

BEFORE THE INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Sections 1401, 1402,
	:	and 1403 of the Insurance
Application of Intact Financial	:	Holding Companies Act, Article
Corporation Requesting Exemption from	:	XIV of the Insurance Company
the Requirements of 40 P.S. §991.1402 for	:	Law of 1921, Act of May 17, 1921,
the Restructuring of their Holding	:	P.L. 682, <u>as amended</u> , 40 P.S.
Company System which Includes OBI	:	§§991.1401, 991.1402, and
America Insurance Company and OBI	:	991.1403
National Insurance Company	:	
	:	Order No. ID-RC-21-31

**DECISION AND ORDER**

AND NOW, on this 8th day of December 2021, Melissa Greiner, 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. OBI America Insurance Company (“AIC”) is a domestic stock casualty insurance company organized pursuant to the laws of Pennsylvania with its principal place of business in Plymouth, Minnesota.
2. OBI National Insurance Company (“NIC” and collectively referenced with AIC as the “Domestic Insurers”) is a domestic stock casualty insurance company

organized pursuant to the laws of Pennsylvania with its principal place of business in Plymouth, Minnesota.

3. Intact International Ventures B.V. (“IIV”) is a private limited liability company organized pursuant to the laws of the Netherlands with its registered business address located in Amsterdam, the Netherlands. IIV currently indirectly holds 100% of the issued and outstanding stock of the Domestic Insurers.
4. Intact International Ventures SARL (“New LuxCo”) is a private limited liability company organized pursuant to the laws of Luxembourg with its registered business address located in Luxembourg.
5. Intact Financial Corporation (“IFC”) is a publicly traded company organized pursuant to the laws of Canada with its principal place of business in Toronto, Canada. IFC currently indirectly holds 100% of the issued and outstanding stock of IIV and New LuxCo.
6. No shareholder owns 10% or more of the voting securities of IFC.
7. IFC is the sole ultimate controlling person of the Domestic Insurers.

#### **Filing of the Application**

8. On November 5, 2021, 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 IFC for approval to restructure their holding company system that includes the Domestic Insurers.
9. 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.
10. The Application was filed pursuant to Section 1402 of the Insurance Holding Companies Act.
11. 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**

12. As described in the Application, IFC intends to restructure its holding company system by redomesticating IIV from the Netherlands to Luxembourg (the “Proposed Redomestication”).
13. As described in the Application, to accomplish the Proposed Redomestication, IFC will cause IIV to merge with and into New LuxCo, with New LuxCo remaining as the surviving corporation.
14. As described in the Application and as a result of the Proposed Redomestication, New LuxCo will replace IIV in the corporate structure and will now indirectly hold 100% of the issued and outstanding stock of the Domestic Insurers.
15. As described in the Application, upon completion of the Proposed Redomestication, IFC will remain as the sole ultimate controlling person of the Domestic Insurers.
16. 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.
17. The Deputy Commissioner finds that the transactions described in the Application would not have the effect of changing or influencing the control of a domestic insurer.
18. 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 proposed in the Application is not being contemplated to change or influence the ultimate control of the Domestic Insurers, 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.

BEFORE THE INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Sections 1401, 1402, and 1403 of the Insurance
Application of Intact Financial	:	Holding Companies Act, Article
Corporation Requesting Exemption from	:	XIV of the Insurance Company
the Requirements of 40 P.S. §991.1402 for	:	Law of 1921, Act of May 17, 1921,
the Restructuring of their Holding	:	P.L. 682, <u>as amended</u> , 40 P.S.
Company System which Includes OBI	:	§§991.1401, 991.1402, and
America Insurance Company and OBI	:	991.1403
National Insurance Company	:	
	:	Order No. ID-RC-21-31

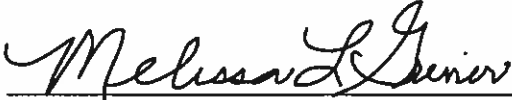
**ORDER**

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 Intact Financial Corporation requesting exemption from the requirements of 40 P.S. §991.1402 for the restructuring of its holding company system that includes OBI America Insurance Company and OBI National Insurance Company, 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.



  
MELISSA GREINER  
Deputy Insurance Commissioner  
Office of Corporate and Financial Regulation