



**RICARDO LARA**  
CALIFORNIA INSURANCE COMMISSIONER

**NOTICE OF PUBLIC HEARING REGARDING THE DEMUTUALIZATION OF  
NORCAL MUTUAL INSURANCE COMPANY<sup>1</sup>**

NOTICE IS HEREBY GIVEN that the Insurance Commissioner of the State of California (the "Commissioner") will hold a VIRTUAL public hearing on the plan of NORCAL Mutual Insurance Company ("NORCAL Mutual") to convert from a mutual insurer into a stock insurer. Anyone may attend and ask to speak at the hearing. Anyone may provide written comments or documents to the Commissioner by sending them to the email address listed below. You are not required to attend the hearing in order to provide written comments or documents. NORCAL Mutual members, particularly "Eligible Members," may be especially interested in attending. An Eligible Member is one who: (i) owned a NORCAL Mutual policy that was in effect on February 18, 2020, or the owner of a replacement policy for which the predecessor policy was in effect on February 18, 2020; and (ii) owns a NORCAL Mutual policy on the date of the closing of the Acquisition (defined below). Please refer to the Amended and Restated Plan of Conversion for the detailed definition of "Eligible Member." You are not required to be an Eligible Member to provide oral or written comments.

The hearing will be held as follows:

**April 1, 2021**

10:00 a.m. Pacific Daylight Time (PDT)

California Department of Insurance

**VIRTUAL PARTICIPATION ONLY: VIA WEBEX AND TELEPHONE\***

**WebEx: <https://mb.webex.com/mb/onstage/g.php?MTID=ea4656f1495aaed386287c8abfa8649bc>\*\***

**Toll-Free Telephone: 1(844)992-4726, Access code: 187 916 7726**

The hearing will continue on the date noted above until 5:00 p.m., or as soon as all those wishing to speak have done so, whichever is earlier.

**CONVERSION AND PURCHASE**

The Commissioner scheduled this public hearing pursuant to California Insurance Code ("CIC") §4097.06 to consider the Amended and Restated Plan of Conversion (the "Plan") adopted by the Board of Directors of NORCAL Mutual Insurance Company, a mutual insurance company domiciled in the State of California. After the conversion, the name of the company will be changed to NORCAL Insurance Company ("NIC").

The Plan provides for:

- (1) the conversion of NORCAL Mutual, pursuant to CIC §4097 *et seq.*, from a mutual insurance company into an incorporated stock insurance company, and
- (2) the sale and purchase of at least eighty percent (80%) of the newly-issued shares of common stock of NIC to PRA Professional Liability Group, Inc., a Delaware corporation ("PRA Professional"), a wholly-owned subsidiary of ProAssurance Corporation, a Delaware corporation ("ProAssurance" and together with PRA Professional, collectively, the "Sponsor") pursuant to an Agreement and Plan of Acquisition, by and between NORCAL Mutual and the Sponsor, dated February 20, 2020 (the "Acquisition").

NORCAL Mutual is providing the Plan to "Record Date Members" with this notice. Record Date Members are Members of NORCAL Mutual who owned policies on February 27, 2021. Please refer to the Amended and Restated Plan of

CALIFORNIA DEPARTMENT OF INSURANCE  
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1901 Harrison Street, 6<sup>th</sup> Floor  
Oakland, California 94612

<sup>1</sup> This Notice replaces a Notice dated February 25, 2021, which the Commissioner previously issued on this matter.

Conversion for the detailed definition of "Record Date Member." If you are not a Record Date Member, you may request electronic copies of the same information from the California Department of Insurance ("CDI").

## PURPOSE OF THE HEARING

Pursuant to CIC §4097.06(b), the Commissioner shall order a public hearing on the Plan after written notice of the hearing to the mutual company, its members, and the public. Members of the mutual company, their representatives, and the public shall have the right to appear at the public hearing, to provide oral comments, and to submit written comments to the Commissioner. You are not required to provide notice of your intention to provide oral comments at the hearing; however, those that provide notice will be scheduled before others. Following the public hearing, the Commissioner may require modifications to the Plan.

The Plan cannot be completed without the Commissioner's approval and without satisfaction of other requirements. Section 4097.06 requires the Commissioner to approve the Plan if the Commissioner finds that the Plan is fair, just and equitable to NORCAL Mutual and its members, does not violate the law, and after the conversion NIC will satisfy the requirements for the issuance of a license to write the line or lines of insurance for which NORCAL Mutual is presently licensed.

## ACCESS TO THE HEARING

This hearing will be open to the public. An RSVP is not required to attend the hearing and all attendees are invited to participate regardless of an RSVP. However, to aid the CDI in managing participation, we request that you RSVP, preferably by **March 26, 2021**, by providing your name(s), the name of the organization you represent, and your contact information, including the email address of each attendee to [NORCALDemutualization@insurance.ca.gov](mailto:NORCALDemutualization@insurance.ca.gov).

The virtual conference tools to be used for the public hearing are accessible to persons with mobility impairment. Persons with sight or hearing impairments are requested to notify [NORCALDemutualization@insurance.ca.gov](mailto:NORCALDemutualization@insurance.ca.gov) in order to make specific arrangements.

To attend the hearing you may either log-in through the WebEx link provided above at the time of the hearing or you may call the toll-free telephone number provided above. If you log-in through the WebEx link you will have the opportunity to see and hear the hearing and be seen (if the device you use is camera-enabled) and heard (if the device you use is audio-enabled). If you call in by telephone you will be able to hear the hearing and you will be able to ask questions and make comments by pressing \*3 to wait for the host to unmute your line.

All written comments or documents must be sent to CDI via email and received by CDI at the email address below, no later than 5:00 p.m. on **April 1, 2021**, in order to be considered part of the hearing record. All oral and written comments received at the hearing will be considered part of the hearing record.

Please direct any questions regarding this notice, opportunities to provide oral and written comments for the record, to: [NORCALDemutualization@insurance.ca.gov](mailto:NORCALDemutualization@insurance.ca.gov).

\* If the manner in which the hearing will be conducted changes, CDI will send a notice regarding the change(s) in advance of the hearing.

\*\* Alternatively, access the hearing at <https://mb.webex.com> (Event Number 1879167726, Password: 2zqJq8GfMR5).

DATED: March 1, 2021

RICARDO LARA  
Insurance Commissioner

By         /S/          
Libio B. Latimer  
Attorney IV  
Corporate Affairs Bureau