<sup>th</sup> day of July, 2016, at Tumwater, Washington.

  
\_\_\_\_\_  
JOSH PACE  
Secretary Senior  
Legal Affairs Division



State of Washington  
Office of the Insurance Commissioner  
Hearings Unit  
PO Box 40255  
Olympia WA 98504-0255  
5000 Capitol Boulevard  
Tumwater, WA 98501  
(360) 725-7002 FAX (360) 664-2782  
HearingsU@olic.wa.gov

# Demand for Hearing

Please type or print in ink. Attach a copy of the Order or correspondence in dispute and all documents supporting your demand. This Demand for Hearing can be mailed, faxed, hand-delivered or emailed to the Hearings Unit at the address above. For OIC Demands, please provide contact information for all other interested parties and their representatives.

## 1 Requesting Party (required information)

Name/Business Name Office of the Insurance Commissioner		OIC Case/Order No. 1386520
Street Address PO Box 40255		City, State, Zip Olympia WA 98504-0255
Telephone Number	Fax Number	
Contact Person Marcia Stickler	Telephone Number 360-725-7048	Email Address MarciaS@olic.wa.gov

## 2 Authorized Representative/Attorney for Requesting Party *See above*

Last Name	First	M.I.
Business Name		
Street Address		City, State, Zip
Telephone Number	Fax Number	Email Address

## 3 Subject Matter of Demand for Hearing

- Revocation or Denial of License   
  Revocation or Denial Certificate of Authority or Registration   
  Cease and Desist Order  
 Imposition of Fine/Consent Order   
  Other Form A re: Acquisition of Control

## 4 Additional Parties/Representatives (for more parties and/or representatives, please attach additional pages) → *see attached*

Last Name Sandman	First Alison	M.I.
Business Name The Dentists Insurance Company		
Street Address 1201 K Street, 14th Floor		City, State, Zip Sacramento, CA 95814
Telephone Number 916-554-4910	Fax Number	Email Address alison.sandman@cda.org

## 5 Issues and Arguments

- a. **Issues** – Briefly describe each issue or area of dispute that you wish us to consider. Attach additional pages if necessary.

See attached.

b. **Arguments** – Explain why each issue or area of dispute listed above should be decided in your favor. Attach additional pages if necessary. To the extent known, cite applicable rules, statutes, or cases in support of your arguments. Enclose copies of documents concerning your arguments including documents the Department previously requested from you that you have not yet provided.

See attached.

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**6 Signature**

Either the Requesting Party or the Attorney/Representative can sign this Demand for Hearing. However, if the Representative is submitting the Demand, contact information for the Requesting Party must be provided under Section 1 above and the Attorney/Representative's contact information must be provided in Section 2.

**Requesting Party:**

Drew Stillman (Drew Stillman)

Signature

Office of the Insurance Commissioner

Name (please print or type)

7/15/16

Date

Insurance Enforcement Specialist

Title

**Authorized Representative:**

Signature

Name (please print or type)

Date

Title

## Contact Information

### *Office of the Insurance Commissioner*

Marcia Stickler, Insurance Enforcement Specialist  
Office of the Insurance Commissioner  
PO Box 40255  
Olympia, WA 98504-0255  
T: 360-725-7048  
MarciaS@oic.wa.gov

### *The Dentists Insurance Company*

Alison Sandman, Chief Legal Officer  
The Dentists Insurance Company  
1201 K Street, 14<sup>th</sup> Floor  
Sacramento, CA 95814  
T: 916-554-4910  
alison.sandman@cda.org

Sarah W. Schroeder, President  
Rector & Associates, Inc.  
172 E. State Street, Suite 305  
Columbus, OH 43215  
T: 614-224-6220  
F: 614-224-6283  
sschroeder@rector-associates.com

### *Northwest Dentists Insurance Company*

#### Domiciliary Address:

19515 North Creek Parkway, Suite 214  
Bothell, WA 98011  
T: 206-343-7800

#### Mailing Address:

10505 SE 17<sup>th</sup> Avenue  
Milwaukie, OR 97222  
T: 206-343-7800

# Rector & Associates, Inc.

Insurance Regulatory Consulting

Columbus Office  
Direct Dial: 614-224-6220  
Email: [sschroeder@rector-associates.com](mailto:sschroeder@rector-associates.com)  
[www.rector-associates.com](http://www.rector-associates.com)

July 11, 2016

## VIA ELECTRONIC DELIVERY

Ron Pastuch  
Holding Company Manager  
Washington Office of the Insurance Commissioner  
P.O. Box 40256  
Olympia, WA 98504-0256

Re: Form A Statement Regarding the Acquisition of Control of Northwest Dentists Insurance Company by The Dentists Insurance Company

Dear Mr. Pastuch:

On behalf of The Dentists Insurance Company, enclosed please find the following:

- One copy of a Form A Statement Regarding the Acquisition of Control of Northwest Dentists Insurance Company (the "Form A Statement"); and
- One complete set of all Exhibits to the Form A Statement, other than Exhibits C and D (including Exhibits D-1 through D-2) which will be submitted confidentially under separate cover.

Please address all correspondence relating to this filing to:

Alison Sandman  
Chief Legal Officer  
The Dentists Insurance Company  
1201 K Street, 14th Floor  
Sacramento, CA 95814  
(916) 554-4910  
E-mail: [alison.sandman@cda.org](mailto:alison.sandman@cda.org)

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Central Office  
172 East State Street, Suite 305  
Columbus, OH 43215  
(614) 224-6200  
Fax (614) 224-6283

Kansas Office  
11011 King Street, Suite 150  
Overland Park, KS 66210  
(913) 362-8501  
Fax (913) 782-4658

Cincinnati Office  
724 Lafayette Avenue, #2  
Cincinnati, OH 45220  
(513) 861-1976  
Fax (513) 861-1976

With a copy to:

Sarah W. Schroeder, President  
Rector & Associates, Inc.  
172 E. State Street, Suite 305  
Columbus, OH 43215  
Telephone: (614) 224-6220  
Facsimile: (614) 224-6283  
E-mail: [sschroeder@rector-associates.com](mailto:sschroeder@rector-associates.com)

If you have any questions regarding the Form A Statement, or need additional information, please contact me. I look forward to working with you on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sarah W. Schroeder', written in a cursive style.

Sarah W. Schroeder  
President

Enclosures

cc: Alison Sandman, Esq. (Chief Legal Officer, The Dentists Insurance Company)

FORM A

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

Northwest Dentists Insurance Company

BY

The Dentists Insurance Company  
(Applicant)

Filed with the Washington State Office of the Insurance Commissioner

July 11, 2016

Name, Title, Address and Telephone Number of Individual to Whom Notices and  
Correspondence Concerning This Statement Should Be Addressed:

Alison Sandman  
Chief Legal Officer  
The Dentists Insurance Company  
1201 K Street, 14th Floor  
Sacramento, CA 95814  
(916) 554-4910  
E-mail: [alison.sandman@cda.org](mailto:alison.sandman@cda.org)

With a copy to:

Sarah W. Schroeder, President  
Rector & Associates, Inc.  
172 E. State Street, Suite 305  
Columbus, OH 43215  
Telephone: (614) 224-6220  
Facsimile: (614) 224-6283  
E-mail: [sschroeder@rector-associates.com](mailto:sschroeder@rector-associates.com)

FORM A

**Item 1. INSURER AND METHOD OF ACQUISITION**

The name and address of the domestic insurer to which this application relates is as follows:

Northwest Dentists Insurance Company  
601 SW Second Avenue  
Portland, OR 97204

Northwest Dentists Insurance Company ("NORDIC") is presently beneficially owned by two entities: Moda, Inc. ("Moda") and The Washington State Dental Association ("WSDA"). Moda is a member of an insurance holding company system whose ultimate controlling person is the Oregon Dental Association ("ODA"). ODA is the ultimate controlling person of a health care system that primarily operates in the States of Oregon and Alaska.

Moda, a for-profit corporation organized under the laws of Oregon, presently owns 75% of the outstanding common stock of NORDIC. Moda is a wholly owned subsidiary of Oregon Dental Service ("ODS"), a nonprofit corporation organized under the laws of Oregon. ODA then controls ODS through ODA's right to appoint the ODS Board of Directors.

WSDA, a non-profit corporation organized under the laws of Washington, presently owns the remaining 25% of NORDIC's outstanding common stock. WSDA is a membership organization comprised of dentists practicing in the State of Washington that promotes oral health by developing innovative public policy solutions and working with community organizations, government agencies, and legislators to strengthen the dental safety net and reduce barriers to care.

The Dentists Insurance Company (the "Applicant") is a for-profit insurance company domiciled in the State of California. The Applicant is a member of an insurance holding company system whose ultimate controlling person is the California Dental Association ("CDA").

The Applicant proposes to acquire from Moda all the common stock of NORDIC that is owned by Moda (i.e., 75% of NORDIC's outstanding common stock) (the "NORDIC Shares") pursuant to a Stock Purchase Agreement dated June 10, 2016 by and among the Applicant and Moda (the "Stock Purchase Agreement"). Following the consummation of the transactions contemplated by the Stock Purchase Agreement (the "Closing"), the NORDIC Shares will be owned by the Applicant.

In addition to the purchase by the Applicant of the NORDIC Shares, the Stock Purchase Agreement also provides for the purchase of two additional members of the ODA health care system:

1. the purchase by the Applicant of all of the issued and outstanding common stock of Dentists Benefits Insurance Company ("DBIC"), an insurance company domiciled in the State of Oregon (the "DBIC Shares"), from Moda Health Plan, Inc. ("Moda Health"). Moda Health is a wholly-owned subsidiary of Moda; and
2. the purchase by TDIC Insurance Solutions ("TDIC IS") of all of the issued and outstanding common stock of Dentists Benefits Corporation ("DBC"), an Oregon corporation that acts as an MGA on behalf of DBIC and NORDIC (the "DBC Shares"). TDIC IS is a for-profit corporation organized under the laws of California and is a member of the CDA insurance holding company system.

On or about the date of this filing, the Applicant is filing a Form A Statement Regarding The Acquisition Of Control Of Or Merger With A Domestic Insurer with the Oregon Department of Consumer and Business Services, Division of Financial Regulation, Insurance Division (the "Oregon Division") seeking approval of its acquisition of DBIC.

A copy of the Stock Purchase Agreement is attached hereto as Exhibit A and incorporated herein by this reference.

**Item 2. IDENTITY AND BACKGROUND OF THE APPLICANT**

The name and address of the Applicant is as follows:

The Dentists Insurance Company  
1201 K Street, 14th Floor  
Sacramento, CA 95814

The Applicant is a for-profit insurance company domiciled in the State of California that transacts property/casualty business, including professional & dental business liability, commercial property, workers' compensation, and employment practices liability lines of business. The Applicant was organized in 1980 in response to a climate of increasing professional liability insurance premiums to offer affordable coverage to California dentists. The Applicant now serves nearly 18,000 dentists and has earned the endorsement of several state dental associations and societies. The Applicant currently transacts business in 10 states and is licensed to transact business in 40 states.

The Applicant is a wholly-owned subsidiary of CDA Holding Company, Inc. ("CDA Holding Company"), a for-profit corporation domiciled in the State of California that acts as a holding company and has no active business operations. CDA Holding Company is a wholly-owned subsidiary of CDA.

CDA is a not-for-profit corporation domiciled in the State of California and is the ultimate controlling person of the Applicant and, immediately after the Closing, will be the ultimate controlling person of NORDIC.

CDA is a membership organization comprised of approximately 26,000 dentists practicing in the State of California that is committed to enhancing the professional lives of its members. CDA offers to its members a unique set of resources, including education, practice support, advocacy and protection.

An organizational chart showing the identities of and the interrelationships among the Applicant and its affiliates is attached hereto as Exhibit B-1 and incorporated herein by this reference. There are no court proceedings pending involving a reorganization or liquidation with respect to the Applicant or any of its affiliates.

An organizational chart showing the identities of and the interrelationships among the Applicant and its affiliates immediately following the Closing is attached hereto as Exhibit B-2 and incorporated herein by this reference.

**Item 3. IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANT**

The following individuals are Directors and Executive Officers of the Applicant:

Directors: Teri Barichello, DMD  
Daniel Davidson, DMD  
Dennis DeTomasi, DDS  
Gary Dougan, DDS, MPH  
Peter DuBois, ex-officio (non-voting)  
Kenneth Jones  
Kevin Keating, DDS, ex-officio  
Steven Kend, DDS  
Natasha Lee, DDS, ex-officio  
Carliza Marcos, DDS  
Carol McCutcheon, DDS  
Sanjay Patel, DDS  
Kevin Stockton  
Mark Taira, DDS

Executive Officers: Peter DuBois – President & CEO  
Kevin Roach – CFO  
Kevin Keating, DDS – Secretary & Treasurer  
Alison Sandman – Assistant Secretary  
Todd Lewis – Assistant Treasurer

As previously indicated, CDA Holding Company is the sole shareholder of the Applicant. The following individuals are Directors and Executive Officers of CDA Holding Company:

Directors: Peter DuBois  
Kevin Keating, DDS  
Kenneth Wallis, DDS  
George Maranon, DDS

Executive Officers: Peter DuBois -- CEO  
Kevin Keating, DDS -- Secretary  
Kenneth Wallis, DDS -- Chair  
Kevin Roach -- CFO  
Alison Sandman -- Assistant Secretary  
Todd Lewis -- Assistant Treasurer

As previously indicated, CDA is the ultimate controlling person of the Applicant and CDA Holding Company. As a not-for-profit organization, CDA does not issue any voting securities and has no shareholders (controlling or otherwise).

The following individuals are Trustees and Executive Officers of CDA:

Trustees: David Anson, DDS  
Richard Barnes, DDS  
Nanette Benedict, DDS  
Brenda Buzby, DDS  
Michael Cadra, DDS  
Adrian Carrington, DDS  
Alan Cascio, DDS  
Douglas Christiansen  
Alma Clark, DDS  
Martin Courtney, DDS  
Jean Creasey, DDS  
Gerald Danielson, DDS  
Gail Duffala, DDS  
William Evans, DMD, MD  
Mark Fagan, DDS  
Nava Fathi, DDS  
Alan Felsenfeld, DDS  
Richard Graham, DDS  
John Hall, DDS  
Kenneth Harrison, DDS  
Irene Hilton, DDS, MPH  
Terrence Jones, DDS  
Sam Kennedy, DDS  
M. Kholaki, DDS  
Scott Kim, DDS

Stephen Lojeski, DDS  
George Maranon, DDS  
Carliza Marcos, DDS  
Michael Marshall, DDS  
Gerald Middleton, DDS  
Bijan Modjtahedi, DDS  
Richard Nagy, DDS  
Melanie Parker, DDS  
Sanjay Patel, DDS  
Bert Rouleau, DMD  
Deepinder Sahota, DDS  
James Sanderson, DDS  
Lynn Sayre-Carstairs, DMD  
Charlotte Senseny, DMD  
Scott Smith, DDS  
Ariane Terlet, DDS  
Sharine Thenard, DDS, MS  
Parisa Zarbafian, DDS

Executive Officers: Kenneth Wallis, DDS – President  
Clelan Ehrler, DDS – President -Elect  
Natasha Lee, DDS – Vice President  
R. Del Brunner, DDS – Secretary  
Kevin Keating, DDS – Treasurer  
Walter Weber, DDS – Immediate Past President  
Peter DuBois – Executive Director  
Kevin Roach – CFO

Present occupation and employment information for each Director and Executive Officer of the Applicant and CDA Holding Company and for each Trustee and Executive Officer of CDA is set forth in his or her Biographical Affidavit collectively marked as Exhibit C. Exhibit C contains confidential and personal information of the individuals identified therein, and the Applicant requests that such information be maintained in confidence by the Department. Additionally, information regarding material occupations, positions, offices, or employment during the past five years of each such individual, including information regarding any required licensing by or registration with any government agency, is set forth in the Biographical Affidavits.

Except as otherwise disclosed in the Biographical Affidavits, none of the Directors or Executive Officers of the Applicant or CDA Holding Company and none of the Trustees or Executive Officers of CDA have ever been convicted in a criminal proceeding (excluding minor traffic violations) during the last 10 years.

The Applicant has engaged Owens OnLine, Inc. to provide independent third party background checks for each Director and Executive Officer of the Applicant and CDA

Holding Company and for each Trustee and Executive Officer of CDA. Owens OnLine will submit the background checks to the Insurance Department of the State of Washington.

**Item 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION**

As more fully set forth in the Stock Purchase Agreement, and subject to the terms and conditions set forth therein, the total consideration payable to Moda and Moda Health Plan, Inc. (collectively, the "Sellers") by the Applicant and TDIC Insurance Solutions (collectively, the "Purchasers") will consist of:

1. \$34,000,000 less an amount equal to the Sweep Account Payable (the "Purchase Price"), approximately \$3,900,000 of which will be paid into an escrow account at the Closing, with the remainder payable in cash by Purchasers to Sellers at the Closing or, with respect to certain Transaction Expenses, not later than three (3) days prior to the Closing. The Purchase Price is subject to certain post-Closing adjustments described in the Stock Purchase Agreement; and
2. An amount equal to the Sweep Account Payable determined as of the date of the Closing. The Sweep Account Payable is that certain intercompany payable by DBC in favor of Moda, which is estimated to be \$450,000 as of the date of the Closing, with respect to the eDIMS system. Purchasers shall pay the Sweep Account Payable to Moda immediately after the Closing.

Within sixty (60) days after the date of the Closing, the Purchasers will prepare and deliver to representatives of the Sellers the allocation of the Purchase Price among the NORDIC Shares, the DBIC Shares and the DBC Shares.

The Purchase Price less the Sweep Account Payable will be paid by the Purchasers with cash on hand, and no part thereof will be financed. The Purchase Price was reached through arm's length negotiations between the Purchasers and Seller.

**Item 5. FUTURE PLANS OF INSURER**

The Applicant has no present plans or proposals to cause NORDIC to declare an extraordinary dividend, to liquidate NORDIC, to sell the assets of NORDIC or to merge NORDIC with any person or persons, or, except as described in the Confidential NORDIC Business Plan marked as Exhibit D (together with Exhibits D-1 through D-2), to make any other material change in NORDIC's business operations or corporate structure or management. Exhibits D and D-1 through D-2 contain confidential and proprietary information of the Applicant and will be filed confidentially under separate cover.

**Item 6. VOTING SECURITIES TO BE ACQUIRED**

The total number of shares of NORDIC to be acquired is 11.25 shares of common stock, par value \$100,000 per share, which represents 75% of the issued and outstanding shares of NORDIC. As a result of transactions contemplated by the Stock Purchase Agreement,

at the closing the Applicant will become the owner of 75% of the issued and outstanding shares of NORDIC. The terms of the purchase were reached through arm's length negotiations between the Applicant and Moda.

**Item 7. OWNERSHIP OF VOTING SECURITIES**

Other than the proposed purchase of the Shares of NORDIC by the Applicant pursuant to the Stock Purchase Agreement, there are no securities of NORDIC that are beneficially owned or concerning which there is a right to acquire beneficial ownership by the Applicant, its affiliates or any person identified in Item 3.

The Stock Purchase Agreement provides that, as a condition to the Closing, the Applicant and WSDA will enter into an agreement (the "WSDA Agreement") at or prior to the Closing. The WSDA Agreement may provide for the acquisition by the Applicant of all or at least 5% of WSDA's 25% ownership interest in NORDIC and any associated governance or other issues related thereto. The WSDA Agreement is in the process of being negotiated at this time. If the WSDA Agreement does provide for the acquisition by the Applicant of any NORDIC Shares currently owned by WSDA, the consummation of that acquisition will be subject to any applicable insurance regulatory notices or approvals required under the Washington insurance laws and regulations.

The Purchasers and Sellers anticipate that the existing Shareholder Agreement between Moda, Inc. and WSDA dated October 26, 2006, as amended by the First Amendment to Shareholder Agreement effective as of January 1, 2010, will be terminated at or before the Closing. If the Applicant and WSDA do not agree on a sale of all of WSDA's 25% ownership interest in NORDIC, the Applicant and WSDA will enter into a shareholder agreement with respect to their joint ownership of NORDIC and associated governance issues.

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

Other than the Stock Purchase Agreement and the transactions contemplated therein, there exists no contract, arrangement or understanding with respect to any voting security of NORDIC in which the Applicant, its affiliates or any person identified 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, or the giving or withholding of proxies.

The Stock Purchase Agreement provides that, as a condition to the Closing, the Applicant and WSDA will enter into an agreement (the "WSDA Agreement") at or prior to the Closing. The WSDA Agreement may provide for the acquisition by the Applicant of all or at least 5% of WSDA's 25% ownership interest in NORDIC and any associated governance or other issues related thereto. The WSDA Agreement is in the process of being negotiated at this time. If the WSDA Agreement does provide for the acquisition by the Applicant of any NORDIC Shares currently owned by WSDA, the consummation of

that acquisition will be subject to any applicable insurance regulatory notices or approvals required under the Washington insurance laws and regulations.

The Purchasers and Sellers anticipate that the existing Shareholder Agreement between Moda, Inc. and WSDA dated October 26, 2006, as amended by the First Amendment to Shareholder Agreement effective as of January 1, 2010, will be terminated at or before the Closing. If the Applicant and WSDA do not agree on a sale of all of WSDA's 25% ownership interest in NORDIC, the Applicant and WSDA will enter into a shareholder agreement with respect to their joint ownership of NORDIC and associated governance issues.

**Item 9. RECENT PURCHASES OF VOTING SECURITIES**

There has been no purchase of any voting securities of NORDIC by the Applicant, its affiliates or any person identified in Item 3 during the twelve calendar months preceding the filing of this Form A Statement.

**Item 10. RECENT RECOMMENDATIONS TO PURCHASE**

Other than the proposed acquisition by the Applicant of the Shares of NORDIC pursuant to the Stock Purchase Agreement, there have been no recommendations to purchase of any voting security of NORDIC made by the Applicant, its affiliates or any person identified in item 3, or by anyone based upon interviews or at the suggestion of the Applicant, its affiliates or any person identified in Item 3 during the twelve calendar months preceding the filing of this Form A Statement.

**Item 11. AGREEMENTS WITH BROKER-DEALERS**

None of the Applicant, its affiliates or any person identified in item 3 has any agreement, contract, or understanding with any broker-dealer as to the solicitation of voting securities of NORDIC for tender.

**Item 12. FINANCIAL STATEMENTS AND EXHIBITS**

Attached hereto are the following Exhibits:

Exhibit A: Stock Purchase Agreement

Exhibit B-1: Pre-Closing Organizational Chart

Exhibit B-2: Post-Closing Organizational Chart

Exhibit C: Biographical Affidavits for Directors and Executive Officers for Applicant and for Trustees and Executive Officers for CDA - Confidential

Exhibit D: Confidential NORDIC Business Plan (filed with Exhibit D-1 under separate cover)

Exhibit D-1: Three-Year Financial Statement Projections for NORDIC

Exhibit D-2: Three-Year Financial Statement Projections for Applicant

Exhibit E-1: Audited Annual Financial Statements of the Applicant for the year ended December 31, 2011

Exhibit E-2: Audited Annual Financial Statements of the Applicant for the year ended December 31, 2012

Exhibit E-3: Audited Annual Financial Statements of the Applicant for the year ended December 31, 2013

Exhibit E-4: Audited Annual Financial Statements of the Applicant for the year ended December 31, 2014

Exhibit E-5: Audited Annual Financial Statements of the Applicant for the year ended December 31, 2015

**Item 13. AGREEMENT REQUIREMENTS FOR ENTERPRISE RISK MANAGEMENT**

Applicant agrees to provide, to the best of its knowledge and belief, the information required by Form F within fifteen business days after the end of the month in which the acquisition of control occurs.

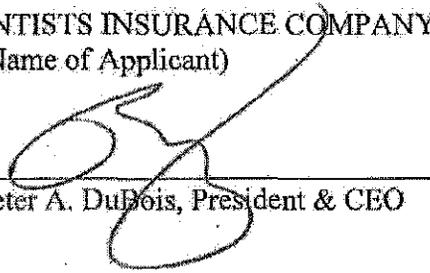
[Remainder of Page Left Intentionally Blank. Signature and Certification Page follow.]

**Item 14. SIGNATURE AND CERTIFICATION**

**SIGNATURE**

Under the requirements of RCW 48.31B.015, The Dentists Insurance Company has caused this application to be duly signed on its behalf in the City of Sacramento and State of California on the 8th day of July, 2016.

**THE DENTISTS INSURANCE COMPANY**  
(Name of Applicant)

Attest:   
Peter A. DuBois, President & CEO

**CERTIFICATION**

The undersigned deposes and says that he has duly executed the attached application dated July 8, 2016, for and on behalf of The Dentists Insurance Company, that he is the Chief Financial Officer of such company, and that he is authorized to execute and file the instrument. Deponent further says that he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his knowledge, information and belief.

  
Kevin Roach, Chief Financial Officer