

BEFORE THE
DEPUTY INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Sections 1977 and
	:	1980 of the Business Corporation
Application of Pennsylvania General	:	Law of 1988, Act of December 21,
Insurance Company for Approval to	:	1988, P. L. 1444, <u>as amended</u> ,
Redomesticate from the Commonwealth	:	15 Pa.C.S. §§ 1977 and 1980, and
of Pennsylvania to the State of Iowa	:	Sections 205 and 207 of the GAA
	:	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-13-02

DECISION AND ORDER

AND NOW, on this 14th day of March, 2013, Stephen J. Johnson, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania (the “Deputy Insurance Commissioner”), hereby makes the following Decision and Order:

Pursuant to the Business Corporation Law 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. Pennsylvania General Insurance Company (“PGIC”) is a domestic stock casualty insurance company organized under the laws of the Commonwealth of Pennsylvania with its principal place of business in Cedar Rapids, Iowa.

Filing of Application

2. On February 21, 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 PGIC from the Commonwealth of Pennsylvania to the State of Iowa.
3. The Application included a request for the licensure of PGIC as a foreign insurance company organized under the laws of the State of Iowa effective simultaneous with its redomestication.
4. The Insurance Company Law of 1921, Act of May 17, 1921, 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.
5. 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.
6. 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.
7. 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.
8. As represented in the Application, the redomestication will have no impact on Pennsylvania employment.
9. As represented in the Application, the redomestication has been requested to create a more efficient business environment.
10. On October 1, 2012, the Board of Directors of PGIC adopted and consented to the redomestication of PGIC from the Commonwealth of Pennsylvania to the State of Iowa.
11. On October 1, 2012, the sole shareholder of PGIC consented to the redomestication of PGIC from the Commonwealth of Pennsylvania to the State of Iowa.

Department Procedures

12. The Commissioner has delegated to the Deputy Insurance Commissioner authority to approve the applications of domestic insurance companies seeking to redomesticate from Pennsylvania to a foreign jurisdiction.
13. 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 PGIC.
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 PGIC policyholders.
4. In accordance with Section 357(b) of the Insurance Company Law, the Deputy Insurance Commissioner concludes that PGIC would satisfy the requirements for licensure in the Commonwealth of Pennsylvania as a foreign insurer upon its redomestication to the State of Iowa.
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 PGIC.
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.

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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 Pennsylvania General Insurance Company (“PGIC”) to the State of Iowa and the issuance of a Certificate of Authority to PGIC as a foreign insurance corporation as set forth in the Application, subject to this Order.

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

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