

BEFORE THE DEPUTY INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Sections 1401, 1402,
	:	and 1403 of the Insurance
Application of LandAmerica Financial	:	Holding Companies Act, Article
Group, Inc. in Support of the Request	:	XIV of the Insurance Company
for Approval to Merge Title & Trust	:	Law of 1921, Act of May 17, 1921,
Company of Florida with and into	:	P.L. 682, <u>as amended</u> , 40 P.S.
Commonwealth Land Title Insurance	:	§§991.1401, 991.1402, and
Company with Commonwealth Land Title	:	991.1403; Sections 1921 through
Insurance Company Being the Survivor	:	1929 of the 1988 Business
in a Transaction Exempt from the	:	Corporation Law, Act of
Requirements of 40 P.S. §991.1402	:	December 21, 1988, P.L. 1444, No.
	:	177, <u>as amended</u> , 15 Pa. C.S.
	:	§§1921-1928; Sections 205 and 207
	:	of the GAA Amendments Act of
	:	1990, Act of December 19, 1990,
	:	P.L. 834, No. 198, <u>as amended</u> , 15
	:	P.S. §§21205 and 21207.
	:	
	:	Order No. ID-RC-01-39

DECISION AND ORDER

AND NOW, on this 17th day of December, 2001, Stephen J. Johnson, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania (“Deputy Commissioner”), hereby makes the following Decision and Order:

Pursuant to the Insurance Holding Companies Act, the 1988 Business Corporation Law and the GAA Amendments Act of 1990, and in consideration of the documents, presentations 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 Entities

1. Title & Trust Company of Florida (“Title & Trust”) is a title insurance company organized under the laws of the State of Florida with its principal place of business in Orlando, Florida. Title & Trust is not authorized to transact the business of insurance in Pennsylvania.
2. T & T Co. Holding Company (“T & T Holdings”) is a business corporation organized under the laws of the State of Florida with its principal place of business in Orlando, Florida. T & T Holdings owns 100% of the outstanding capital stock of Title & Trust.
3. Commonwealth Land Title Insurance Company (“Commonwealth”) is a domestic title insurance company organized under the laws of the Commonwealth of Pennsylvania with its principal place of business in Richmond, Virginia. Commonwealth owns 100% of the outstanding capital stock of T & T Holdings.
4. LandAmerica Financial Group, Inc. (“LandAmerica”) is a business corporation organized under the laws of the Commonwealth of Virginia with its principal place of business in Richmond, Virginia. LandAmerica owns 100% of the outstanding capital stock of Commonwealth.
5. The stock of LandAmerica is traded on the New York Stock Exchange.
6. LandAmerica is the ultimate controlling person of Title & Trust and Commonwealth.

Filing of the Application

7. The Insurance Holding Companies Act, Article XIV of the Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, as amended, 40 P.S. §§991.1401 et seq. (“Insurance Holding Companies Act”), provides that all mergers or other acquisitions of control of domestic insurers must be filed with the Department for approval or disapproval.
8. Section 1402 (g) of the Insurance Holding Companies Act provides for exemption from the requirements of Section 1402:
 - a) if the merger does not have the effect of changing or influencing the control of a domestic insurer, or

- b) if the transaction is otherwise not comprehended within the purposes of Section 1402.
- 9. The 1988 Business Corporation Law, Act of December 21, 1988, P.L. 1444, as amended, Sections 1921 through 1929, 15 Pa. C.S. §§1921 through 1929 (“1988 BCL”), and the GAA Amendments Act of 1990, P.L. 834, No. 198, as amended, 15 P.S. §§21205, 21207 (“GAA Amendments Act”), provide that all plans of merger of domestic insurers must be filed with the Department for approval or disapproval.
- 10. On November 27, 2001, 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 LandAmerica requesting approval to merge Title & Trust with and into Commonwealth with Commonwealth being the survivor.
- 11. The Application was filed with the Department pursuant to Section 1402(g) of the Insurance Holding Companies Act and Section 205 of the GAA Amendments Act.

Notice and Filing of Comments

- 12. On December 8, 2001, the Department published notice in the Pennsylvania Bulletin that the Application had been submitted by LandAmerica and such notice invited interested persons to submit comments to the Department regarding the Application for a 7-day period, ending December 15, 2001.
- 13. During the 7-day public comment period, the Department received no comments regarding the Application.

The Transaction

- 14. Title & Trust, T & T Holdings and Commonwealth executed a Plan of Merger dated as of March 1, 2001 (“Merger Agreement”), which provides for Title & Trust and T & T Holdings to merge with and into Commonwealth, with Commonwealth being the surviving corporation.
- 15. The board of directors of Title & Trust, T & T Holdings and Commonwealth on March 1, 2001, voted in the affirmative on the Merger Agreement.
- 16. LandAmerica, as the sole shareholder of Commonwealth, on June 1, 2000, voted in the affirmative on the Merger Agreement.

17. As described in the Application, Commonwealth shall acquire all of the assets of Title & Trust and T & T Holdings and assume all of the debts and other liabilities of Title & Trust and T & T Holdings.
18. As described in the Application, the members of the board of directors and the officers of Commonwealth prior to the merger shall be the members of the board of directors and the officers of Commonwealth after the merger.
19. As described in the Application, the bylaws of Commonwealth prior to the merger shall be the bylaws of Commonwealth after the merger.
20. As described in the Application, no director, officer, agent or employee of any party to the proposed merger shall receive any fee, commission, compensation or other valuable consideration whatsoever, solely for in any manner aiding, promoting or assisting herein.
21. 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. Under Section 1402 of the Insurance Holding Companies Act, the Department has jurisdiction to review and approve the merger of Title & Trust and Commonwealth.
2. Under Section 1402(g) of the Insurance Holding Companies Act, the Department shall exempt a merger from the requirements of Section 1402 if the merger does not have the effect of changing or influencing the control of a domestic insurer.
3. Pursuant to Section 1402(g) of the Insurance Holding Companies Act, the Deputy Commissioner concludes that the proposed merger does not have the effect of changing the control of Commonwealth.
4. The Deputy Commissioner concludes that the preparation of the Merger Agreement, pertaining to the terms and conditions, satisfies the requirements of Section 1922 of the 1988 BCL.
5. Pursuant to Section 1924(a) of the 1988 BCL, the Deputy Commissioner concludes that the Merger Agreement has been adopted and consented to by the shareholder of Commonwealth on June 1, 2000, and by the Board of Directors of Title & Trust and the Board of Directors of Commonwealth on March 1, 2001.
6. The Deputy Commissioner concludes that the Merger Agreement satisfies the requirements of Section 1925 of the 1988 BCL because the Merger Agreement is

subject to the approval of the insurance department of the state of domicile of Title & Trust.

7. The Deputy Commissioner concludes that the Articles of Merger will satisfy the requirements of Section 1926 of the 1988 BCL.
8. The Deputy Commissioner concludes that the Merger Agreement will be effective upon proper filing of Articles of Merger with the Department of State, pursuant to Sections 1927 and 1928 of the 1988 BCL.
9. The Deputy Commissioner concludes that, if the proposed merger is consummated, all the rights, privileges, immunities, powers and purposes of Title & Trust will be conveyed to the surviving entity, as a matter of law, pursuant to Section 1929 of the 1988 BCL.
10. Pursuant to Section 205(b) of the GAA Amendments Act, the Deputy Commissioner, believes this merger is in accordance with law, not inequitable to the shareholders of the title insurance companies involved and will not substantially reduce the security of and service to be rendered to policyholders of the title insurance companies in this Commonwealth or elsewhere.
11. The Application satisfies the requirements of the Insurance Holding Companies Act, the 1988 BCL and the GAA Amendments Act.
12. 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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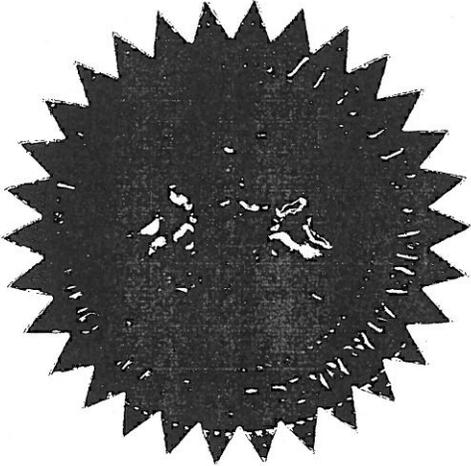
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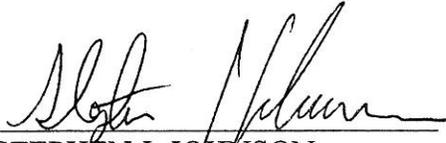
Upon consideration of the foregoing, the Deputy Insurance Commissioner of the Commonwealth of Pennsylvania (“Deputy Commissioner”) hereby approves the application of LandAmerica Financial Group, Inc. requesting approval of the merger of Title & Trust Company of Florida with and into Commonwealth Land Title Insurance Company subject to the following conditions:

1. An approving determination must be granted by the Florida Department of Insurance before Articles of Merger are filed with the Pennsylvania Department of State. A certified copy of the approval issued by the Florida Commissioner of Insurance shall be provided to the Deputy Commissioner within three (3) business days of receipt by Title & Trust Company of Florida.

2. A copy of the Articles of Merger shall be filed with the Deputy Commissioner not later than ten (10) days after their filing with the Pennsylvania Department of State.

This Order is effective immediately.




STEPHEN J. JOHNSON
Deputy Insurance Commissioner
Commonwealth of Pennsylvania