

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Sections 1977 and 1980 of
	:	the Business Corporation Law of 1988,
Application of DSM USA Insurance	:	Act of December 21, 1988, P.L. 1444, <u>as</u>
Company, Inc. for Approval to	:	<u>amended</u> , 15 Pa.C.S. §§ 1977 and 1980,
Redomesticate from the Commonwealth	:	and Sections 205 and 207 of the GAA
of Pennsylvania to the State of Texas	:	Amendments Act of 1990, Act of
	:	December 19, 1990, P.L. 834, 15 P.S. §§
	:	21205 and 21207, and Section 357 of
	:	the Insurance Company Law, Act of
	:	May 17, 1921, P.L. 682, No. 284, 40
	:	P.S. §477e
	:	
	:	Order No. ID-RC-13-20

DECISION AND ORDER

AND NOW, on this 23rd day of December, 2013, Stephen J. Johnson, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania, hereby makes the following Decision and Order:

Pursuant to the Business Corporation Law ("BCL") 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 Deputy Insurance Commissioner hereby makes the following findings of fact:

FINDINGS OF FACT

Identity of Applicant

1. DSM USA Insurance Company, Inc. ("DSM") is a domestic stock life insurance company organized pursuant to the laws of the Commonwealth of Pennsylvania with its principal place of business located in Boston, Massachusetts.

2. DentaQuest USA Insurance Company, Inc. ("DQ USA") is a stock life insurance company organized pursuant to the laws of the State of Texas with its principal place of business located in Boston, Massachusetts. Effective September 19, 2013, DSM was acquired by and became a wholly-owned subsidiary of DQ USA.

Filing of Application

3. On November 19, 2013, the Insurance Commissioner of the Commonwealth of Pennsylvania ("Commissioner") received an initial application (which, together with all material received subsequently, is collectively referenced as "Application") for approval of the redomestication of DSM from the Commonwealth of Pennsylvania to the State of Texas.
4. The Application included a request for licensure of DSM as a foreign insurance company organized under the laws of the State of Texas effective simultaneous with its redomestication.
5. The Insurance Company Law of 1921, Act of May 17, P.L. 682, as amended, Section 357, 40 P.S. §477e (the "Insurance Company Law") provides that any transfer of domicile to any other state by a domestic insurer must be filed with the Commissioner for approval or disapproval.
6. Section 357(b) of the Insurance Company Law provides that, upon any transfer of domicile to any other state by a domestic insurer, said insurer shall be admitted to the Commonwealth of Pennsylvania if qualified as a foreign insurer.
7. The Business Corporation Law of 1988, Act of December 21, 1988, P.L. 1444, as amended, Sections 1977 and 1980, 15 Pa. C.S. §§1977 and 1980 (the "BCL") prescribes the requirements for dissolution by domestication.
8. The GAA Amendments Act of 1990, Act of December 19, 1990, P.L. 834, Sections 205 and 207, 15 P.S. §§21205 and 21207 (the "GAA Amendments"), provides that all dissolutions by domestication of domestic insurers must be filed with the Commissioner for approval or disapproval.
9. As represented in the Application, the redomestication will have no impact on Pennsylvania employment.
10. As represented in the Application, the redomestication is being pursued in order to limit the number of domiciliary jurisdictions within its insurance holding company structure.
11. On December 10, 2013, the Board of Directors of DSM and the sole shareholder of DSM adopted resolutions consenting to the redomestication of DSM from the Commonwealth of Pennsylvania to the State of Texas.

Department Procedures

12. On December 7, 2013, the Department published notice in the *Pennsylvania Bulletin* that the Application was submitted by DSM and such notice invited interested persons to submit comments to the Department regarding the Application for a fifteen (15) day period, ending December 21, 2013.
13. During the fifteen (15) day comment period, the Department received no comments regarding the Application.
14. The Commissioner has delegated to the Deputy Insurance Commissioner authority to approve the application of domestic insurance companies seeking to redomesticate from Pennsylvania to a foreign jurisdiction.
15. 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. The Insurance Company Law and GAA Amendments provide the Commissioner jurisdiction to review and approve the redomestication of DSM.
2. The Commissioner has delegated authority to approve the applications of domestic insurance companies seeking to redomesticate from Pennsylvania to a foreign jurisdiction to the Deputy Insurance Commissioner.
3. In accordance with Section 357(b) of the Insurance Company Law, the Deputy Insurance Commissioner concludes this redomestication is in accordance with law and is not injurious to the interest of all DSM policyholders.
4. In accordance with Section 357(b) of the Insurance Company Law, the Deputy Insurance Commissioner concludes that DSM would satisfy the requirements for licensure in the Commonwealth of Pennsylvania as a foreign insurer upon its redomestication to the State of Texas.
5. In accordance with Section 205 of the GAA Amendments, the Deputy Insurance Commissioner, based on said Application, concludes this redomestication is in accordance with the law and is not injurious to the policyholders or creditors of DSM.
6. The Application was properly filed pursuant to and in accordance with the Insurance Company Law, the BCL and the GAA Amendments.
7. 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.

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Sections 1977 and 1980 of
	:	the Business Corporation Law of 1988,
Application of DSM USA Insurance	:	Act of December 21, 1988, P.L. 1444, <u>as</u>
Company, Inc. for Approval to	:	<u>amended</u> , 15 Pa.C.S. §§ 1977 and 1980,
Redomesticate from the Commonwealth	:	and Sections 205 and 207 of the GAA
of Pennsylvania to the State of Texas	:	Amendments Act of 1990, Act of
	:	December 19, 1990, P.L. 834, 15 P.S. §§
	:	21205 and 21207, and Section 357 of
	:	the Insurance Company Law, Act of
	:	May 17, 1921, P.L. 682, No. 284, 40
	:	P.S. §477e
	:	:
	:	Order No. ID-RC-13-20

ORDER

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

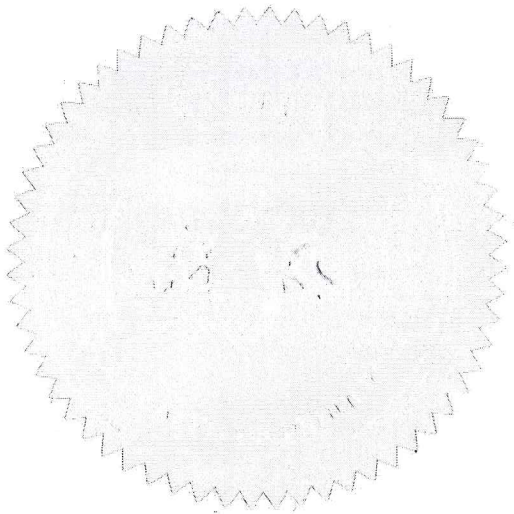
An approving determination for the redomestication of DSM USA Insurance Company, Inc. ("DSM") to the State of Texas and the issuance of a Certificate of Authority to DSM as a foreign stock life insurance corporation as set forth in the Application, subject to this Order and the following conditions:

1. DSM shall obtain approval of the redomestication from the Texas Department of Insurance. A certified copy of the approval issued by the Texas Department of Insurance shall be provided to the Deputy Insurance Commissioner within three (3) business days of receipt by DSM.
2. DSM shall file governing documents with the Texas Department of Insurance. DSM shall provide the Deputy Insurance Commissioner with a copy of the governing documents indicating receipt by the Texas Department of Insurance.
3. DSM shall surrender its current Certificate of Authority as a domestic insurance corporation to the Deputy Insurance Commissioner in exchange for the issuance of a Certificate of Authority as a foreign insurance corporation within seven (7) days of

filing the governing documents with the Texas Department of Insurance.

4. DSM shall file Articles of Dissolution due to Redomestication with the Pennsylvania Department of State, Corporations Bureau within five (5) days of receiving all prerequisite documents.
5. DSM shall provide a copy of the Articles of Dissolution evidencing acceptance by the Pennsylvania Department of State to the Deputy Insurance Commissioner within ten (10) days of receipt.

This Order is effective immediately and is valid for one (1) year from the date of signature, provided there are no material changes to the Application.



Stephen J. Johnson
Deputy Insurance Commissioner
Office of Corporate and Financial Regulation