

BEFORE THE DEPUTY INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE: : Pursuant to the Insurance Company
: Law, Act of May 17, 1921, P.L. 682,
The Request of Pennsylvania Surface Coal : as amended, 40 P.S. §§341 et seq.
Mining Insurance Exchange for Approval :
to Surrender its Certificate of Authority to :
Operate as an Insurance Company :
: Order No. ID-RC-13-04

DECISION AND ORDER

AND NOW, on this 2nd day of April, 2013, Stephen J. Johnson, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania (“Deputy Commissioner”), hereby makes this Decision and Order:

Pursuant to the Insurance Company Law, and in consideration of the documents, representations, 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 Applicant

1. Pennsylvania Surface Coal Mining Insurance Exchange (“Exchange”) is a reciprocal insurance exchange organized under the laws of the Commonwealth of Pennsylvania with its principal place of business in Rockwood, Pennsylvania.
2. Exchange holds a certificate authorizing the transaction of the business of insurance in this Commonwealth (“Certificate of Authority”).
3. Coal Operators Indemnity Company is the Attorney in Fact for Exchange.

The Surrender Filing

4. On January 15, 2013, the Pennsylvania Insurance Department (“Department”) received a request (which, together with all material received subsequently, is hereinafter referenced as “Request”) from Exchange to voluntarily surrender its Certificate of Authority.

Department Procedures

5. On March 2, 2013, the Department published notice in the *Pennsylvania Bulletin* that the Request was submitted by Exchange, and such notice invited interested persons to submit comments to the Department regarding the Request for a thirty day period.
6. During the thirty day period, the Department received no comments regarding the Request.

The Filing

7. Exchange has provided documentation that its subscribers have resolved to surrender its Certificate of Authority.
8. Pursuant to the Request, Exchange commuted all of its policies as of January 31, 2012.
9. 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. Inasmuch as Exchange will be a going concern, the Department's approval of the Request will have no impact on any creditors of Exchange.
2. After the surrender of the Certificate of Authority, Exchange will no longer be authorized to transact the business of insurance in this Commonwealth.
3. Based on all the information and analyses received and the Department's independent review, the Request is reasonable and in accordance with law.
4. 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 of the Commonwealth of Pennsylvania (“Deputy Commissioner”) hereby approves the Request for the voluntary surrender of the Certificate of Authority as filed on January 15, 2013, by Pennsylvania Surface Coal Mining Insurance Exchange (“Exchange”), subject to the following conditions:

1. Exchange shall not engage in transacting the business of insurance in the Commonwealth of Pennsylvania or in any other jurisdiction, without the prior approval of the Pennsylvania Insurance Department.
2. Should Exchange determine that at some time in the future it would like to engage in the business of insurance, it will be necessary to file a new application with the Department for an appropriate certificate of authority.

This Order is effective immediately.

STEPHEN J. JOHNSON
Deputy Insurance Commissioner
Commonwealth of Pennsylvania