

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF THE REQUEST BY)
INTERNATIONAL FIDELITY INSURANCE)
COMPANY FOR AN EXEMPTION FROM)
THE FILING AND PUBLIC HEARING) ORDER
REQUIREMENTS OF THE INSURANCE)
HOLDING COMPANY SYSTEMS ACT,)
N.J.S.A. 17:27A-1 ET SEQ.)

This matter having been opened by the Commissioner of the Department of Banking and Insurance (“the Commissioner”) pursuant to N.J.S.A. 17:1C-1 et seq., and 17:27A-1 et seq., and all powers expressed or implied therein; and

IT APPEARING that N.J.S.A. 17:27A-2d provides for the Commissioner’s approval of any merger or other acquisition of control of a domestic insurer after holding a public hearing; and

IT FURTHER APPEARING that N.J.S.A. 17:27A-2f(2)(a) provides an exemption to N.J.S.A. 17:27A-2 when an offer, request, invitation, agreement or acquisition is made, which the Commissioner by Order shall find as not having been made or entered into for the purpose, and not having the effect, of changing or influencing the control of a domestic insurer; and

IT FURTHER APPEARING that International Fidelity Insurance Company (“IFIC” or “the insurer”), a New Jersey-domiciled stock property/casualty insurer, is directly owned by various shareholders (“the IFIC shareholders”); and

IT FURTHER APPEARING that the IFIC shareholders intend to form and contribute their shares to a new holding company, IFIC Surety Group, Inc. (“IFIC Group”) to be the ultimate controlling entity of IFIC; and

IT FURTHER APPEARING that, after the transaction, the same shareholders with the same number of shares will own IFIC Group; and

IT FURTHER APPEARING that after the transaction, IFIC will continue to be ultimately controlled by the same shareholders; and

IT FURTHER APPEARING that this transaction is an intrasystem corporate restructuring that is not being made or entered into for the purpose, and will not have the effect, of changing or influencing the control of the insurer; and

IT FURTHER APPEARING that the Department of Banking and Insurance (“the Department”) has reviewed the documents submitted in support of this request and, based upon that review, has determined that the parties may be exempted from the filing and public hearing requirements of N.J.S.A. 17:27A-2, upon finding that the provisions of N.J.S.A. 17:27A-2f(2) are applicable to this transaction;

THEREFORE, IT IS on this 6th day of July, 2015,

ORDERED that:

Based upon the finding that the proposed transaction involves an intrasystem reorganization that has no effect on the ultimate control or ownership of the insurer, this transaction is hereby exempted from the statutory filing and public hearing requirements of N.J.S.A. 17:27A-1 et seq. in accordance with N.J.S.A. 17:27A-2f(2).



Kenneth E. Kobylowski
Commissioner