

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF THE REQUEST BY)
AMERICAN MILLENNIUM INSURANCE)
COMPANY FOR AN EXEMPTION FROM) ORDER
THE FILING AND PUBLIC HEARING)
REQUIREMENTS OF THE INSURANCE)
HOLDING COMPANY SYSTEMS ACT,)
N.J.S.A. 17:27A-1 TO -14)

This matter having been opened by the Commissioner of the Department of Banking and Insurance (“Commissioner”) pursuant to N.J.S.A. 17:27A-1 to -14, and all powers expressed or implied therein; and

IT APPEARING that N.J.S.A. 17:27A-2(d) 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-2(f)(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 American Millennium Insurance Company (“Domestic Insurer”), a New Jersey Licensed Property and Casualty Stock Insurer, is a direct wholly owned subsidiary of Citadel Risk Holdings, Inc. (“CRHI”), which in turn is directly owned by Citadel Reinsurance Company, Limited (“CRCL” or “Ultimate Controlling Entity”) with an 84.75%

ownership share, Citadel Risk Management, Inc. (“CRMI”) with an 7.64% ownership share and Citadel Risk Services, Inc. (“CRSI”) with an 7.61% ownership share; and

IT FURTHER APPEARING that CRSI is a direct wholly owned subsidiary of CRMI, which in turn is a direct wholly owned subsidiary of CRCL; and

IT FURTHER APPEARING that the Ultimate Controlling Entity intends to dissolve CRSI which it now considers a non-essential company (“Dissolution”), and distribute CRSI’s assets to CRMI; and

IT FURTHER APPEARING that after the Dissolution, Domestic Insurer will remain a direct wholly owned subsidiary of CRHI, with CRHI continuing as a direct subsidiary of CRCL with an 84.75% ownership share and CRMI now holding an 15.25% ownership share; and

IT FURTHER APPEARING that CRMI will continue to be a direct wholly owned subsidiary of CRCL; and

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

IT FURTHER APPEARING that 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–2(f)(2) are applicable to this transaction.

THEREFORE, IT IS on this 6th day of JUNE, 2024,

ORDERED that:

Based upon the finding that the proposed transaction involves a reorganization that has no effect on the ultimate control or ownership of the Domestic Insurer, this transaction is hereby exempted from the statutory filing and public hearing requirements of N.J.S.A. 17:27A-1 to -14 in accordance with N.J.S.A. 17:27A-2(f)(2).


Justin Zimmerman
Acting Commissioner

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