



July 31, 2018

Maria Vullo, Superintendent
NYS Department of Financial Services
One State Street
New York, NY 10004

Dear Ms. Vullo:

I am writing on behalf of the New York Insurance Association (NYIA) in support of department's approval of the conversion plan filed by Medical Liability Mutual Insurance Company (MLMIC) to demutualize. NYIA is the state trade association that represents the property and casualty insurance industry and our organization has been in business in New York for more than 135 years. Our membership consists of stock, mutual and cooperative insurance companies writing various lines of insurance and serving policyholder in every geographic region of the state.

As you know MLMIC is a New York domestic company and is the leading provider of MPL insurance to doctors, dentist and hospitals in the Empire State. They have been a stable provider of market leading risk management, claims services and other services exclusively to healthcare providers located throughout the state. The company performs its business operations exclusively through offices in New York City, Long Island, the Capital District and Syracuse and it employees hundreds of people who live and work in New York State.

This conversion will allow Berkshire Hathaway to invest over \$2.5B dollars in MLMIC. It will provide MLMIC with additional capital, expertise and reinsurance support from one of the world's leading insurance and reinsurance groups. This access to capital and reinsurance support is particularly important to mutual insurance companies which often have a more difficult time raising capital than stock companies. Surplus notes can be difficult to obtain and may not necessarily prove effective for long term success.

Approval of this transaction will send a strong positive message to the entire property casualty industry that New York regulators are not only consumer friendly, but also business friendly. This transaction demonstrates that DFS is willing to work with companies to allow them to make business decisions that they feel are best for their policyholders. In addition, it may encourage other investors to deploy their capital in this state as well. It encourages a free and competitive market.

MLMIC believes that this conversion will facilitate their ability to provide policyholders with new products and additional risk financing options in an important and historically challenged marketplace.

For the reasons stated above, we encourage DFS to consider approval of this conversion plan at your earliest convenience.

Sincerely,

A handwritten signature in black ink that reads "Ellen Melchionni". The signature is written in a cursive, flowing style.

Ellen Melchionni, CAE
President

cc: Laura Evangelista, Executive Deputy Superintendent
Stephen Doody, Deputy Superintendent Property and Casualty
Marshal Bozzo, Assistant Deputy Superintendent Property and Casualty