

STATE OF NORTH DAKOTA

BEFORE THE INSURANCE COMMISSIONER

In the Matter of the Form A)	FINDINGS OF FACT,
Application of Mitsui Sumitomo)	CONCLUSIONS OF LAW, AND
Insurance Company, Limited et al.,)	ORDER APPROVING ACQUISITION OF
Proposed Acquisition of Great Divide)	GREAT DIVIDE INSURANCE COMPANY
Insurance Company)	
)	FILE NO CO-25-903

INTRODUCTION

1. On May 2, 2025, MS&AD Insurance Group Holdings, Inc., a stock corporation organized under the laws of Japan and publicly traded on the Tokyo Stock Exchange ("MS&AD Holdings"); Mitsui Sumitomo Insurance Company, Limited, a stock corporation organized under the laws of Japan and a wholly owned subsidiary of MS&AD Holdings ("MSI"); and Symphony Partners, LLC, a Delaware limited liability company wholly owned and managed by MSI ("Symphony Partners" and together with MS&AD Holdings and MSI, the "Applicants"), formally filed with the North Dakota Insurance Department (the "Department"), a Form A Statement Regarding the Acquisition of Control of a Domestic Insurer (the "Form A"). The Form A concerned the Applicants' proposed indirect acquisition of control of Great Divide Insurance Company, a North Dakota domiciled stock property and casualty insurance company (the "Domestic Insurer") and was submitted pursuant to N.D. Cent. Code Ann. § 26.1-10-03.

2. In connection with the Form A, the Applicants submitted a Framework Agreement between MSI and WR Berkley & Others, LLC, a Delaware limited liability company ("Family Holdings"), which is managed by members of the founding family of W. R. Berkley Corporation, a Delaware corporation whose securities are traded on the New York Stock Exchange ("Berkley"); a Cooperation Agreement between MSI and Berkley; and a proposed Amended and Restated Limited Liability Company Operating Agreement for Symphony Partners (the "Symphony Partners LLCA"). The Applicants also submitted pre-

and post-investment organizational charts, biographical affidavits, audited and unaudited financial statements, and three-year financial projections for the Domestic Insurer.

3. On May 28, 2025, a public notice was issued by North Dakota Insurance Commissioner Jon Godfread (the “Commissioner”) setting a public hearing concerning the proposed investment for June 2, 2025 as provided in N.D. Cent. Code Ann. § 26.1-10-03 (4). Notice of the public hearing was provided by the Applicants to the Domestic Insurer as provided in N.D. Cent. Code Ann. § 26.1-10-03 (4)(b).

4. The public hearing regarding the proposed investment was held before the Commissioner at 9:00 a.m., June 2, 2025, virtually via Microsoft Teams. The Applicants participated via teleconference through their counsel, Jeff McWhirt of Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C., and provided testimony via Affidavit from Kunihisa Kawasaki, General Manager. The local associate lawyer for Applicants, Zachary E. Pelham, an attorney at Pearce Durick PLLC, was in attendance. Jamie L. Struthers, Special Assistant Attorney General, appeared for the Department, and provided testimony via Declaration from Alexander Schmidt, Financial Analyst for the Department. The hearing adjourned at 9:13 a.m.

5. Through the public notice of hearing that was issued, the general public was invited to make comments concerning the proposed investment. The public was also invited to make comments concerning the proposed investment during the hearing. No members of the general public came forward at any time prior to or during the hearing to submit comments regarding the proposed investment.

6. The matter of the acquisition of control of the Domestic Insurer by the Applicants has been considered by the Department based upon the Form A, the written testimony received into evidence at the hearing, and Exhibits A through L filed with the Commissioner and made a part of the record during the hearing.

7. After considering and reviewing all the documents, instruments, testimony, and materials filed or submitted in this matter, the Commissioner makes the following Findings of Fact, Conclusions of Law, and Order.

FINDINGS OF FACT

A. Applicants' Background and Significant Affiliates

1. MS&AD is a stock corporation organized under the laws of Japan and publicly traded on the Tokyo Stock Exchange. It is the sole stockholder of MSI, a stock corporation organized under the laws of Japan. MSI is the sole member and manager of Symphony Partners, a Delaware limited liability company formed for purposes of the proposed investment. Together, MS&AD, MSI, and Symphony Partners comprise the Applicants. MS&AD and MSI are members of the MS&AD group of companies (the "Applicant Group"), a global insurance group with significant operations in both life and non-life insurance markets in Japan and internationally.

2. The Applicant Group provides insurance services to more than 45 million individual customers and 2.7 million corporate customers in Japan and is supported by over 30,000 employees and 70,000 agents. Internationally, the group operates in 48 countries and regions and is the leading insurance group in the ASEAN region by gross written premium.

3. The Applicant Group has a long-standing presence in the United States. MSIG Holdings (U.S.A.), Inc., a New York corporation, is an insurance holding company whose operations are conducted through its wholly owned subsidiaries: Mitsui Sumitomo Insurance USA Inc. ("Mitsui USA"), Mitsui Sumitomo Insurance Company of America ("Mitsui America"), MSIG Specialty Insurance USA Inc. ("MSIG Specialty"), TRM Specialty Insurance Company, MS Transverse Specialty Insurance Company, and MS Transverse Insurance Company, all of which are property and casualty insurance companies. The group also includes Mitsui Sumitomo Marine Management (U.S.A.), Inc., a non-insurance company that acts as the underwriting manager for Mitsui USA, Mitsui America, and MSIG Specialty, and provides those companies with underwriting, loss prevention, and investment services. The Applicant Group includes additional U.S. insurers as identified in the annual and quarterly statements of Mitsui USA, Mitsui America, and MSIG Specialty.

B. Domestic Insurer's Background and Significant Affiliates

1. The Domestic Insurer is a North Dakota-domiciled property and casualty insurance company. The Domestic Insurer is a direct, wholly owned subsidiary of Berkley Insurance Company, a property and casualty insurance company organized under the laws of Delaware ("Berkley Insurance"). Berkley Insurance is directly owned 100% by Signet Star Holdings, Inc., an insurance holding company organized under the laws of Delaware ("Signet Star"). Signet Star is, in turn, a wholly owned subsidiary of Berkley.

2. Berkley is a publicly traded company listed on the New York Stock Exchange under the trading symbol "WRB". As of the most recent available information, members of the founding family beneficially own approximately twenty-two point eight percent (22.8%) of the issued and outstanding shares of Berkley, and the remaining seventy-seven point two percent (77.2%) of the issued and outstanding shares of Berkley are owned by public shareholders.

C. Form A Filing and Related Procedural History

3. On May 2, 2025, MS&AD, by and through their authorized representatives, submitted the Form A regarding the proposed investment with the Commissioner pursuant to N.D.C.C. § 26.1-10-03. The Form A provides the entire and complete information required by N.D.C.C. § 26.1-10-03. On May 28, 2025 a public notice was issued by the Commissioner to set a public hearing concerning the proposed investment on June 2, 2025 as provided in N.D. Cent. Code Ann. § 26.1-10-03 (4). Notice of the public hearing was provided by the Applicants to the Domestic Insurer. The public hearing regarding the proposed investment was held before the Commissioner at 9:00 a.m. on June 2, 2025 virtually via Microsoft Teams. The Commissioner closed the record following completion of the public hearing at 9:13 a.m.

D. Proposed Investment

1. Subject to approval from the applicable regulatory authorities, MSI intends to acquire approximately fifteen percent (15%) of the outstanding voting securities of Berkley in the open market or privately negotiated purchases pursuant to a Framework Agreement with Family Holdings.

2. Upon completion of the investment and implementation of related governance arrangements, including the voting agreement with Family Holdings and the amended operating agreement for Symphony Partners, the Applicants will acquire indirect control of the Domestic Insurer.

E. Requirements for Issuance of a Certificate of Authority

1. The proposed investment will not negatively affect the Domestic Insurer's level of capital and surplus. Following the investment, the Domestic Insurer will have the same management who will hold the same positions as they held prior to the investment.

2. Following the investment, the Domestic Insurer's policies and procedures for complying with applicable laws will be the same as they were prior to the investment. Accordingly, following the investment, the Domestic Insurer will still satisfy the requirements for issuance of a certificate of authority to write the lines of insurance for which it is presently licensed.

F. Competition in Insurance and Impact on Insurance Buying Public

1. The Applicants' insurance subsidiaries and affiliates and the Domestic Insurer do not share significant market overlap in any line of insurance in the State of North Dakota.

2. The market shares of the Applicants' insurance subsidiaries and affiliates and the Domestic Insurer are below the statutory thresholds set forth in N.D. Cent. Code Ann. § 26.1-10-03.1 (4) for establishing *prima facie* evidence of a violation of competitive standards.

3. Pursuant to N.D. Cent. Code Ann. § 26.1-10-03.1(4)(b)(1), the investment does not have *prima facie* evidence that the change of control would substantially lessen

competition in the surplus insurance market in North Dakota. Consequently, the effect of the investment by the Applicants will not tend to substantially lessen competition or tend to create a monopoly in any line of insurance in North Dakota.

4. Testimony from Kunihiisa Kawasaki during the hearing established that the Applicants do not have any plans to make any material changes to the Domestic Insurer's policies currently issued to policyholders.

G. Applicants' Financial Status

1. The Applicants submitted all requested financial statements, organizational charts, and biographical affidavits for their directors and executive officers with the Form A.

2. The financial condition of the Applicants is such that the financial condition of the Domestic Insurer would not be jeopardized by the investment. Furthermore, the investment will not prejudice the interests of the Domestic Insurer's policyholders.

H. Plans and Proposals for the Domestic Insurer

1. Following the consummation of the investment, the Domestic Insurer will continue to maintain its separate corporate existence and substantially continue its operations as currently conducted.

2. The Applicants have no plans or proposals to liquidate the Domestic Insurer, to sell its assets, to merge or cause it to consolidate with any person or persons, or to make any other material change in its business operations, corporate structure, or management.

I. Applicants' Management

1. The Applicants are managed by professionals who have demonstrated competence, experience, and integrity in insurance operations. The Applicants' current management is not expected to change as a result of the Department's approval of the Form A.

2. The directors and executive officers of the Applicants possess significant corporate and commercial experience. The competence, experience, and integrity of the individuals who may control the operations of the Domestic Insurer are such that it would not be

against the interests of the policyholders of the Domestic Insurer or against the interests of the general public if the Applicants were permitted to acquire control of the Domestic Insurer.

J. Effect of the Investment on the Insurance Buying Public

1. The Domestic Insurer will be managed substantially consistent with the way it is currently managed and, given the experience and financial strength of the Applicants, the investment will not be hazardous or prejudicial to the insurance buying public.

K. Department's Recommendation

1. Alex Schmidt, Financial Analyst for the Department, reviewed the Form A and all of the corresponding exhibits.

2. Mr. Schmidt, on behalf of the Department, testified that he considered the criteria outlined in N.D. Cent. Code Ann. § 26.1-10-03(4)(a) through (f) and concluded that: (i) following the investment, the Domestic Insurer would still satisfy the current capital and surplus requirements under North Dakota law for issuance of a certificate of authority to write the lines of insurance for which it is presently licensed; (ii) the proposed investment would not have the effect of substantially lessening competition in insurance in North Dakota or tend to create a monopoly; (iii) the financial condition of the Applicants will not jeopardize the financial stability of the Domestic Insurer or prejudice the interests of the Domestic Insurer's policyholders, and in fact would strengthen the financial position of the Domestic Insurer and the interests of the Domestic Insurer's policyholders by providing access to the strong capital base of the Applicants; (iv) there was no evidence of any plans by the Applicants to liquidate the Domestic Insurer, sell its assets or consolidate or merge it with any person, or to make any other material change in the business or corporate structure or management of the Domestic Insurer; (v) the evidence suggested that the competence, experience and integrity of the directors, officers and management of the Applicants are such that it will be in the interests of the Domestic Insurer's policyholders and of the public to permit the investment to occur; and (vi) there is no evidence that the investment is likely to be hazardous or prejudicial to the insurance buying public.

CONCLUSIONS OF LAW

1. The Commissioner has jurisdiction over the proposed acquisition of control of the Domestic Insurer pursuant to N.D. Cent. Code Ann. § 26.1-10.
2. The Form A and its exhibits meet all of the filing requirements provided pursuant to N.D. Cent. Code Ann. § 26.1-10-03.
3. The Applicants have met the procedural requirements of N.D. Cent. Code Ann. § 26.1-10 with regard to seeking and receiving approval of the proposed acquisition of control of a domestic insurance company.
4. The hearing in this matter was duly noticed and conducted pursuant to the requirements of N.D. Cent. Code Ann. § 26.1-10-03(4) and an order approving or disapproving the proposed acquisition of control may be issued based upon the Form A filed with the Commissioner by the Applicants.
5. The Commissioner shall approve an acquisition of control governed by N.D. Cent. Code Ann. § 26.1-10-03 unless the Commissioner finds that:
 - a. After the change of control, the domestic insurance company would not be able to satisfy the requirements for the issuance of a certificate of authority to write the lines of insurance for which it is presently licensed.
 - b. The effect of the merger or other acquisition of control would be substantially to lessen competition in insurance or tend to create a monopoly in North Dakota.
 - c. The financial condition of any acquiring party might jeopardize the financial stability of the insurance company or prejudice the interest of its policyholders.
 - d. The plans or proposals which the acquiring party has to liquidate the insurance company, sell its assets or consolidate or merge it with any person, or to make any other material change in its business or corporate structure or management, are unfair and unreasonable to policyholders of the company and not in the public interest.

- e. The competence, experience, and integrity of those persons who would control the operation of the insurance company are such that it would not be in the interest of policyholders of the company and of the public to permit the merger or other acquisition of control.
- f. The acquisition is likely to be hazardous or prejudicial to the insurance buying public.

6. MSI's proposed acquisition of indirect control of North Dakota domestic insurer Great Divide Insurance Company by obtaining fifteen percent (15%) of the outstanding voting securities of Berkley constitutes a change of control under the provisions of N.D. Cent. Code Ann. § 26.1-10 and is subject to prior approval of the Commissioner.

7. Based on the Findings of Fact, the evidence does not suggest that any of the events or conditions listed in N.D. Cent. Code Ann. § 26.1-10-03(4) would occur or exist after the acquisition of control; therefore, the evidence does not form a basis upon which the proposed acquisition of control of Great Divide Insurance Company by the Applicants should be denied.

8. Considering the entirety of the evidence contained in the record, it is appropriate to approve the investment.

NOW, THEREFORE, based upon the representations and sworn testimony of the parties and the above Findings of Fact and Conclusions of Law, the Commissioner enters an Order as follows:

ORDER

The proposed acquisition of control of Great Divide Insurance Company by MS&AD Insurance Group Holdings, Inc., Mitsui Sumitomo Insurance Company, Limited, and Symphony Partners, LLC in accordance with the provisions of the Form A Statement Regarding the Acquisition of Control of a Domestic Insurer filed with the North Dakota Insurance Department is **HEREBY APPROVED**.

The Commissioner will retain jurisdiction over the subject matter of this proceeding and over the parties for the purpose of entering such further order or orders as may be deemed proper.

Dated this 25th day of August, 2025.



Jon Godfread, Commissioner
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