

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Section 357 of the
	:	Insurance Company Law of 1921,
Application of NorthStone Insurance	:	Act of May 17, 1921, P.L. 682, No.
Company for Approval to Redomesticate	:	284, <u>as amended</u> , 40 P.S. §477e
from the Commonwealth of Pennsylvania	:	
to the State of West Virginia	:	Order No. ID-RC-20-12

DECISION AND ORDER

AND NOW, on this 24th day of June, 2020, Joseph DiMemmo, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania (the “Deputy Insurance Commissioner”), hereby makes the following Decision and Order:

Pursuant to the Insurance Company Law of 1921 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. NorthStone Insurance Company (“NorthStone”) is a domestic stock casualty insurance company organized under the laws of the Commonwealth of Pennsylvania with its principal place of business in Charleston, West Virginia.
2. BrickStreet Mutual Insurance Company (“BrickStreet”) is a foreign mutual casualty insurance company organized under the laws of the State of West Virginia with its principal place of business in Charleston, West Virginia. BrickStreet currently directly holds 100% of the issued and outstanding stock of NorthStone.

Filing of Application

3. On April 17, 2020, 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 NorthStone from the

Commonwealth of Pennsylvania to the State of West Virginia.

4. The Application included a request for the licensure of NorthStone as a foreign insurance company organized under the laws of the State of West Virginia effective simultaneous with its redomestication.
5. Section 357 of the Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, as amended, 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. As represented in the Application, the redomestication will have no impact on Pennsylvania employment.
8. As represented in the Application, the redomestication is being pursued to align NorthStone with the domiciliary footprint of its parent, BrickStreet, which will streamline its administrative reporting requirements and reduce its retaliatory tax burden.
9. On April 1, 2020, the Board of Directors of NorthStone adopted a resolution consenting to the redomestication of NorthStone from the Commonwealth of Pennsylvania to the State of West Virginia.
10. On April 1, 2020, BrickStreet, as the sole shareholder of NorthStone, consented to the redomestication of NorthStone from the Commonwealth of Pennsylvania to the State of West Virginia.

Department Procedures

11. On May 9, 2020, the Department published notice in the *Pennsylvania Bulletin* that the Application was submitted by NorthStone and such notice invited interested persons to submit comments to the Department regarding the Application for a thirty (30) day period, ending June 8, 2020.
12. During the thirty (30) day comment period, the Department received no comments regarding the Application.
13. 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.

14. 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 provides the Commissioner jurisdiction to review and approve the redomestication of NorthStone.
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 NorthStone policyholders.
4. In accordance with Section 357(b) of the Insurance Company Law, the Deputy Insurance Commissioner concludes that NorthStone would satisfy the requirements for licensure in the Commonwealth of Pennsylvania as a foreign insurer upon its redomestication to the State of West Virginia.
5. The Application was properly filed pursuant to and in accordance with the Insurance Company Law.
6. 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 Deputy Insurance Commissioner hereby makes the following Order:

An approving determination for the redomestication of NorthStone Insurance Company (“NorthStone”) to the State of West Virginia and the issuance of a Certificate of Authority to NorthStone as a foreign stock casualty insurance corporation as set forth in the Application, subject to this Order and the following conditions:

1. NorthStone shall obtain approval of the redomestication from the West Virginia Offices of the Insurance Commissioner. A certified copy of the approval issued by the West Virginia Offices of the Insurance Commissioner shall be provided to the Deputy Insurance Commissioner within three (3) business days of receipt by NorthStone.
2. NorthStone shall file governing documents with the West Virginia Offices of the Insurance Commissioner. NorthStone shall provide the Deputy Insurance Commissioner with a copy of the governing documents indicating receipt by the West Virginia Offices of the Insurance Commissioner.
3. NorthStone shall provide to the Deputy Insurance Commissioner a copy of the Certificate of Authority issued by the West Virginia Offices of the Insurance Commissioner to NorthStone as a West Virginia domiciled insurance company.
4. NorthStone 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 West Virginia Offices of the Insurance Commissioner.
5. NorthStone shall file a Statement of Domestication with the Pennsylvania Department of State, Corporation Bureau within five (5) days of receiving all

prerequisite documents. A complete copy of the Decision and Order must accompany the filing.

6. NorthStone shall provide a copy of the Statement of Domestication 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.

Joseph DiMemmo 6/24/2020

Joseph DiMemmo
Deputy Insurance Commissioner
Office of Corporate and Financial Regulation