

FORM A

JUN 18 2010

STATEMENT REGARDING THE ACQUISITION OF
CONTROL OF OR MERGER WITH A DOMESTIC INSURER

**Pennsylvania
Insurance Department**

MANUFACTURERS ALLIANCE INSURANCE COMPANY
PENNSYLVANIA MANUFACTURERS ASSOCIATION INSURANCE COMPANY
PENNSYLVANIA MANUFACTURERS INDEMNITY COMPANY

BY

OLD REPUBLIC INTERNATIONAL CORPORATION
Name of Acquiring Person (Applicant)

Filed with the Pennsylvania Department
of Insurance

Date: June 17, 2010

Name, Title, Address and Telephone Number of Persons to Whom Notices and Correspondence
Concerning This Statement Should be Addressed:

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Item 1. INSURER AND METHOD OF ACQUISITION

Manufacturers Alliance Insurance Company (“MAIC”)
FEIN # 23-2088596
NAIC# 36897

Pennsylvania Manufacturers Association Insurance Company (“PMAIC”)
FEIN# 23-1642962
NAIC# 12262

Pennsylvania Manufacturers Indemnity Company (“PMIC”)
FEIN# 23-2217934
NAIC# 41424

MAIC, PMAIC and PMIC are wholly-owned subsidiaries of PMA Capital Corporation (“PMA”), a Pennsylvania corporation. All of the above companies have a mailing address of 380 Sentry Parkway, Blue Bell, Pennsylvania 19422. PMA is a publicly-held insurance holding company.

Old Republic International Corporation (“ORI”) has incorporated a new subsidiary corporation named OR New Corp. for the purpose of acquiring control of PMA and its subsidiaries. ORI, through OR New Corp., will acquire all of the outstanding capital stock of PMA by way of a merger of that company with OR New Corp. The terms and conditions of the proposed acquisition are set forth in an Agreement and Plan of Merger among PMA Capital Corporation, Old Republic International Corporation and OR New Corp. (the “Agreement”), dated June 9, 2010, a copy of which is attached hereto as Exhibit “A” and incorporated by reference herein. As a result of this acquisition, MAIC, PMAIC, and PMIC will become wholly-owned, indirect subsidiaries of ORI.

The terms of the Agreement provide that the merger is contingent upon the following conditions:

- (1) satisfaction or waiver of the conditions set forth in the Agreement;
- (2) expiration or earlier termination of the waiting periods required by the Hart-Scott-Rodino Antitrust Improvements Act of 1979, as amended;
- (3) PMA’s filing with the Securities Exchange Commission (“SEC”) of a Proxy Statement and Form S-4 concerning the merger;
- (4) approval of the merger by the Board of Directors of ORI and PMA and the shareholders of PMA;
- (5) any filings and approvals (or non-objection) as are required by the securities or “Blue Sky” laws of any applicable state in connection with the issuance of ORI shares;
- (6) listing of additional shares on the New York Stock Exchange (“NYSE”) of ORI’s Common Stock as a result of the merger;

- (7) non-disapproval of an Insurance Holding Company Form A filing with the Pennsylvania Commissioner of Insurance; and
- (8) approval or non-objection of any federal or state regulatory agency, enforcement authority, administrative agency or court having jurisdiction over the parties to the merger.

Item 2. IDENTITY AND BACKGROUND OF THE APPLICANT

A. Name and Address

The name and address of the Applicant is:

Old Republic International Corporation
307 North Michigan Avenue
Chicago, Illinois 60601

B. Business Operations

ORI is a Chicago-based Delaware insurance holding company which ranks among the 50 largest publicly-held, independent insurance groups in the United States. ORI's common stock is listed on the New York Stock Exchange under the symbol ORI. No individual, corporation or affiliated groups control 10% or more of the capital stock of ORI which is entitled to vote. As of December 31, 2009, ORI had total assets of over \$14.2 billion and shareholder equity of nearly \$4.0 billion.

ORI's oldest insurance subsidiary has been in business continuously since 1887. Its subsidiaries market, underwrite and provide risk management and professional reinsurance services for a wide variety of insurance coverages in the property and liability, title, mortgage guaranty, and life and disability insurance fields. It primarily serves the insurance and related needs of commercial and financial enterprises and governmental units. In particular, it provides specialty insurance programs to the transportation, coal and energy services, consumer and mortgage credit, banking, agricultural, and housing industries, and to a variety of other manufacturing and service companies.

ORI's business segments are organized as the General Insurance, Title Insurance, Mortgage Guaranty and Life Insurance Groups. ORI's General Insurance Group provides property and liability insurance to commercial clients. Workers' compensation insurance is the largest type of coverage underwritten in this segment. The remaining premiums written are derived largely from a wide variety of coverages, including commercial automobile and general liability insurance, credit insurance, and surety bonds. ORI believes that its Title Insurance Group and Mortgage Guaranty Group each rank among the top five in the country on the basis of premiums and related service fee revenues. Title and mortgage guaranty business is originated by savings and loan associations, other lenders, and financial intermediaries such as mortgage loan brokers and real estate agents. ORI's Life Insurance Group is a writer of life and disability insurance.

C. Chart

Attached as Exhibit "B" is an Organizational Chart for ORI.

One hundred percent of the voting securities of each ORI affiliate shown in the Chart is owned by the parent indicated by the Chart except for American Business & Personal Insurance Mutual, Inc. ("AB&P Mutual"). AB&P Mutual is affiliated with ORI by way of a management agreement between itself and a subsidiary of ORI. The Chairman of the Board, President and the Vice Presidents of AB&P Mutual hold similar positions with ORI or its subsidiaries.

Item 3. IDENTITY AND BACKGROUND OF INDIVIDUALS ASSOCIATED WITH THE APPLICANT

No individual, corporation or affiliated group owns or controls 10% or more of the voting securities of ORI. Copies of ORI's Form 10-K filed with the Securities and Exchange Commission for the past three years are attached hereto as Exhibit "C". ORI's Annual Reports to Shareholders for the past three years is part of the ORI's 10-K which is attached as Exhibit "C" and a copy of ORI's Proxy Statement for its last three Annual Meetings of Shareholders is attached as part of Exhibit "C". The Proxy Statement part of Exhibit "C" contains a copy of ORI's Proxy Statement for its 2010 Annual Meeting of Shareholders. This Proxy Statement lists the names of all the directors of ORI and shows their ownership of ORI stock, as well their principal business activities and occupations. The 10-K part of Exhibit "C" contains ORI's Annual Report to Shareholders and lists all of the officers of ORI. None of the directors or officers of ORI owns or controls more than 1% of the outstanding stock of any insurer.

ORI has a principal insurance subsidiary, Old Republic Insurance Company ("ORIC"), domesticated in Pennsylvania. The Company believes that biographical affidavits of the applicant's directors and executive officers are on file with the Department in connection with ORIC.

To the knowledge of ORI, none of its directors or executive officers have been convicted in a criminal proceeding (excluding minor traffic violations) during the past 10 years.

ORI has no knowledge of any instance where any of its directors and officers that hold any license or registration granted by or registered with any federal, state or municipal governmental agency has been subject to a surrender, revocation, suspension or disciplinary proceeding in connection therewith.

To the knowledge of ORI, none of its directors or officers has ever been adjudged or designated as bankrupt. Further, none of ORI's directors or executive officers has been a management consultant, administrator, officer, director, trustee, investment committee

member, key employee or controlling stockholder of any company which became insolvent, or was placed under supervision or in receivership, rehabilitation, liquidation or conservatorship or had its certificate of authority suspended or revoked while they occupied such a position.

Item 4. NATURE, SOURCE AND AMOUNT OF CONSIDERATION

This transaction will be completed by a merger of PMA into a subsidiary of ORI. In exchange for their PMA Class A Common Stock, each shareholder of PMA will receive 0.55 share of ORI Common Stock. Depending on the price of ORI's common stock preceding the closing of the merger, the exchange ratio may be adjusted upwards or downwards, but will not exceed 0.60 or be less than 0.50. The exchange ratio is based on the ratio of PMA's adjusted book value to ORI's book value, adjusted by the ratio of PMA's market price to ORI's market price. Prior to the execution of this Agreement, PMA's board of directors received the opinion of Merrill Lynch, Pierce, Fenner & Smith Incorporated, to the effect that, as of June 9, 2010, and based upon and subject to the assumptions and limitations set forth therein, the exchange ratio provided for in the Agreement is fair, from a financial point of view, to the holders of PMA common stock.

Item 5. FUTURE PLANS OF INSURER

PMA is a holding company whose operating subsidiaries provide insurance and fee-based services. Its insurance products include workers' compensation and other commercial property and casualty lines of insurance. Fee-based services include third party administrator ("TPA"), managing general agent and program administrator services. The operating subsidiaries market under the names PMA Companies and include The PMA Insurance Group, PMA Management Corp., PMA Management Corp. of New England, Inc., and Midlands Management Corporation ("Midlands"). Its insurance products are marketed primarily in the eastern part of the United States. These products are written through The PMA Insurance Group, its property and casualty insurance segment, which includes Pennsylvania Manufacturers Association Insurance Company ("PMAIC"), Manufacturers Alliance Insurance Company ("MAIC") and Pennsylvania Manufacturers Indemnity Company ("PMIC"). Its fee-based business includes the operations of PMA Management Corp., PMA Management Corp. of New England, Inc., and Midlands. PMA Management Corp., a TPA that provides various claims administration, risk management, loss prevention and related services, primarily to self-insured clients under fee for service arrangements. PMA Management Corp. of New England, Inc. is a Connecticut-based provider of risk management and TPA services. Midlands is an Oklahoma City-based managing general agent, program administrator and provider of TPA services. The PMA holding company system is collectively referred to herein as the PMA Group.

ORI has no plans to change the lines of authority or underwritten business in which the PMA Group specializes, nor to reverse the decisions already made by it or its subsidiaries with respect to the business it has underwritten or discontinued. However, it

reserves the right after its acquisition to evaluate the business being produced by the PMA Group and to adjust its business plan in accordance with ORI's and the PMA Group's best interests. After familiarizing itself with the PMA Group, ORI anticipates expanding the company's business.

The geographical distribution of ORI's consolidated direct written premium is shown in the 10-K portion of its 2009 Annual Report, which can be found in Exhibit "C." The geographical distribution of PMA's direct written workers compensation insurance, which represents approximately 83% of all of PMA's consolidated gross written insurance premium, is shown in its 10-K for the fiscal year ended December 31, 2009, which can be found in Exhibit "D."

As a condition of the closing, with the exception of Vincent T. Donnelly, all of the current directors of MAIC, PMAIC and PMIC must resign. They will be replaced by individuals who are currently among the executive officers or directors of ORI. The proposed officers of MAIC, PMAIC and PMIC will consist of the same individuals currently in place at MAIC, PMAIC and PMIC. Accordingly, the proposed directors and executive officers of MAIC, PMAIC and PMIC will be:

Directors

Harrington Bischof	Dennis P. Van Mieghem
Leo E. Knight, Jr.	William A. Simpson
Charles F. Titterton	Arnold L. Steiner
Steven R. Walker	Fredricka Taubitz
Jimmy A. Dew	Aldo C. Zucaro
John M. Dixon	Vincent T. Donnelly

Officers

Vincent T. Donnelly, President and Chief Executive Officer	Kevin M. Brady, Senior Vice President and Chief Actuary
John M. Cochrane, Senior Vice President and Interim Chief Financial Officer	John M. Cochrane, Senior Vice President and Controller
Anthony J. Ciofani, Executive Vice President and Chief Underwriting Officer	Andrew J. McGill, Senior Vice President (Human Resources and Facilities)
Stephen L. Kibblehouse, Executive Vice President, Secretary and General Counsel	Christina Preisig, Senior Vice President (Managed Care)

John Santulli III, Executive Vice President	Kurt L. Schuhl, Senior Vice President (Chief Claims Officer)
James F. Klotz, Senior Vice President and Chief Information Officer	Vito A. Nigro, Vice President and Treasurer
Jennifer J. Johnston, Senior Vice President and Chief Marketing Officer	And additional Vice Presidents

Additionally, ORI shall take such steps as may be required to add one of the independent directors of PMA to ORI's board of directors.

Items 6 and 7. VOTING SECURITIES TO BE ACQUIRED AND OWNERSHIP OF VOTING SECURITIES

Upon merger with OR New Corp., as the surviving company, PMA's name will be changed to PMA Companies, Inc. It will continue to own all of the voting securities of MAIC, PMAIC and PMIC.

Attached as Exhibit "E" is an Organizational Chart for PMA and its wholly owned subsidiaries, MAIC, PMAIC and PMIC, following the merger.

Item 8. CONTRACTS, ARRANGEMENTS, OR UNDERSTANDINGS WITH RESPECT TO VOTING SECURITIES OF THE INSURER

Neither ORI, its affiliates, nor any person listed in Item 3 of this Statement has entered into any contract, arrangement, or understanding with any person with respect to any voting security of PMA or its insurance subsidiaries.

Item 9. RECENT PURCHASE OF VOTING SECURITIES

None

Item 10. RECENT RECOMMENDATIONS TO PURCHASE

None

Item 11. AGREEMENTS WITH BROKERS – DEALERS

None

Item 12. FINANCIAL STATEMENTS AND EXHIBITS

- A) Agreement and Plan of Merger among PMA Capital Corporation, Old Republic International Corporation and OR New Corp., dated as of June 9, 2010
- B) ORI Organizational Chart
- C) ORI Form 10-K, Annual Reports to Shareholders and Proxy Statement for the years 2009, 2008, 2007
- D) PMA Form 10-K for the year 2009
- E) Chart showing the chain of ownership of MAIC, PMAIC and PMIC following the merger


Item 13. SIGNATURE AND CERTIFICATION


SIGNATURE

Pursuant to the requirements of Section 1402 of the Act, Old Republic International Corporation has caused this application to be duly signed on its behalf in the City of Chicago and the State of Illinois on the 17th day of June, 2010.

OLD REPUBLIC INTERNATIONAL CORPORATION

ATTEST:


Spencer LeRoy III, Senior
Vice President, General
Counsel and Secretary

By: 
A. C. Zucaro, President and Chief Executive
Officer

CERTIFICATION

The undersigned deposes and says that he has duly executed the attached application dated June 17, 2010 for and on behalf of Old Republic International Corporation; that he is the President and Chief Executive Officer of such company and that he is authorized to execute and file such instrument. Deponent further says that he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his knowledge, information and belief.


A. C. Zucaro
President and Chief Executive Officer of
Old Republic International Corporation