

**FINAL ORDER**  
EFFECTIVE 10/10/18

**BEFORE THE COMMISSIONER OF INSURANCE  
OF THE STATE OF KANSAS**

In the Matter of the Proposed )  
Exemption of )  
Nassau Re )  
)

Docket No. 74980

**ORDER**

Now comes on this 28th day of September, 2018 before the Commissioner of Insurance for disposition of the request of Nassau Re (hereinafter "Applicant" or "Nassau Re") dated June 22, 2018, and received on June 23, 2018, for an Order, pursuant to K.S.A. 40-3304(e)(1), exempting Applicant from the filing and approval requirements of K.S.A. 40-3304(a), as said statute may be construed to apply to the restructuring transaction involving Pyramid Life Insurance Company ("Pyramid"), a Kansas domiciled insurer.

This Order shall become effective as a Final Order, without further notice, upon the expiration of the fifteen (15) day period if no request for hearing is made, pursuant to K.S.A. 77-542.

**FINDINGS OF FACT**

1. The Commissioner of Insurance has jurisdiction over this matter pursuant to K.S.A. 40-103 and K.S.A. 40-3301, *et seq.*
2. Applicant has requested an exemption pursuant to K.S.A. 40-3304(e) from the prior approval requirements of the Kansas Insurance Holdings Company Act, specifically those requirements outlined in K.S.A. 40-3304(a).
3. Presently, Pyramid is a direct, wholly owned subsidiary of NSRE Holdings, Inc. ("NSRE Holdings"), a Delaware corporation, which is a subsidiary of Nassau Reinsurance Group Holdings, L.P., a Delaware corporation, which in turn is a subsidiary of Nassau Holdings, L.P., a Cayman Islands partnership. The general partner of Nassau Holdings, L.P. is Golden Gate Capital Opportunity Fund Executive Co-Invest Holdings, Ltd. ("GGCOF Executive Co-Invest Holdings, Ltd."), a Cayman Islands corporation. Limited partners of Nassau Holdings, L.P.

include three (3) Cayman Islands partnerships that are collectively known as the GGC Fund III: Golden Gate Capital Opportunity Fund, L.P.; Golden Gate Capital Opportunity Fund-A, L.P.; and Golden Gate Capital Opportunity Fund IRA Co-Invest, L.P. In aggregate, the GGC Fund III owns 88.1 percent of Nassau Holdings, L.P. The funds of the GGC Fund III are managed by Golden Gate Private Equity, Inc., a Delaware corporation. Golden Gate Private Equity, Inc. is 100 percent owned by GGCOF Management, L.L.C., a Delaware corporation. GGCOF Management, L.L.C.'s sole member is David C. Dominik.

4. Nassau Re desires to effect an internal corporate restructuring that will include the insertion of Phoenix Life & Annuity Company, a Connecticut Corporation, within the holding structure of NSRE Holdings, Inc.
5. Nassau Re subsequently desires to initiate a name change for Nassau Reinsurance Group Holdings L.P. to Nassau Insurance Group Holdings, L.P. Nassau Re also desires to initiate a name change for Nassau Reinsurance Group Holdings, G.P. to Nassau Insurance Group Holdings, G.P. A name change for Nassau Holdings, L.P. will be effectuated and renamed as NRH, L.P.
6. Additionally, Nassau Re seeks to form a new intermediate holding company for Nassau Insurance Group Holdings, L.P. by creating Nassau Group Holdings, L.P., a Cayman Islands limited partnership. Nassau Re also desires to create a new entity to serve as the general partner of Nassau Group Holdings, L.P. by creating Nassau Group Holdings, G.P. Ltd., a Cayman Islands general partnership. The general partner of NRH, L.P. will be Nassau Group Holdings.
7. Based on the information submitted to it at the time of a previous acquisition of Pyramid that was approved on April 28, 2016, KID determined that GGCOF Executive Co-Invest Holdings, Ltd. was the UCP. However, after receiving supplemental organization information in conjunction with the June 22, 2018 request for exemption from a Form A by

Nassau Re, KID has determined that control ultimately resides with David C. Dominik. Mr. Dominik is the sole member of GGCOF Management LLC, which owns Golden Gate Private Equity, Inc. ("Golden Gate PE"). In turn, Golden Gate PE employs Golden Gate employees (to include Mr. Dominik as Chief Investment Officer, and other employees who serve on Nassau's boards) and is the registered investment manager for the Golden Gate funds, which own interests in the Nassau group. Thus, while technical control may have apparently resided at the Board level (i.e., at GGCOF Executive Co-Invest Holdings, Ltd.), by virtue of his ownership and roles with the various Golden Gate entities, it has now been concluded that Mr. Dominik was and is the ultimate controlling person of Pyramid.

8. Upon David C. Dominik's death, his membership interest as the sole member of GGCOF Management, L.L.C. will transfer to his estate, triggering a change of control and thus a Form A filing requirement in Kansas.

#### **CONCLUSIONS OF LAW**

9. K.S.A. 40-3304(a) provides, in part, as follows:
  - (a) . . . no person shall enter into an agreement to merge with or otherwise to acquire control of a domestic insurer or any person controlling a domestic insurer unless, at the time any such offer, request or invitation is made . . . such person has filed with the commissioner of insurance and has sent to such insurer, a statement containing the information required by this section, and such offer, request, invitation, agreement or acquisition has been approved by the commissioner of insurance in the manner hereinafter prescribed.
10. K.S.A. 40-3304(e) provides:
  - (e) The provisions of this section shall not apply to:  
Any offer, request, invitation, agreement or acquisition which the commissioner of insurance by order shall exempt therefrom as: (1) 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; . . .
11. Based upon the information enumerated in the Findings of Fact above, and the representations made on behalf of Applicant, the restructuring within the holding company system is not made for the purpose of, and will not have the effect of, changing or influencing the control of the Pyramid.

**IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:**

1. Applicant shall be exempt from the Form A filing and approval requirements of K.S.A. 40-3304(a) as it may be deemed to apply to the Proposed Transaction.
2. Applicant and Pyramid shall continue to comply with the provisions and requirements of K.S.A. 40-3301, et seq., in the future.
3. The Commissioner of Insurance retains jurisdiction over this matter to issue any and all future Orders deemed appropriate or take such further action as necessary to dispose of this matter.

**IT IS SO ORDERED THIS 28th DAY OF SEPTEMBER 2018, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.**



Ken Selzer  
Commissioner of Insurance

By:

Clark Shultz  
Assistant Commissioner

**NOTICE OF RIGHTS**

Applicant is entitled to a hearing pursuant to K.S.A. 77-537. If the Applicant desires a hearing, Applicant must file a written request for a hearing with:

Diane Minear, General Counsel  
Kansas Insurance Department  
420 S.W. 9th Street  
Topeka, Kansas 66612

This request must be filed within fifteen (15) days from the date of service of this Order. If Applicant requests a hearing, the Kansas Insurance Department will notify them of the time and place of the hearing and information on the procedures, rights of representation, and other rights of the parties relating to the conduct of the hearing, before commencement of the same.

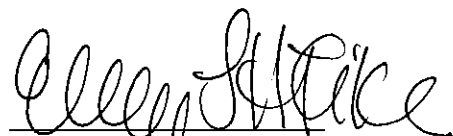
If a hearing is not requested in the time and manner stated above, this Order shall become effective as a Final Order upon the expiration of time for requesting a hearing, pursuant to K.S.A. 77-601 et. seq. In the event Applicant files a petition for judicial review, pursuant to K.S.A. 77-601 et. seq., the agency officer to be served on behalf of the Kansas Insurance Department is:

Diane Minear, General Counsel  
Kansas Insurance Department  
420 S.W. 9th Street  
Topeka, Kansas 66612

**Certificate of Service**

I hereby certify that a true and correct copy of the foregoing Order was sent via first class mail on September 28, 2018 to:

Kostas Cheliotis  
Vice President and General Counsel  
Nassau Re  
One American Row  
PO Box 5056  
Hartford, CT 06102-5056

  
Elizabeth J. Hickert Fike  
Assistant General Counsel