DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

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

IN RE:	**Proposed Acquisition of**	)	
		)	
	Arch Insurance Canada, Ltd.	)	**Case No. 120522417C**
		)	
	by Arch Insurance Company.	)	

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

Based on the preponderance of the competent and substantial evidence on the whole record, I, John M. Huff, Director of Insurance, Financial Institutions and Professional Registration, State of Missouri, ("Director" of the "Department"), hereby issue the following findings of fact, conclusions of law, and order:

FINDINGS OF FACT

1. Arch Insurance Company ("Petitioner") is an insurance company organized and existing under the laws of the State of Missouri.

2. On May 11, 2012, pursuant to § 375.355, Petitioner filed its Petition seeking the Director's approval of its proposed acquisition of control of Arch Insurance Canada, Ltd. ("Insurer"), a Canadian insurance company.

3. The Director issued an Order of Notice on May 22, 2012, scheduling the matter for public hearing on June 12, 2012 and ordering Petitioner to publish the Order of Notice.

4. At the June 12, 2012 hearing, Ann Monaco Warren appeared for Petitioner. Mark W. Stahlhuth appeared for the Department's Division of Insurance Company Regulation.

5. Pursuant to the Order of Notice, Petitioner published the Order on May 25 and 29, 2012 in the Jefferson City News Tribune, and on May 25 and 29, 2012 in the Kansas City Star.

6. Petitioner will acquire control of Insurer pursuant to the domestication of the Petitioner's Canadian Branch into a new Canadian insurer, Arch Insurance Canada, Ltd., which will then become a wholly owned subsidiary of Petitioner.

CONCLUSIONS OF LAW

Based on the competent and substantial evidence on the whole record:

A. The interests of the policyholders of Arch Insurance Company and Arch Insurance Canada, Ltd. are protected.

B. No reasonable objection exists as to this proposed acquisition.

C. This acquisition will not tend to substantially lessen competition or create a monopoly in Missouri.

ORDER

Based on the foregoing findings and conclusions, the proposed acquisition of control of Arch Insurance Canada, Ltd. by Arch Insurance Company as submitted in the § 375.355 Petition is hereby APPROVED.

So ordered, signed and official seal affixed this 29th day of June, 2012.

JOHN M. HUFF, DIRECTOR
Department of Insurance, Financial Institutions
and Professional Registration
State of Missouri

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing document was forwarded by certified mail, postage prepaid, No. 7009-3410-0001-8931-9409 and electronic mail, this 6th day of July, 2012 to:

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By U.S. mail, postage prepaid, to:

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And by hand-delivery and electronic mail to:

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