

STATE OF INDIANA     )           BEFORE THE COMMISSIONER OF THE  
                                  ) SS:  
COUNTY OF MARION    )           INDIANA DEPARTMENT OF INSURANCE

ACQUISITION OF CONTROL OF:

HEARTLAND NATIONAL LIFE INSURANCE COMPANY

BY

CONVERGE RE HOLDINGS LLC,  
CR MCD INVESTOR LLC,  
AND DAVID LICHTENSTEIN

**FINDINGS OF FACT, CONCLUSIONS OF LAW AND FINAL ORDER**

The proposed acquisition of control of Heartland National Life Insurance Company, an Indiana domestic insurer (the “Domestic Insurer”), by Converge Holdings LLC (“Converge”), a Delaware limited liability company, CR MCD Investor LLC (“MCD”), a Delaware limited liability company, and David Lichtenstein (“Lichtenstein”) (collectively, Converge, MCD, and Lichtenstein, are the “Applicants”), came before Holly W. Lambert, Commissioner of the Indiana Department of Insurance (the “Commissioner”), at a public hearing (the “Hearing”) on March 11, 2026, commencing at approximately 11:00 a.m. in the offices of the Indiana Department of Insurance (the “Department”), located at 311 West Washington Street, Indianapolis, Indiana.

After considering all the evidence and arguments, and being fully advised, the Commissioner hereby enters the following Findings of Fact, Conclusions of Law and Order:

**Findings of Fact**

**The Parties**

1. Heartland National Life Insurance Company is a “domestic insurer” as that term is defined in Indiana Code § 27-1-23-1(g) and used in Indiana Code § 27-1-23-2, with its statutory home office located at 401 Pennsylvania Parkway, Indianapolis, Indiana 46280 and its principal office located at 4200 Little Blue Parkway, Suite 400, Independence, Missouri 64057.
2. The Domestic Insurer is an Indiana stock life insurance company engaged in the general life insurance and health and accident insurance businesses. The Domestic Insurer was established in 1964 and specializes in supplemental insurance products designed to fill gaps in existing coverage. The Domestic Insurer’s offerings include Medicare Supplement plans, hospital indemnity insurance, home health care coverage, annuities, and policies for cancer, heart attack, and stroke.

3. MCD is a newly formed special purpose vehicle organized solely for the purpose of indirectly acquiring 49% of Heartland. MCD has not conducted any business operations prior to this transaction and has no operating history other than activities related to its formation and the negotiation and consummation of the proposed acquisition. There have been no acquisitions or dispositions of control by MCD or any predecessors, nor have there been any material changes in the financial condition, management, or operations of any such entities. Following consummation of the proposed acquisition, MCD will serve as a holding company for Heartland and will not itself engage in insurance operations or other business activities beyond those necessary to oversee its investment in the insurer. MCD has no current plans or proposals to cause any material change in the business, corporate structure, management, or operations of Heartland other than as described in the Form A Statement.
4. Converge exists for the sole purpose of acting as a holding company of MCD and Converge RE II ("Converge Re"), a Puerto Rico-domiciled life and annuity reinsurer that provides life and annuity reinsurance. Converge RE manages ceded reserves of long-tailed, lower-volatility risks with predictable cash flows across asset-intensive liabilities, mortality, and longevity, including products such as whole life, indexed life, BOLI/COLI, deferred and immediate annuities, pre-need/final expense, and structured settlements. There have been no acquisitions or dispositions of control by Converge or any predecessors, nor have there been any material changes in the financial condition, management, or operations of any such entities. Following consummation of the proposed acquisition, Converge will continue to serve as a holding company for MCD and Converge RE and will not itself engage in insurance operations or other business activities beyond those necessary to oversee its investment in the foregoing entities. Converge has no current plans or proposals to cause any material change in the business, corporate structure, management, or operations of Heartland.
5. Lichtenstein is the indirect owner of 90% of LSG MCD Lender LLC ("Lender") and the CEO of Converge. Heartland and Lender have entered into that certain Credit Agreement by and between the Domestic Insurer's parent company, The McDaniel 2024 Company (the "McDaniel Company"), dated as of February 14, 2025 (the "Loan"). Pursuant to the Loan, the McDaniel Company pledged 100% of its interest in Heartland as collateral to secure its obligations in the case of an event of default of the Loan. Lichtenstein, as indirect owner of Lender, has a contingent right, through Lender, to acquire beneficial ownership of Heartland in the case of an event of default of the Loan.
6. The Applicants are "acquiring parties" as that term is defined in Indiana Code § 27-1-23-1(a) and used in Indiana Code § 27-1-23-2.

### **Procedural History**

7. On November 13, 2025, the Applicants filed a Form A Statement regarding the proposed acquisition of control of the Domestic Insurer, together with exhibits, with the Commissioner.

8. On December 29, 2025, the Department sent questions and requests for additional information to the Applicants.
9. The Applicants submitted responses to these questions and requests for additional information to the Department on January 9, 2026.
10. The Form A Statement, as amended and supplemented by the Applicants' and the Domestic Insurer's responses to the Department's questions and request for additional information (the "Form A Statement"), is in compliance with and satisfies the requirements of Indiana Code § 27-1-23-2 and the regulations promulgated thereunder.
11. At the Hearing, the Applicants confirmed there had been no material change in the facts set forth in the Form A Statement as filed with the Commissioner and as subsequently supplemented.
12. The Applicants delivered copies of the Form A Statement to the Domestic Insurer in accordance with Indiana Code § 27-1-23-2(a).
13. Pursuant to Indiana Code § 27-1-23-2(h), and upon agreement of all of the parties, the Commissioner set the date of the public Hearing to consider the proposed acquisition of control of the Domestic Insurer for March 11, 2026.
14. The Domestic Insurer and the Applicants each provided Waivers of Prior Written Notice of the Hearing required by Indiana Code § 27-1-23-2(h). In addition, the McDaniel Company, and Christopher M. McDaniel, each provided Waivers of Prior Written Notice of the Hearing required by Indiana Code § 27-1-23-2(h).
15. Pursuant to Indiana Code § 27-1-23-2(i), the Commissioner provided public notice of the Hearing by publishing such notice, in (i) *The Indianapolis Star*, a newspaper of general circulation in Indianapolis, Indiana on February 27, 2026, and (ii) *The Examiner*, a newspaper of general circulation in Independence, Missouri on February 25, 2026. The public notice given by the Commissioner was adequate and consistent with the requirements of Indiana Code § 27-1-23-2(i).
16. Pursuant to Indiana Code § 27-1-23-2(j), the Commissioner retained outside counsel in connection with the Form A proceeding and Hearing. The Applicants have agreed to pay all of the Commissioner's expenses as required by Indiana Code § 27-1-23-2(j), including, but not limited to, attorneys' fees and costs.

### **The Hearing**

17. Consistent with Indiana Code § 27-1-23-2(k), all interested parties participating in the Hearing were provided the opportunity to present evidence, examine witnesses, and/or offer arguments.
18. The Applicants submitted evidence at the Hearing, including oral testimony and exhibits identified and admitted into evidence at the Hearing, a list of which is attached hereto as **Exhibit A**.

19. No objection was made at the Hearing or otherwise to the proposed acquisition of control of the Domestic Insurer by the Applicants.

### **The Proposed Transaction**

20. Pursuant to an agreement among Christopher M. McDaniel, the McDaniel Company, and MCD (the "Agreement"), MCD will acquire 14,700 shares of common stock of the McDaniel Company, which constitutes 49% of the issued and outstanding shares of the McDaniel Company and, therefore, will acquire indirect control over the Domestic Insurer (the "Proposed Transaction").
21. The completion of the Proposed Transaction is not conditioned on the issuance of new debt or other new financing arrangements by the Applicants.
22. The terms and conditions of the Proposed Transaction were determined through arm's length negotiation.

### **Future Plans for the Domestic Insurer**

23. The Applicants do not have any present plans or proposals to cause the Domestic Insurer to pay any extraordinary dividends, to liquidate the Domestic Insurer, to sell any of its assets, to merge or consolidate the Domestic Insurer with any person or persons, to make any other material change in its business operations or corporate structure or management except as detailed in the Form A Statement, or to cause the Domestic Insurer to enter into material agreements, arrangements, or transactions of any kind with any affiliated party not otherwise already disclosed to the Department, including possible reinsurance transactions.

### **Competitive Impact**

24. The Proposed Transaction meets the exemption standards set forth in Indiana Code § 27-1-23-2.5(c)(5) because immediately following the Proposed Transaction, at least one of the following will apply: (a) in no market would the combined market share of the involved insurers exceed 5% of the total market (Indiana Code § 27-1-23-2.5(c)(5)(A)); or (b) in no market would the combined market share of the involved insurers: (i) exceed 12% of the total market; or (ii) increase by more than 2% of the total market (Indiana Code § 27-1-23-2.5(c)(5)(C)).
25. The Proposed Transaction meets the exemption standards set forth in Indiana Code § 27-1-23-2.5(c)(5)(A) and Indiana Code § 27-1-23-2.5(c)(5)(C), and therefore, the effect of the acquisition of control of the Domestic Insurer by the Applicants will not be to substantially lessen competition in any line of insurance business in any section of Indiana or tend to create a monopoly therein.

## Conclusions of Law

### The Parties

1. The acquisition of 49% of the Domestic Insurer by the Applicants would not tend to adversely affect the contractual obligations of the Domestic Insurer or its ability and tendency to render service in the future to its policyholders and the public as required by Indiana Code § 27-1-23-2(f)(1).
2. The effect of the acquisition of 49% of the Domestic Insurer would not be substantially to lessen competition in any line of insurance business in any section of the State of Indiana or tend to create a monopoly therein as required by Indiana Code § 27-1-23-2(f)(2).
3. The financial condition of the Applicants is not such as might jeopardize the financial stability of the Domestic Insurer or of any corporation controlling the Domestic Insurer, or prejudice the interests of its policyholders as required by Indiana Code § 27-1-23-2(f)(3).
4. The Applicants do not currently have any plans or proposals to liquidate the Domestic Insurer or any such controlling corporation, sell its assets or consolidate or merge the Domestic Insurer with any person. The plans or proposals which the Applicants have to make any other material change in the Domestic Insurer's investment policy, business, corporate structure, or management are fair and reasonable to policyholders of the Domestic Insurer and in the public interest as required by Indiana Code § 27-1-23-2(f)(4).
5. The competence, experience and integrity of those persons who would control the operation of the Domestic Insurer are such that the acquisition of control would not tend to adversely affect the general capacity or intention of the Domestic Insurer to transact the business of insurance in a safe and prudent manner as required by Indiana Code § 27-1-23-2(f)(5).
6. The Form A Statement is properly supported by the required documents and meets all of the requirements of law for its approval.

## ORDER

IT IS THEREFORE ORDERED THAT:

The Proposed Transaction, pursuant and subject to the terms and conditions of the Form A Statement and these Findings of Fact and Conclusions of Law, is hereby approved, subject to the conditions set forth below.

IT IS FURTHER ORDERED that:

1. The Applicants are to provide the Department with written notice of the closing of the Proposed Transaction promptly (but in any event within five (5) business days) following the closing date.



---

Holly W. Lambert, Commissioner  
Indiana Department of Insurance

Dated this 18<sup>th</sup> day of March, 2026.

**EXHIBIT A**  
**JOINT STIPULATED EXHIBIT LIST**

(see attached)