

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re: : Pursuant to Section 305 of the
: Fraternal Benefit Societies Act,
Application of Croatian Fraternal : Act of 1992, P. L. 835, No. 134
Union of America Request for : 40 P.S. §1142.305 also known as the
Approval to Merge with The Union : Fraternal Benefit Societies Code
and League of Romanian Societies :
of America, Inc. :
: Order No. ID-RC-01-40

DECISION AND ORDER

AND NOW, on this 21 day of December, 2001, M. Diane Koken,
Insurance Commissioner of the Commonwealth of Pennsylvania, hereby makes the
following Decision and Order:

Pursuant to the Fraternal Benefit Societies Code and in consideration of
the documents, presentations and reports received, as well as other inquiries and
studies as permitted by law, the Insurance Commissioner hereby makes the following
findings of fact:

FINDINGS OF FACT

1. Croatian Fraternal Union of America ("Croatian Fraternal") is a domestic fraternal society with its principal place of business in Pittsburgh, Pennsylvania.
2. The Union and League of Romanian Societies of America, Inc ("Union and League") is a foreign fraternal society with its principal place of business in North Olmsted, Ohio.
3. On December 7, 2001, the Insurance Commissioner of the Commonwealth of Pennsylvania ("Commissioner") received an initial application (which together with all material received subsequently is hereinafter collectively referenced as "Application") from Croatian Fraternal for approval to merge with Union and League.

4. As specified in the Application, Union and League will merge with and into Croatian Fraternal, with Croatian Fraternal the surviving entity.
5. The Application was filed pursuant to and in accordance with Section 305 of the Fraternal Benefit Societies Code of 1992 ("Code"), also known as 40 P.S. §1142.305.
6. In accordance with Section 305(a)(1) of the Code, a certified copy of the written contract of merger is contained in the Application.
7. In accordance with Section 305(a)(2) of the Code, Union and League and Croatian Fraternal have provided the required financial statements.
8. In accordance with Section 305(a)(3) of the Code, Union and League and Croatian Fraternal have provided the required certified statements that the merger has been approved by a two-thirds vote of the governing body of each society.
9. In accordance with Section 305(a)(4) of the Code, Union and League and Croatian Fraternal have provided the required evidence that the text of the contract of merger was provided all members of each society at least sixty days prior to the action of the supreme governing body of each society.
10. In accordance with Section 305(a)(4)(b) of the Code, Union and League and Croatian Fraternal have provided the required evidence that the merger has been approved by the Superintendent of Insurance for the State of Ohio.
11. 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 305 of the Code specifies that the Commissioner has jurisdiction over the parties and subject matter of this proceeding.
2. In accordance with Section 305(b) of the Code, the Commissioner, based on said Application, finds that:
 - a) the Application was properly filed pursuant to and in accordance with the Code,
 - b) the contract is in conformity with the provision of the Code,
 - c) the financial statements are correct, and
 - d) the merger is just and equitable to the members of each society.
3. 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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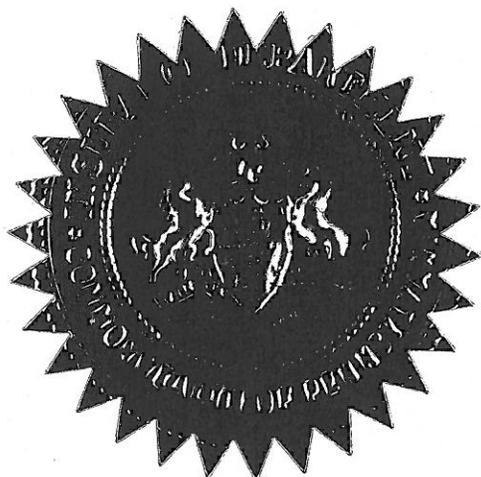
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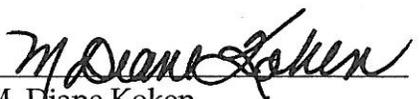
ORDER

Upon consideration of the foregoing, the Commissioner hereby makes the following Order:

An approving determination for the merger of The Union and League of Romanian Societies of America, Inc. with and into Croatian Fraternal Union of America as set forth in the Application is hereby granted, subject to this Order and the following condition:

1. The merger shall be effectuated no later than one year from the date of this Order.
2. Croatian Fraternal Union of America shall file final merger documents with the Insurance Department within 5 days of the date of merger.
3. This transaction may be recorded as effective for accounting purpose on the first day of the calendar quarter in which the transaction is consummated.




M. Diane Koken
Insurance Commissioner
Commonwealth of Pennsylvania