



DEPARTMENT OF COMMERCE AND INSURANCE

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

IN RE: Proposed Acquisition of:)
)
FLETCHER REINSURANCE)
COMPANY)
)
by)
)
CONTINENTAL CASUALTY)
COMPANY, THE CONTINENTAL)
CORPORATION, CNA)
FINANCIAL CORPORATION, AND)
LOEWS CORPORATION)

Case No. 2411080651F

ORDER OF APPROVAL

Based on competent and substantial evidence and a review of the filings, I, Angela L. Nelson, Acting Director of the Missouri Department of Commerce and Insurance, (the "Director" of the "Department"), determine that there is no need for additional proceedings or a formal hearing on this matter and hereby issue the following findings of fact, conclusions of law, and order approving the proposed acquisition in this case:

FINDINGS OF FACT

1. Continental Casualty Company, The Continental Corporation, CNA Financial Corporation, and Loews Corporation (collectively, the "Applicants") submitted to the

Department a Form A statement, including exhibits thereto, dated November 7, 2024, regarding the proposed acquisition of control of Fletcher Reinsurance Company (the “Domestic Insurer”).

2. The Applicants propose to acquire control of the Domestic Insurer pursuant to a Stock Purchase Agreement. Under the Stock Purchase Agreement, Continental Casualty Company will acquire 100% of the issued and outstanding common stock of the Domestic Insurer. By becoming a direct, wholly owned subsidiary of Continental Casualty Company, the Domestic Insurer will also come under the control of The Continental Corporation, CNA Financial Corporation, and Loews Corporation.

3. On consummation of the proposed acquisition, the current directors and officers of the Domestic Insurer will resign, and the Applicants will appoint new directors and officers.

4. After the proposed acquisition closes, the Applicants plan to cause the Domestic Insurer to redomesticate to Illinois.

5. The Applicants have no present plans to declare an extraordinary dividend, to liquidate such insurer, to sell its assets (other than in the ordinary course of business), or to merge it with any person or persons.

6. The Applicants’ acquisition of control of the Domestic Insurer will not substantially lessen competition in insurance in Missouri or tend to create a monopoly in Missouri.

CONCLUSIONS OF LAW

7. Section 382.040.1 states as follows:

No person other than the issuer shall commence a tender offer for or a request or invitation for tenders of, or enter into any agreement to exchange securities for, seek to acquire, or acquire, in the open market or otherwise, any voting security of a domestic insurer if, after the consummation thereof, he or she would, directly or indirectly, or by conversion or by exercise of any right to acquire, be in control of the insurer, and no person shall enter into an agreement to merge with or otherwise to acquire control of a domestic insurer unless, at the time the offer, request, or invitation is commenced or the agreement is entered into, or prior to the acquisition of the securities if no offer or agreement is involved, he or she has filed with the director and has sent to the insurer a statement containing the information required by section 382.050 and the offer, request, invitation, agreement or acquisition has been approved by the director in the manner prescribed by sections 382.010 to 382.300.

8. Section 382.060.1, in relevant part, states that the Director “shall approve any . . . acquisition of control referred to in section 382.040 unless after a public hearing the director finds” certain adverse conditions or consequences related to the acquisition.

9. After a review of the Form A and information submitted by the Applicants, the Director fails to find that:

- a. After the change of control the Domestic Insurer will not be able to satisfy the requirements for the issuance of a license to write the line or 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 in this state or tend to create a monopoly therein;
- c. The financial condition of any acquiring party is such as might jeopardize the financial stability of the Domestic Insurer, or prejudice the interest of its policyholders;

- d. The plans or proposals which the acquiring party has to liquidate the insurer, to sell its assets or to 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 insurer and contrary to the public interest;
- e. The competence, experience, or integrity of those persons who would control the operation of the insurer are such that it would be contrary to the interest of policyholders of the insurer and of the public to permit the merger or other acquisition of control; and
- f. The acquisition is likely to be hazardous or prejudicial to the insurance buying public.

ORDER

10. Based on the foregoing findings and conclusions, the proposed acquisition of control of Fletcher Reinsurance Company by Continental Casualty Company, The Continental Corporation, CNA Financial Corporation, and Loews Corporation is approved. Applicants shall notify the Department of the closing of the proposed transaction as soon as it is final.

SO ORDERED.

WITNESS MY HAND THIS 6th DAY OF March, 2025.





ANGELA L. NELSON
ACTING DIRECTOR

CERTIFICATE OF SERVICE

I certify that on this 7th day of March, 2025, a copy of the foregoing Order of Approval was sent to the following via UPS, signature required, at the following address:

Elena M. Coyle
Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West
New York, New York 10001

Tracking No. 1Z0R15W84290566850

Stathy Darcy
Senior Vice President,
Deputy General Counsel & Secretary
Continental Casualty Company
151 N. Franklin Street
Chicago, Illinois 60606

Tracking No. 1Z0R15W84297457830



Kathryn Latimer
Paralegal
Missouri Department of Commerce
and Insurance
301 West High Street, Room 530
Jefferson City, Missouri 65101
Telephone: 573.751.6515
Facsimile: 573.526.5492
Email: kathryn.latimer@insurance.mo.gov