

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF THE REQUEST BY)
BUILDERS INSURANCE MUTUAL)
HOLDING COMPANY FOR AN)
EXEMPTION FROM THE FILING AND) ORDER
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 Bondex Insurance Company, a New Jersey domiciled stock property and casualty insurer (“Domestic Insurer”) is a direct wholly-owned subsidiary of Bondex Insurance Group, Inc. a New Jersey corporation (“Bondex Group”), which in turn is a direct wholly-owned subsidiary of Builders Insurance Group, Inc., a Georgia Corporation (“Builders Group”), which in turn is a direct wholly owned subsidiary of Builders Insurance (an Association Captive Company), a Georgia stock company (“Builders Insurance”), a direct wholly

owned subsidiary of Builders Insurance Intermediate Holding Company, a Georgia corporation (“Intermediate Holdco”), which in turn is a direct wholly owned subsidiary of Builders Insurance Mutual Holding Company, a Georgia mutual holding company (“Ultimate Controlling Entity”); and

IT FURTHER APPEARING that, the Ultimate Controlling Entity intends to dissolve Bondex Group which it now considers an immaterial holding company (“Dissolution”); and

IT FURTHER APPEARING that, subsequent to the Dissolution, Domestic Insurer will become a direct wholly owned subsidiary of Builders Group, which will remain a direct wholly owned subsidiary of Builders Insurance, which will remain a direct wholly owned subsidiary Intermediate Holdco, which will remain a direct wholly owned subsidiary of the Ultimate Controlling Entity; 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, the New Jersey Department of Banking and Insurance (“Department”) Order No. A22–05, In the Matter of the Acquisition of Control of Bondex Insurance Company by Builders Insurance Group, Inc. and Builders Insurance (A Mutual Captive Company, now known as an Association Captive Association), approved the acquisition of control of Domestic Insurer subject to certain conditions set forth therein; and

IT FURTHER APPEARING, Order No. A22–05 and its conditions are in no way altered by this Order; 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 30th day of October, 2023, 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).

A handwritten signature in black ink that reads "Justin Zimmerman". The signature is written in a cursive style with a long horizontal flourish at the end.

Justin Zimmerman
Acting Commissioner

2f exemption Builders Insurance Mutual Holding Company/orders