DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

P.O. Box 690, Jefferson City, Mo. 65102-0690

IN RE:	**The Proposed Acquisition of:**	)	
		)	
	Gateway Insurance Company	)	
		)	**Case No. 121107584C**
	by	)	
		)	
	Atlas Financial Holdings, Inc.	)	

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

Based on the competent and substantial evidence on the whole record, I, John M. Huff, Director of the Missouri Department Insurance, Financial Institutions and Professional Registration, find and conclude that:

1. On or about November 1, 2012, Atlas Financial Holdings, Inc. ("Applicant") filed a Form A Statement with the Missouri Department of Insurance, Financial Institutions and Professional Registration "Department") in connection with the proposed acquisition of Gateway Insurance Company, a Missouri domestic insurance company (the "Domestic Insurer"). Applicant filed supplements to the Form A Statement on or about November 26, 2012.

2. The Director, through his Hearing Officer, issued an Amended Notice of Hearing on November 29, 2012 for a public hearing on December 12, 2012. Applicant Atlas Financial Holdings provided timely notice of the hearing to the Domestic Insurer. At the December 12,

2012 hearing, Sherry Doctorian appeared for Applicant and Mark Stahlhuth appeared for the Department's Division of Insurance Company Regulation.

3. According to the Form A as supplemented, Applicant will acquire control of Domestic Insurer pursuant to a Stock Purchase Agreement dated October 24, 2012, whereby Applicant will purchase all of the issued and outstanding stock of Camelot Services, Inc., a Missouri corporation ("Camelot"), from Hendricks Holding Company, Inc., a Wisconsin corporation ("Hendricks") (the "Transaction"). As a result of the transaction, Domestic Insurer, which is a wholly-owned subsidiary of Camelot, will become beneficially owned, indirectly, by Applicant.

4. As part of the Transaction, the Domestic Insurer will enter into a Workers' Compensation Reinsurance Transaction, as fully described in the Form A Statement and Form D filings made with the Department.

5. A preponderance of the evidence on the whole record fails to show that:

a. After the acquisition of control of Domestic Insurer by Applicant, Domestic Insurer will be unable to satisfy the requirements for the issuance of licenses to write the lines of insurance for which it is presently licensed.

b. The effect of the acquisition of control of Domestic Insurer will be to substantially lessen competition in insurance, or tend to create a monopoly in this state.

c. The financial condition of Applicant is such as might jeopardize the financial stability of Domestic Insurer or prejudice the interest of the policyholders of Domestic Insurer.

d. Applicant's plans or proposals, if any, to liquidate Domestic Insurers, to sell their assets, to consolidate or merge with any person, or to make any other material change in their business or corporate structure or management is unfair or unreasonable to policyholders of Domestic Insurer, or contrary to the public interest.

e. The competence, experience and integrity of Applicant's management is such that it would be contrary to the interests of the policyholders of Domestic Insurer and of the public to permit the acquisition of Domestic Insurer by Applicant.

f. The proposed acquisition of Domestic Insurer by Applicant is likely to be hazardous or prejudicial to the insurance buying public.

ORDER

Based on the foregoing findings and conclusions, the proposed acquisition of control of Gateway Insurance Company by Atlas Financial Holdings, Inc. as submitted in the Form A Statement and supplements thereto is hereby **APPROVED**.

So ordered, signed and official seal affixed this 21st day of December, 2012

JOHN M. HUFF, Director