

BEFORE THE 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 Harleysville Pennland : as amended, 40 P.S. §§341 et seq.  
Insurance Company for Approval to :  
Surrender its Certificate of Authority to :  
Operate as an Insurance Company : Order No. ID-RC-13-17

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**DECISION AND ORDER**

AND NOW, on this 27<sup>th</sup> day of November, 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. Harleysville Pennland Insurance Company (“Pennland”) is a stock casualty insurance company organized under the laws of the Commonwealth of Pennsylvania with its principal place of business in Harleysville, Pennsylvania.
2. Pennland holds a certificate authorizing the transaction of the business of insurance in this Commonwealth (“Certificate of Authority”).
3. Nationwide Mutual Insurance Company (“Nationwide”) is a mutual casualty insurance company organized under the laws of the State of Ohio with its principal place of business in Columbus, Ohio. Pennland is a wholly-owned subsidiary of Nationwide.

**The Surrender Filing**

4. On September 28, 2013, the Pennsylvania Insurance Department (“Department”) received a request (which, together with all material received subsequently, is hereinafter referenced as “Request”) from Pennland to voluntarily surrender its Certificate of

Authority.

### **Department Procedures**

5. On November 16, 2013, the Department published notice in the *Pennsylvania Bulletin* that the Request was submitted by Pennland, and such notice invited interested persons to submit comments to the Department regarding the Request for a five (5) day period.

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6. During the five (5) day period, the Department received no comments regarding the Request.

### **The Filing**

7. The Request included documentation that the board of directors and sole shareholder of Pennland have resolved to surrender the Certificate of Authority.
8. The Request included documentation that Pennland had filed a Plan of Withdrawal with the Pennsylvania Insurance Department.
9. As noted in the Request, Pennland had entered into an Amended and Restated Reinsurance Pooling Agreement ("Pool Agreement") with Nationwide and certain of Nationwide's affiliates, whereby, Pennland ceded, and Nationwide and certain affiliates assumed, all of Pennland's liabilities for all of Pennland's insurance business.
10. As noted in the Request, by way of the depopulation of Pennland pursuant to the Plan of Withdrawal and Pennland's entering into the Pooling Agreement, Pennland currently has no active insurance business, either direct or assumed, in Pennsylvania or any other jurisdiction.
11. Pursuant to the Request, Nationwide and Pennland will enter into a Liability & Asset Transfer Agreement and Plan of Dissolution wherein any remaining assets and liabilities of Pennland will be transferred to Nationwide.
12. 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 Pennland will be a going concern, the Department's approval of the Request will have no impact on any creditors of Pennland.
2. After the surrender of the Certificate of Authority, Pennland 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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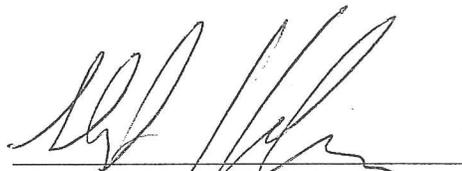
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**ORDER**

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 September 28, 2013, by Harleysville Pennland Insurance Company ("Pennland"), subject to the following conditions:

1. Pennland 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 Pennland, as a continuing business corporation, 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

