

BEFORE THE INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

In Re: : Pursuant to Sections 1401, 1402,  
: and 1403 of the Insurance  
Application of London Life Reinsurance : Holding Companies Act, Article  
Company Requesting Exemption from the : XIV of the Insurance Company  
Requirements of 40 P.S. §991.1402 for the : Law of 1921, Act of May 17, 1921,  
Restructuring of its Holding Company : P.L. 682, as amended, 40 P.S.  
System : §§991.1401, 991.1402, and  
: 991.1403  
:  
: Order No. ID-RC-19-19

DECISION AND ORDER

AND NOW, on this 15<sup>th</sup> day of November, 2019, Joseph DiMemmo, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania (“Deputy Commissioner”), hereby makes the following Decision and Order:

Pursuant to the Insurance Holding Companies Act and in consideration of the documents, presentations and reports received, as well as other inquiries and studies as permitted by law, the Deputy Commissioner hereby makes the following findings of fact:

FINDINGS OF FACT

**Identity of the Parties**

1. London Life Reinsurance Company (“LLRC”) is a domestic stock life insurance company organized under the laws of the Commonwealth of Pennsylvania with its principal place of business in Blue Bell, Pennsylvania.
2. LRG (US), Inc. (“LRGUS”) is a holding company organized under the laws of Delaware with its principal place of business in Blue Bell, Pennsylvania. LRGUS currently directly holds 100% of the voting securities of LLRC.

3. London Life Insurance Company (“LLIC”) is a stock life insurance company organized under the laws of Canada with its principal place of business in London, Ontario. LLIC indirectly owns 100% of the voting securities of LRGUS.
4. London Insurance Group Inc. (“LIGI”) is a holding company organized under the laws of Canada with its principal place of business in London, Ontario. LIGI directly holds 100% of the voting securities of LLIC.
5. The Canada Life Assurance Company (“CLAC”) is a stock life insurance company organized under the laws of Canada with its principal place of business in Toronto, Ontario.
6. Canada Life Financial Corporation (“CLFC”) is a holding company organized under the laws of Canada with its principal place of business in Toronto, Ontario. CLFC directly holds 100% of the voting securities of CLAC.
7. The Great-West Life Assurance Company (“GWL”) is a stock life insurance company organized under the laws of Canada with its principal place of business in Winnipeg, Manitoba. GWL directly holds 100% of the voting securities of both LIGI and CLFC.
8. Great-West Lifeco Inc. (“Lifeco”) is a holding company organized under the laws of Canada with its principal place of business in Winnipeg, Manitoba. Lifeco directly holds 100% of the voting securities of GWL.

### **Filing of the Application**

9. On October 31, 2019, the Insurance Department of the Commonwealth of Pennsylvania (“Department”) received an initial request (which together with all material received subsequently is collectively referenced as “Application”) from LLRC for approval to restructure its holding company system.
10. The Insurance Holding Companies Act, Article XIV of the Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, as amended, 40 P.S. §§991.1401 et seq. (“Insurance Holding Companies Act”), provides that all transactions affecting the control of a domestic insurer must be filed with the Department for approval or disapproval.
11. The Application was filed pursuant to Section 1402 of the Insurance Holding Companies Act.
12. Section 1402(g) of the Insurance Holding Companies Act provides for the exemption from the requirements of Section 1402(b) if the transaction:
  - a. does not have the effect of changing or influencing the control of a domestic insurer, or

b. is otherwise not comprehended within the purposes of the section.

### **The Transaction**

13. As described in the Application, GWL, CLFC, LIGI, CLAC and LLIC have filed a request with the Office of the Superintendent of Financial Institutions and the Ministry of Finance for approval to amalgamate and continue as one company under the name “The Canada Life Assurance Company” (“Amalco”) (the “Amalgamation”).
14. As described in the Application, after giving effect to the Amalgamation, planned to take place on January 1, 2020, Lifeco will directly hold 100% of the voting securities of Amalco.
15. As described in the Application, after giving effect to the Amalgamation, Amalco will indirectly hold 100% of the voting securities of LRGUS.
16. As described in the Application, after giving effect to the Amalgamation, LRGUS will directly hold 100% of the voting securities of LLRC.
17. The Insurance Commissioner of the Commonwealth of Pennsylvania (“Commissioner”) has delegated to the Deputy Insurance Commissioner the authority to approve an application that would not have the effect of changing or influencing the control of a domestic insurer.
18. The Deputy Commissioner finds that the transaction described in the Application would not have the effect of changing or influencing the control of a domestic insurer.
19. If any of the above Findings of Fact are determined to be Conclusions of Law, they shall be incorporated in the Conclusions of Law as if fully set forth therein.

### **CONCLUSIONS OF LAW**

1. Under Section 1402 of the Insurance Holding Companies Act, the Department has jurisdiction to review and approve the acquisition of controlling securities of a domestic insurer if, after consummation thereof, the acquiring person would be in control of the domestic insurer.
2. The Insurance Commissioner has delegated authority to approve an application that would not have the effect of changing or influencing the control of a domestic insurer to the Deputy Insurance Commissioner.
3. The Deputy Commissioner has jurisdiction over the parties and subject matter of this proceeding.

4. The Application was properly filed pursuant to and in accordance with Section 1402(g) of the Insurance Holding Companies Act.
5. The restructuring of the holding company system proposed in the Application is not being contemplated to change or influence the ultimate control of LLRC, and, therefore, is exempt from the requirements of Section 1402(b) of the Insurance Holding Companies Act.
6. If any of the above Conclusions of Law are determined to be Findings of Fact, they shall be incorporated in the Findings of Fact as if fully set forth therein.

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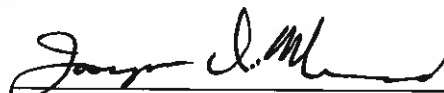
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ORDER

Upon consideration of the foregoing, the Deputy Insurance Commissioner of the Commonwealth of Pennsylvania hereby makes the following Order:

An approving determination for the application of London Life Reinsurance Company requesting exemption from the requirements of 40 P.S. §991.1402 for the restructuring of its holding company system as set forth in the Application, is hereby granted.

This Order is effective immediately and valid for one year, provided there are no material changes to the representations provided in the application.



JOSEPH DIMEMMO  
Deputy Insurance Commissioner  
Office of Corporate and Financial Regulation

