

BEFORE THE INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

In Re: : Pursuant to Section 357 of the  
Application of ARI Mutual Insurance : Insurance Company Law, Act of  
Company for Approval to Redomesticate : May 17, 1921, P.L. 682, No. 284,  
from the State of New Jersey to the : as amended, 40 P.S. § 477e  
Commonwealth of Pennsylvania : Order No. ID-RC-14-01

DECISION AND ORDER

AND NOW, on this 27<sup>th</sup> day of August, 2014, Michael F. Consedine, Insurance Commissioner of the Commonwealth of Pennsylvania ("Commissioner"), hereby makes the following Decision and Order:

Pursuant to the Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, No. 284, as amended, 40 P.S. §477e ("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 Commissioner hereby makes the following Findings of Fact:

FINDINGS OF FACT

Identity of the Applicant

1. ARI Mutual Insurance Company ("ARI Mutual") is a foreign mutual property insurance company organized under the laws of the State of New Jersey with its principal place of business located in Newtown, Pennsylvania.

Filing of the Application

2. On January 30, 2014, the Insurance Department of the Commonwealth of Pennsylvania ("Department") received an initial application (which, together with all material received subsequently, is collectively referenced as "Application") from ARI Mutual for approval to redomesticate from the State of New Jersey to the Commonwealth of Pennsylvania.
3. The Application was reviewed pursuant to Section 357 of the Insurance Company Law.

#### Notice of Filing and Comments

4. On February 15, 2014, the Department published notice in the *Pennsylvania Bulletin* that the Application was submitted by ARI Mutual, and such notice invited interested persons to submit comments to the Department regarding the Application for a fifteen (15) day period, ending March 1, 2014. ("Comment Period")
5. The Department received no comments regarding the Application during the Comment Period.

#### The Transaction

6. ARI Mutual currently holds a Certificate of Authority in the Commonwealth of Pennsylvania as a foreign insurer to transact property & allied lines, inland marine & physical damage, ocean marine, fidelity & surety, accident & health, glass, other liability, boiler & machinery, burglary & theft, credit, water damage, elevator, livestock, auto liability, personal property floater and workers' compensation classes of insurance business.
7. ARI Mutual desires to redomesticate to the Commonwealth of Pennsylvania as a domestic mutual property insurance company.
8. On January 22, 2014, the Board of Directors of ARI Mutual passed a resolution that ARI Mutual redomesticate from the State of New Jersey to the Commonwealth of Pennsylvania.
9. On July 7, 2014, the policyholders of ARI Mutual voted unanimously to redomesticate ARI Mutual from the State of New Jersey to the Commonwealth of Pennsylvania.
10. ARI Mutual has indicated that their principal places of business will not change from Newtown, Pennsylvania.
11. ARI Mutual has stated that it will transact the business of insurance in the Commonwealth in accordance with applicable laws, including the Insurance Company Law.
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. Section 357 of the Insurance Company Law provides the Commissioner jurisdiction to review and approve the redomestication of ARI Mutual (40 P.S. §477e).
2. Pursuant to Section 357(a), “[a]ny insurer which is organized under the laws of any other state and is admitted to do business in this Commonwealth for the purpose of writing insurance may become a domestic insurer by complying with all of the requirements of law relative to the organization and licensing of a domestic insurer of the same type and by designating its principal place of business in this Commonwealth. Said domestic insurer will be entitled to a like certificate of authority to transact business in this Commonwealth, and shall be subject to the authority and jurisdiction of this Commonwealth” (40 P.S. §477e(a)).
3. The Application satisfies the requirements of all applicable laws and regulations and standards for organization and licensure.
4. The Application satisfies the requirement that a principal place of business in the Commonwealth be designated by maintaining the location of the statutory home office of ARI Mutual in the Commonwealth of Pennsylvania.
5. A redomestication by a foreign business corporation is provided for in subsection 4161(a) of the Business Corporation Law (15 Pa. C.S. §4161(a)).
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

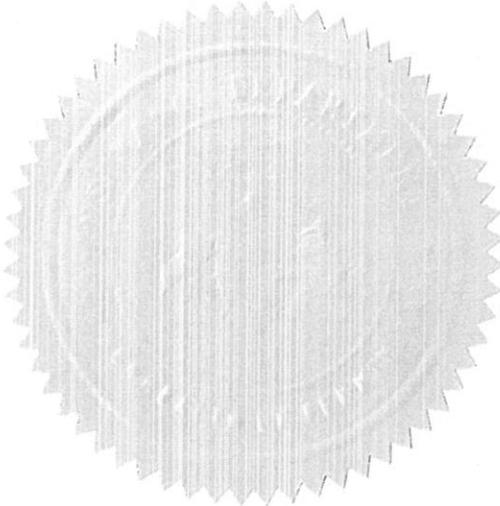
Upon consideration of the foregoing, the Insurance Commissioner of the Commonwealth of Pennsylvania (“Commissioner”) hereby makes the following Order:

The Application of ARI Mutual Insurance Company (“ARI Mutual”) for approval to redomesticate from the State of New Jersey to the Commonwealth of Pennsylvania and the issuance of a Certificate of Authority as a domestic mutual property insurance corporation, as set forth in the Application, is hereby granted, subject to this Order and the following conditions:

1. Applicant shall obtain approval of the redomestication from the New Jersey Department of Banking and Insurance. A certified copy of the approval issued by the New Jersey Department of Banking and Insurance shall be provided to the Commissioner within five (5) days of Applicant receiving the approval.
2. ARI Mutual shall file Articles of Domestication with the Pennsylvania Department of State in accordance with subsection 4161(b) of the Business Corporation Law after receipt of the approval of the New Jersey Department of Banking and Insurance and within one year of the date of this order.
3. ARI Mutual shall file a copy of the Articles of Domestication, as filed with the Pennsylvania Department of State, with the Insurance Department within ten (10) days of receipt from the Pennsylvania Department of State.
4. At the time the Articles of Domestication are filed with the Insurance Department, ARI Mutual shall surrender its current Certificate of Authority as

a foreign insurance corporation in exchange for the issuance of a Certificate of Authority as a domestic mutual property insurance corporation.

This Order is effective immediately.



  
Michael F. Consedine  
Insurance Commissioner  
Commonwealth of Pennsylvania