

BEFORE THE DEPUTY INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

IN RE: : Pursuant to the Insurance Company  
 : Law, Act of May 17, 1921, P.L. 682,  
The Request of Pennsylvania Casualty : as amended, 40 P.S. §§341 et seq.  
Company, in Rehabilitation for Approval :  
to Surrender its Certificate of Authority to :  
Operate as an Insurance Company :  
 : Order No. ID-RC-09-43

**DECISION AND ORDER**

AND NOW, on this 17<sup>th</sup> day of December, 2009, Stephen J. Johnson, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania (“Deputy Commissioner”), hereby makes this Decision and Order:

Pursuant to the Insurance Company Law, and in consideration of the documents, representations, and reports received, as well as other inquiries and studies as permitted by law, the Deputy Commissioner hereby makes the following findings of fact:

**FINDINGS OF FACT**

**Identity of Applicant**

1. Pennsylvania Casualty Company, in Rehabilitation (“PCC”) is a stock property insurance company organized under the laws of the Commonwealth of Pennsylvania with its principal place of business in Mechanicsburg, Pennsylvania.
2. PCC has held a certificate authorizing the transaction of the business of insurance in this Commonwealth (“Certificate of Authority”) since December 10, 1974.

**The Surrender Filing**

3. On November 13, 2009, the Pennsylvania Insurance Department (“Department”) received a request (which, together with all material received subsequently, is hereinafter referenced as “Request”) from PCC to voluntarily surrender its Certificate of Authority.

## **Background**

4. PCC was placed into rehabilitation by the Commonwealth Court of Pennsylvania (the “Commonwealth Court”) on November 19, 2001.
5. The Insurance Commissioner of the Commonwealth of Pennsylvania was appointed Rehabilitator of PCC and filed a Plan of Rehabilitation (the “Plan”) in the Commonwealth Court. The Commonwealth Court approved the Plan on August 6, 2009.
6. The Plan facilitated a claim Bar Date of November 4, 2009.
7. As of December 15, 2009, there are no open claims against PCC.

## **The Filing**

8. PCC has provided documentation that the Plan has authorized the surrender of PCC’s Certificate of Authority.
9. If any of the above Findings of Fact are determined to be Conclusions of Law, they shall be incorporated in the Conclusions of Law as if fully set forth therein.

## **CONCLUSIONS OF LAW**

1. Inasmuch as the claims Bar Date has passed, PCC is not required to make provision for payment of policyholder claims.
2. Inasmuch as the claims Bar Date has passed, the Department’s approval of the Request will have no impact on any creditors of PCC.
3. After the surrender of the Certificate of Authority, PCC will no longer be authorized to transact the business of insurance in this Commonwealth.
4. Based on all the information and analyses received and the Department’s independent review, the Request is reasonable and in accordance with law.
5. If any of the above Conclusions of Law are determined to be Findings of Fact, they shall be incorporated in the Findings of Fact as if fully set forth therein.

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**ORDER**

Upon consideration of the foregoing, the Deputy Insurance Commissioner of the Commonwealth of Pennsylvania hereby approves the Request for the voluntary surrender of the Certificate of Authority as filed on November 13, 2009, by Pennsylvania Casualty Company (“PCC”), subject to the following conditions:

1. The surrender shall be effective immediately.
2. PCC shall not engage in transacting the business of insurance in the Commonwealth of Pennsylvania or in any other jurisdiction, without the prior approval of the Pennsylvania Insurance Department.
3. Should PCC, as a continuing business corporation, determine that at some time in the future it would like to engage in the business of insurance, it will be necessary to file a new application with the Department for an appropriate certificate of authority.

This Order is effective immediately.

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STEPHEN J. JOHNSON  
Deputy Insurance Commissioner  
Commonwealth of Pennsylvania