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COPY TO: Mike Kreidler, Insurance Commissioner
Michael G. Watson, Chief Deputy Insurance Commissioner
James T. Odiorne, Deputy Commissioner, Company Supervision Division
Carol Sureau, Deputy Commissioner, Legal Affairs Division
Thomas P. Rowland, Staff Attorney, Legal Affairs Division
Ronald J. Pastuch, Holding Company Manager, Company Supervision
Office of Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

Pursuant to Chapter 48.04 RCW, Chapter 34.05, RCW, and Chapter 48.31B RCW, and after notice to interested parties and persons (see notice detailed below), the above-entitled matter came on regularly for hearing before the Washington State Insurance Commissioner commencing at 9:00 a.m., on March 19, 2008 in the Office of the Insurance Commissioner, 5000 Capitol Blvd., Tumwater, Washington 98501. All persons to be affected by the above-entitled matter were given the right to be present at such hearing, during the giving of testimony, and had reasonable opportunity to inspect all documentary evidence, to examine witnesses and present oral and written statements. The Commissioner appeared pro se, by and through Thomas P. Rowland, Staff Attorney in his Legal Affairs Division. The Plymouth Rock Company Incorporated was represented by Colleen M. Granahan, its Vice President and Counsel, of Boston, Massachusetts.

NATURE OF PROCEEDING

The Applicant in this matter is The Plymouth Rock Company Incorporated (Plymouth Rock). By letter dated December 19, 2007, Plymouth Rock filed a Disclaimer of Control and Request for Exemption pursuant to RCW 48.31B.015(5) and other relevant statutory provisions, requesting that it be exempted from any requirement to file and obtain approval of a Form A or equivalent submission in connection with a proposed acquisition of Direct Response Corporation by JCF DRC L.P. and J.C. Flowers II, L.P. As grounds for its request, Plymouth Rock submits that it does not have and will not acquire as a result of the proposed transaction the ability, directly or indirectly, to control Direct Response Corporation.

FINDINGS OF FACT

Having considered the written and oral evidence presented at the hearing, the documents on file herein, and the entire hearing file, the undersigned finds as follows:

1. The hearing was duly and properly convened and all substantive and procedural requirements under the laws of the state of Washington have been satisfied. Further, the undersigned was properly delegated to conduct the proceeding in this matter and to make the final decision herein.
2. The Plymouth Rock Company, Incorporated, (Plymouth Rock) a private insurance corporation based in Massachusetts, provides, through its subsidiaries, property and casualty insurance products, and specializes in private automobile coverage in Massachusetts and New Hampshire. Response Corporation (Direct Response) is a Delaware stock corporation which owns 100% of the stock of approximately 15 insurance corporations and insurance agencies including National Merit Insurance Company, a Washington insurance corporation.
3. By letter dated December 19, 2007, Plymouth Rock filed a Disclaimer of Control and Request for Exemption pursuant to RCW 48.31B.015(5) and other relevant statutory provisions, requesting that it be exempted from any requirement to file and obtain approval of a Form A or equivalent submission in connection with a proposed acquisition of Direct Response by JCF DRC L.P. and J.C. Flowers II, L.P. This Request for Exemption, which was both preceded and followed by various written communications and amendments, all of which are all included in this hearing file and incorporated herein, relates to a proposed acquisition of control of DRC by J.C. Flowers II L.P. and JCF DRC, L.P. (collectively, Flowers) as set forth in detail in the Form A filing made by Flowers. The hearing file relative to said Form A, and the hearing on this Disclaimer of Control and Request for Exemption were held together and as such are all part of a single hearing file and are by this reference incorporated herein.
4. As set forth in said Flowers Form A filing and Plymouth Rock's Disclaimer of Control and Request for Exemption, Flowers proposed to purchase specified shares of common stock of DRC. In particular, if approved, the result would be that Flowers will

purchase 123,720 shares of Direct Response and become the largest single shareholder with 46.4% of the total outstanding shares of common stock. With ownership of nearly one-half of Direct Response's outstanding shares and the right to control a majority of the board, Flowers will control Direct Response. [Form A; Testimony of Colleen M. Granahan; Declaration of Colleen M. Granahan.] Plymouth Rock will own 9.85% of Direct Response's common stock and be the third largest holder. [Form A; Plymouth Rock's Disclaimer of Control and Request for Exemption; Testimony of Colleen M. Granahan; Declaration of Colleen M. Granahan.] Plymouth Rock's share ownership, or with its two of the eleven seats on the board of Direct Response, is not nor will it be sufficient to control, directly or indirectly, the direction or policies of Direct Response. [Form A; Testimony of Colleen M. Granahan; Declaration of Colleen M. Granahan.]

5. Flowers' Request for Approval of Proposed Acquisition of Direct Response, its Form A filing, was approved on March 27, 2008. [Order Approving Acquisition of Control of National Merit Insurance Company by JC Flowers II L.P. and JCF DRC, L.P.]

6. Plymouth Rock's filing is complete and the proposed transaction will not be entered into, and will not have the effect of changing or influencing the control of National Merit. [Testimony of Ronald J. Pastuch; Testimony of Colleen M. Granahan; Declaration of Colleen M. Granahan.]

7. The Notice of Hearing in this matter, which contains information concerning this application and the public hearing thereon, was published in its entirety on the Washington State Insurance Commissioner's website beginning on March 5, 2008 and continuously since that date. This Notice constitutes reasonable and adequate notice to interested parties. [Declaration of Ronald J. Pastuch; Testimony of Ronald J. Pastuch.]

8. As indicated in the subject Notice of Hearing, all interested parties were given the opportunity to submit any comments on, or objections to, this proposed acquisition to the undersigned through March 18, 2008, by fax, U.S. mail, personal delivery or e-mail. All interested parties were also advised in said Notice of Hearing that they would be given the opportunity to present evidence at hearing and to examine and cross-examine witnesses and offer oral and written arguments, and in connection therewith to conduct discovery proceedings. Other than ordinary filings made into the hearing file by the parties, no comments, questions or objections were received by the Insurance Commissioner [Testimony of Ronald J. Pastuch] or by the undersigned. Because no comments, adverse or otherwise, and no objections, were received from any individual or entity, it is here found that no reasonable objection to this application exists.

9. Based upon the above Findings of Facts, it is here found that the proposed future transaction at issue herein, which may result in Plymouth Rock owning 9.85% of the common stock of Direct Response, it is reasonable under the circumstances that an exemption should be granted. [Testimony of Ronald J. Pastuch; Declaration of Ronald J. Pastuch.]

10. Mr. Ronald J. Pastuch, Holding Company Manager in the Company Supervision Division of the Washington State Office of the Insurance Commissioner, appeared as the sole witness on behalf of the Washington State Insurance Commissioner. Mr. Pastuch presented his testimony in a detailed and credible manner and exhibited no apparent biases.

11. Ms. Colleen M. Granahan, Vice President of The Plymouth Rock Company Incorporated and Counsel to the Chairman, appeared as a witness on behalf of Metalmark Managed Funds. Ms. Granahan presented his testimony in a detailed and credible manner and exhibited no apparent biases.

12. The application of Plymouth Rock for an Order Granting Exemption of The Plymouth Rock Company Incorporated under the terms detailed above is reasonable under the circumstances and should be granted.

CONCLUSIONS OF LAW

1. Pursuant to Title 48 RCW, the Insurance Commissioner has jurisdiction over this matter, and properly convened a hearing to hear and determine the merits of the proposed transaction herein. Further, the undersigned has been at all times pertinent hereto properly delegated the authority to conduct the adjudicative proceeding in this matter and to make the final determination herein.

2. Plymouth Rock properly filed a Request for Exemption and Disclaimer of Control relating to the proposed transaction identified herein, pursuant to RCW 48.31B.025(11) and WAC 284-18-430(1). Said Request for Exemption contains the information required by RCW 48.31B.015(5) and RCW 48.31B.005(2) and sections related thereto.

3. Based upon the Findings of Fact set forth above that the proposed transaction at issue herein is one whereby Plymouth Rock would own 9.85% of the outstanding shares of common stock of Direct Response Corporation, together with the Finding of Fact that this proposed transaction would not be made or entered into for the purpose and would not have the effect of changing or influencing the control of a domestic insurer, as contemplated by RCW 48.31B.015(5)(b), together with the Finding of Fact that reasonable notice to interested parties has been given and no reasonable objections exist, The Plymouth Rock Company's Request for Exemption is reasonable under the circumstances and should be granted.

4. Based upon the above Findings of Fact, the provisions of the Insurance Code of the State of Washington, Chapter 48.31B RCW, and specifically RCW 48.31B.015(5)(b) and RCW 48.31B.005(2) relating to the control of a domestic insurer, have been met and the exemption contemplated by RCW 48.31B.015(5)(b), exempting The Plymouth Rock Company from the prior notice and approval requirements otherwise required by RCW 48.31B.015(1)-(4) relative to their proposed transaction detailed herein, The Plymouth Rock Company's Request for Exemption is hereby granted.

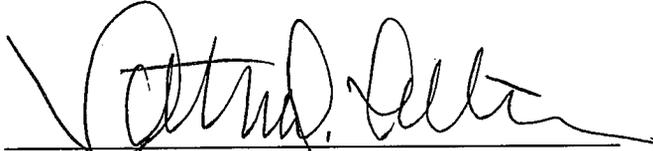
ORDER

On the basis of the foregoing Findings of Fact and Conclusions of Law, to the effect that the statutory criteria for approval of this exemption from prior notice and approval otherwise required under RCW 48.31B.015 has been met relative to the proposed transaction detailed above, and to the effect that approval of this request for an exemption should be granted,

IT IS HEREBY ORDERED that Plymouth Rock's Request for Exemption relative to its proposed transaction detailed above, and upon the terms and conditions set forth in Findings of Facts above and included into evidence in this proceeding, is **GRANTED** effective immediately. Consummation of this transaction may occur at any time beginning on the date of entry of this Order.

This Order is entered pursuant to Title 48 RCW, and specifically RCW 48.31B.015(5)(b), RCW 48.31B.005(2), RCW 48.31B.025(11), Title 34 RCW and regulations applicable thereto.

ENTERED at Tumwater, Washington, this 28th day of March, 2008.

A handwritten signature in black ink, appearing to read "Patricia D. Petersen", written over a horizontal line.

PATRICIA D. PETERSEN
Chief Hearing Officer
Presiding Officer