

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

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| In Re: | : | Pursuant to Section 305 of the |
| | : | Fraternal Benefit Societies Act, |
| Application of Loyal Christian Benefit | : | Act of 1992, P. L. 835, No. 134; |
| Association Requesting Approval | : | 40 P.S. §1142.305: also known as the |
| To Merge with Orthodox Society | : | Fraternal Benefit Societies Code |
| Of America. | : | |
| | : | |
| | : | Order No. ID-RC-03-41 |

DECISION AND ORDER

AND NOW, on this ____30th____ day of October, 2003, 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. Loyal Christian Benefit Association ("Loyal Christian") is a domestic fraternal society with its principal place of business in Erie, Pennsylvania.
2. Orthodox Society of America ("Orthodox Society") is a foreign fraternal society with its principal place of business in North Olmsted, Ohio.
3. On October 15, 2003, 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 Loyal Christian for approval to merge with Orthodox Society.

4. As specified in the Application, Orthodox Society will merge with and into Loyal Christian, with Loyal Christian 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, Orthodox Society and Loyal Christian have provided the required financial statements.
8. In accordance with Section 305(a)(3) of the Code, Orthodox Society and Loyal Christian 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, Orthodox Society and Loyal Christian 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, Orthodox Society and Loyal Christian 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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ORDER

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

An approving determination for the merger of Orthodox Society of America with and into Loyal Christian Benefit Association 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. Orthodox Society 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 October 31, 2003.

M. Diane Koken
Insurance Commissioner
Commonwealth of Pennsylvania