

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

| | | |
|---|---|---------------------------------------|
| In Re: | : | Pursuant to Sections 4161 and |
| | : | 4162 of the Business Corporation |
| Application of Amerin Guaranty | : | Law of 1988, Act of December 21, |
| Corporation for Approval to | : | 1988, P. L. 1444, <u>as amended</u> , |
| Redomesticate from the State of Illinois to | : | 15 Pa.C.S. §§ 4161 and 4162, and |
| the Commonwealth of Pennsylvania | : | Section 357 of the Insurance |
| | : | Company Law, Act of May 17, |
| | : | 1921, P.L. 682, No. 284, <u>as</u> |
| | : | <u>amended</u> , 40 P.S. § 477e |
| | : | |
| | : | Order No. ID-RC-10-02 |

DECISION AND ORDER

AND NOW, on this 19th day of March, 2010, Joel Ario, Insurance Commissioner of the Commonwealth of Pennsylvania (“Commissioner”), hereby makes the following Decision and Order:

Pursuant to the Business Corporation Law and the Insurance Company Law and in consideration of the documents, presentations and reports received, as well as other inquiries and studies as permitted by law, the Commissioner hereby makes the following Findings of Fact:

FINDINGS OF FACT

Identity of the Applicant

1. Amerin Guaranty Corporation (“Amerin”) is a foreign stock property insurance company organized under the laws of Illinois with its principal place of business located in Philadelphia, Pennsylvania.
2. Radian Group Inc. is a business corporation organized under the laws of the State of Delaware with its principal place of business in Philadelphia, Pennsylvania. Amerin is a direct wholly-owned subsidiaries of Radian Group Inc.
3. Radian Group Inc. is a publicly-traded company on the New York Stock Exchange. No person controls Radian Group Inc.
4. Radian Group Inc. is the sole ultimate controlling person of Amerin.

Filing of the Application

5. On January 12, 2010, the Insurance Department of the Commonwealth of Pennsylvania (“Department”) received an initial application (which, together with all material received subsequently, is collectively referenced as “Application”) from Amerin for approval to redomesticate from the State of Illinois to the Commonwealth of Pennsylvania.
6. The Application was filed pursuant to Sections 4161 and 4162 of the Business Corporation Law, as amended, 15 Pa.C.S. §§ 4161 and 4162 (cited as “Business Corporation Law”), and Section 357 of the Insurance Company Law, Act of May 17, 1921, P.L. 682, No. 284, as amended, 40 P.S. §477e (cited as “Insurance Company Law”).

Notice of Filing and Comments

7. On January 30, 2010, the Insurance Department of the Commonwealth of Pennsylvania (“Department”) published notice in the *Pennsylvania Bulletin* that the Application was submitted by Amerin, and such notice invited interested persons to submit comments to the Department regarding the Application for a thirty (30) day period, ending March 1, 2010.
8. During the thirty (30) day period, the Department received no comments regarding the Application.

The Transaction

9. Amerin currently holds a Certificate of Authority in the Commonwealth of Pennsylvania as a foreign insurer to transact credit insurance business.
10. Amerin desires to redomesticate to the Commonwealth of Pennsylvania as a domestic stock property insurance company.
11. On December 10, 2009, the Board of Directors of Amerin passed a resolution that Amerin redomesticate from the State of Illinois to the Commonwealth of Pennsylvania.
12. 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. Section 357 of the Insurance Company Law provides the Commissioner jurisdiction to review and approve the redomestication of Amerin.
2. A redomestication by a foreign business corporation is provided for in subsection 4161(a) of the Business Corporation Law.
3. The Application satisfies the requirements of all applicable laws and regulations.
4. 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 Insurance Commissioner of the Commonwealth of Pennsylvania (“Commissioner”) hereby makes the following Order:

The Application of Amerin Guaranty Corporation (“Amerin”) for approval to redomesticate from the State of Illinois to the Commonwealth of Pennsylvania and the issuance of a Certificate of Authority as a domestic stock property insurance corporation, as set forth in the Application, is hereby granted, subject to this Order and the following conditions:

1. Amerin shall file Articles of Domestication with the Pennsylvania Department of State in accordance with subsection 4161(b) of the Business Corporation Law after receipt of the approval of the Illinois Department of Insurance and within one year of the date of this order.
2. Amerin shall file a copy of the Articles of Domestication, as filed with the Pennsylvania Department of State, with the Insurance Department within ten (10) days of receipt from the Pennsylvania Department of State.
3. At the time the Articles of Domestication are filed with the Insurance Department, Amerin shall file an executed copy of Amended and Restated Bylaws that comply with the requirements of Chapter 31 of the Business Corporation Law.
4. At the time the Articles of Domestication are filed with the Insurance Department, Amerin shall surrender its current Certificate of Authority as a foreign insurance

corporation in exchange for the issuance of a Certificate of Authority as a domestic stock property insurance corporation.

This Order is effective immediately.

Joel Ario
Insurance Commissioner
Commonwealth of Pennsylvania