

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF THE TRANSFER OF DOMICILE) ORDER OF
OF ULLICO LIFE INSURANCE COMPANY) REDOMESTICATION

This matter having been opened by the Commissioner of the New Jersey Department of Banking and Insurance (“the Commissioner”) pursuant to the authority of N.J.S.A. 17:1-15 and 17B:17-12.1, and all powers expressed or implied therein, and upon the application of Ullico Life Insurance Company (“Ullico” or “the insurer”), for approval to transfer its domicile to the State of New Jersey from the State of Texas; and

IT APPEARING that the insurer is a foreign admitted stock insurer domiciled in the State of Texas; and

IT FURTHER APPEARING that pursuant to N.J.S.A. 17B:17-12.1, a life/health insurer formed under the laws of another state and admitted to transact business in this State may become a domestic insurer upon written approval of the Commissioner, upon the Commissioner’s determination that the insurer has complied with all applicable requirements of Title 17B of the Revised Statutes relating to the formation of a domestic insurer of the same type; and

IT FURTHER APPEARING that, pursuant to N.J.S.A. 17B:17-12.1d, prior to granting approval for any foreign insurer to become a domestic insurer, the Commissioner may conduct whatever investigations, examinations or hearings he deems necessary, and may subject the issuance of his approval to the conditions and restrictions

that he determines are reasonable and necessary for the protection of the company's policyholders and the public; and

IT FURTHER APPEARING that, immediately upon the redomestication of Ullico to New Jersey, Clover Insurance Company, a New Jersey domiciled health insurer and affiliate of Ullico, intends to merge with Ullico pursuant to N.J.S.A. 17B:18-60; and

IT FURTHER APPEARING that the insurers provided various documents to the New Jersey Department of Banking and Insurance ("the Department") for review in connection with the application to transfer its domicile, including a plan of redomestication; and

IT FURTHER APPEARING that, by letter dated April 15, 2016, the Texas Department of Insurance notified the Department that it had no objection to the anticipated request from Ullico to transfer its domicile from the State of Texas to the State of New Jersey; and

IT FURTHER APPEARING that the insurer is admitted to transact business in this State; and

IT FURTHER APPEARING that the insurer has demonstrated compliance with all applicable requirements of Title 17B of the revised Statutes, except for meeting the applicable capital and surplus requirements for a domestic insurer with life and health authorities pursuant to N.J.S.A. 17B:18-68; and

IT FURTHER APPEARING that pursuant to N.J.S.A. 17B:18-69, the insurer has requested a temporary waiver of the capital and surplus requirements and has demonstrated that upon the immediate and subsequent merger with Clover that is

approved by the Order Approving Merger, the merged insurer shall meet the capital and surplus requirements of N.J.S.A. 17B:18-68; and

IT FURTHER APPEARING that upon review of the application, the insurer's request to transfer its domicile to the State of New Jersey and be designated a domestic life/health insurer should be approved;

NOW THEREFORE IT IS on this 20th day of April, 2016,

ORDERED that the application of the insurer to transfer its domicile to the State of New Jersey and to be designated a domestic life/health insurer be, and is hereby, approved, subject to the following conditions:

1. The transfer of domicile shall not be construed to alter either the existing respective rights, franchises and interests, or the duties, obligations and liabilities of the insurer, except as otherwise provided by law. The insurer shall continue to be subject to all the liabilities, claims and demands against it that were in existence prior to the transfer of domicile. Any action or proceeding in which the insurer is a party that is pending at the time of the consummation of the transfer of domicile shall not abate or discontinue by reason of the transfer of domicile; but shall be prosecuted to a final resolution in the same manner as if the transfer of domicile had not taken place;

2. Pursuant to N.J.S.A. 17B:17-12.1, the insurer shall be deemed a domestic life/health insurer effective upon the issuance of this Order, and will be concurrently issued a Certificate of Authority deeming the insurer authorized to transact the business of insurance in this State;

3. Pursuant to N.J.S.A. 17B:18-37, the insurer shall maintain a deposit as set forth therein; and

4. Pursuant to N.J.S.A. 17B:18-68, the insurer shall maintain levels of capital and surplus as set forth therein.



Richard J. Badolati
Acting Commissioner

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