



P.O. Box 690, Jefferson City, Mo. 65102-0690

**IN RE:**            **The Proposed Acquisition of**            )  
                  **Integral Insurance Company by**            )            **Case No. 00-030324OX**  
                  **Caterpillar Insurance Holdings, Inc.**            )

**FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER**

Based on the testimony and other evidence presented, I, Keith A. Wenzel, Director of the Department of Insurance, State of Missouri, make the following findings of fact, conclusions of law, and order:

**Findings of Fact and Conclusions of Law**

1.        On or about March 2, 2000, Caterpillar Insurance Holdings, Inc. ("Applicant"), a Delaware stock insurance holding company, filed a Form A Statement with the Missouri Department of Insurance (the "Department"), in connection with the proposed acquisition of Integral Insurance Company ("Integral"), a Missouri domestic property and casualty insurance company. Applicant will acquire 100% of the voting stock of Integral. Applicant is owned 100% by Caterpillar, Inc., a Delaware stock corporation. On March 7, 2000, the Department ordered a public hearing on the proposed acquisition be held at 10:00 a.m. on March 28, 2000, in Room 630 of the Harry S Truman Building, 301 West High Street, Jefferson City, Missouri. A public hearing was held as scheduled. The Applicant and the Department's Division of Financial Regulation appeared by counsel.
  
2.        A preponderance of the evidence is not contrary to any of the following findings:
  - (1)        After the acquisition of Integral by the Applicant, Integral will be able to satisfy the

requirements for the issuance of a license to write the lines of insurance for which it is presently licensed.

(2) The effect of the acquisition of Integral by the Applicant will not substantially lessen competition in insurance or tend to create a monopoly in this state.

(3) The financial condition of Applicant is not such as might jeopardize the financial stability of Integral or prejudice the interests of its policyholders.

(4) Other than as set forth in the record of this application, Applicant has no plans to liquidate or sell Integral or to consolidate or merge it with other companies or to make any other material change in Integral's business, corporate structure, or management. Such plans as are set forth in the record would not be unfair or unreasonable to policyholders of Integral or contrary to the public interest.

(5) The competence, experience and integrity of the Applicant's management are such that it would not be contrary to the interest of policyholders of Integral and of the public to permit the acquisition of Integral by the Applicant.

(6) The proposed acquisition of Integral by the Applicant is not likely to be hazardous or prejudicial to the insurance buying public.

### **Order**

Based on the foregoing Findings and Conclusions, the proposed acquisition of Integral Insurance Company by Caterpillar Insurance Holdings Inc. is **APPROVED**.

So ordered, signed and official seal affixed this 4th day of April, 2000.

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Keith A. Wenzel, Director