

BEFORE THE DEPUTY INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Sections 1401, 1402,
	:	and 1403 of the Insurance
Application of Assurant, Inc. in Support	:	Holding Companies Act, Article
of the Request for Approval to Merge	:	XIV of the Insurance Company
United Dental Care of Pennsylvania, Inc.	:	Law of 1921, Act of May 17, 1921,
with and into Fortis Benefits Insurance	:	P.L. 682, <u>as amended</u> , 40 P.S.
Company with Fortis Benefits Insurance	:	§§991.1401, 991.1402, and
Company being the Survivor in a	:	991.1403
Transaction Exempt from the	:	
Requirements of 40 P.S. §991.1402	:	
	:	
	:	
	:	
	:	ID-RC-05-10

DECISION AND ORDER

AND NOW, on this 31st day of August, 2005, 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 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 Parties

1. United Dental Care of Pennsylvania, Inc. (“United Dental”) is a risk assuming preferred provider organization that is not a licensed insurance company (“RANLI PPO”) organized pursuant to the laws of the Commonwealth of Pennsylvania with its principal place of business located in Kansas City, Missouri.
2. Fortis Benefits Insurance Company (“Fortis Benefits”) is an admitted life insurance company organized pursuant to the laws of the state of Iowa with its

- principal place of business located in Kansas City, Missouri.
3. Assurant, Inc. (“Assurant”) is a publicly-traded insurance holding corporation organized pursuant to the laws of the state of Delaware with its principal place of business located in New York, New York. United Dental and Fortis Benefits are indirect wholly-owned subsidiaries of Assurant.
 4. Fortis N.V. is a Netherlands holding company organized pursuant to Dutch law with its principal place of business located in the Netherlands.
 5. Fortis SA/NV is a Belgium holding company organized pursuant to Belgian law with its principal place of business located in Belgium.
 6. Fortis N.V. and Fortis SA/NV together own approximately 16% of the voting stock of Assurant.
 7. Fortis N.V. and Fortis SA/NV are the only ultimate controlling persons of United Dental.

Filing of Application

8. On July 19, 2005, the Pennsylvania Insurance Department (“Department”) received an initial request (which together with all material received subsequently is collectively referenced as “Request”) from Assurant for approval to merge United Dental with and into Fortis Benefits with Fortis Benefits being the survivor of the merger.
9. 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 of domestic RANLI PPOs must be filed with the Department for approval or disapproval.
10. The Request was filed with the Department pursuant to Section 1402 of the Insurance Holding Companies Act.
11. Section 1402(g) of the Insurance Holding Companies Act provides for the exemption from the requirements of Section 1402(b) if the transaction:
 - a) does not have the effect of changing or influencing the control of a domestic RANLI PPO, or
 - b) is otherwise not comprehended within the purposes of the section.

Notice and Filing of Comments

12. On July 30, 2005, the Department published notice in the *Pennsylvania Bulletin* that the application had been submitted by Assurant and such notice invited interested persons to submit comments regarding the merger of United Dental with and into Fortis Benefits to the Department for a 30-day period, ending August 29, 2005.
13. During the 30-day public comment period, the Department received no comments regarding the merger transaction.

The Transaction

14. As described in the Request, Assurant would merge United Dental with and into Fortis Benefits with Fortis Benefits being the survivor the merger.
15. The June 30, 2005, Quarterly Statement of United Dental, as filed with the Department and prepared in accordance with statutory accounting principles, reports licensure and direct premiums written only in Pennsylvania.
16. Fortis Benefits is licensed in Pennsylvania to write the same type of business written by United Dental.
17. As described in the Request, Fortis Benefits would remain an indirect wholly-owned subsidiary of Assurant.
18. As described in the Request, Fortis N.V. and Fortis SA/NV would remain the only ultimate controlling persons of Fortis Benefits following the merger.

Standards for Review

19. Section 1402(g) of the Insurance Holding Companies Act provides for the exemption from the requirements of Section 1402 if the transaction does not have the effect of changing or influencing the ultimate control of a domestic RANLI PPO.
20. The Deputy Commissioner finds that the transaction described in the Request would not have the effect of changing or influencing the control of a domestic RANLI PPO.
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 a domestic RANLI PPO if, after consummation thereof, a person would be in control of the domestic RANLI PPO.
2. Under Section 1402(g) of the Insurance Holding Companies Act, the Department shall exempt the merger from the requirements of Section 1402 if the merger does not have the effect of changing or influencing control of a domestic RANLI PPO.
3. Pursuant to Section 1402(g) of the Insurance Holding Companies Act, the Deputy Commissioner concludes that the proposed merger described in the Request would not have the effect of changing or influencing the control of a domestic RANLI PPO and is therefore exempt from the requirements of the Insurance Holding Companies Act.
4. The Request satisfies the requirements of all applicable laws and regulations.
5. 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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Company being the Survivor in a	:	991.1403
Transaction Exempt from the	:	
Requirements of 40 P.S. §991.1402	:	
	:	
	:	ID-RC-05-10

ORDER

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

An approving determination for the application of Assurant, Inc. in support of the request to merge United Dental Care of Pennsylvania, Inc. with and into Fortis Benefits Insurance Company with Fortis Benefits Insurance Company being the survivor of the merger in a transaction exempt from the requirements of 40 P.S. §991.1402, as set forth in the Request, is hereby granted subject to this Order and the follow condition:

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 and valid for one year from the date of signature, provided there are no significant changes from the Request.

STEPHEN J. JOHNSON
Deputy Insurance Commissioner
Office of Corporate and Financial Regulation