

STATE OF WASHINGTON

MIKE KREIDLER
STATE INSURANCE COMMISSIONER

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Please reply to:

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OFFICE OF
INSURANCE COMMISSIONER

March 29, 2011

Patricia D. Petersen, JD, Chief Hearing Officer
Office of the Insurance Commissioner, Hearings Unit
PO Box 40255
Olympia, WA 98504-0255
5000 Capitol Boulevard
Tumwater, WA 98501

Re: Form A Filing dated December 22, 2010 – Proposed Acquisition of Control of
Contractors' Bonding & Insurance Company ("CBIC")

Dear Ms. Petersen:

Attached please find the Form A Statement regarding the Acquisition of a Domestic Insurer and associated supplementary information. The Form A Statement describes the proposed transaction between RLI Insurance Company, an Illinois insurer licensed and doing business in Washington, and Data & Staff Service Company, a Washington for profit corporation.

The proposed transaction comes at the request of RLI Insurance Company. RLI Insurance Company would acquire all of the outstanding common stock of Data & Staff Service Company. Data & Staff Service Company owns all of CBIC's common stock. RLI Insurance Company requests a decision be rendered on this matter soon during the second quarter of 2011.

The Company Supervision division is satisfied that the Form A filing is complete, and requests that a hearing be scheduled in this matter according to RCW 48.31B.015. Mr. Charles D. Brown is the OIC staff attorney assigned to this case.

If you have any questions, please call me at 360-725-7211 or Mr. Brown at 360-725-7044.

Yours truly,

A handwritten signature in cursive script that reads "Ronald J. Pastuch".

RONALD J. PASTUCH, CPA
Holding Company Manager
Company Supervision Division
Fax: 360-586-2022

cc: Michael G. Watson, Chief Deputy Insurance Commissioner
James T. Odiome, CPA, JD, Deputy Insurance Commissioner
Charles D. Brown, Senior Staff Attorney

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