

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF THE PLAN OF)
DISSOLUTION OF NEW JERSEY)
SKYLANDS INSURANCE COMPANY)

ORDER
APPROVING DISSOLUTION

This matter having come before the Commissioner of Banking and Insurance (“Commissioner”) of the New Jersey Department of Banking and Insurance (“Department”) through the filing of a Plan of Dissolution for New Jersey Skylands Insurance Company (“NJ Skylands”) involving the transfer of liabilities and distribution of assets (the “Dissolution Plan”) with the Department pursuant to N.J.S.A. 17:1-8.1, 17:1-15(e) and 17:17-10; and all powers expressed or implied therein; and

IT APPEARING that NJ Skylands is a New Jersey domiciled insurer licensed to write multiple lines of business in New Jersey; and

IT FURTHER APPEARING that NJ Skylands is a wholly-owned direct subsidiary of New Jersey Skylands Insurance Association (“NJSIA”), a New Jersey domiciled reciprocal insurance exchange; and

IT FURTHER APPEARING that NJ Skylands is not actively writing new or renewal direct business and has no current policyholders; and

IT FURTHER APPEARING that the Board of Directors of the NJ Skylands consented to the adoption of a Resolution by unanimous written consent, in lieu of a meeting, that approved the

dissolution of the NJ Skylands; and that NJSIA, NJ Skylands' sole shareholder, consented to and approved the Plan of Dissolution; and

IT FURTHER APPEARING that the Plan for Dissolution consists of four steps as follows:

1. The commutation effective as of December 31, 2018, of the existing reinsurance pooling agreement between NJ Skylands and NJSIA that was effective as of January 1, 2004;
2. The assumption and transfer of responsibility for payment and satisfaction of all NJ Skylands' liabilities, which total \$101,238.03 as of September 30, 2018, to NJSIA via a Loss Portfolio Transfer Agreement, effective as of December 31, 2018;
3. The dissolution of the NJ Skylands pursuant to an Order issued by the Department; and
4. The return of NJ Skylands' remaining capital to its sole shareholder, NJSIA; and

IT FURTHER APPEARING that NJ Skylands has submitted to the Department Form D filings - Prior Notices of a Transaction with respect to steps 1, 2, and 4 set forth above, which the Department has approved; and

IT FURTHER APPEARING that NJ Skylands submitted a Plan of Dissolution ("Plan") to the Department on November 19, 2018, and December 6, 2018, which Plan was subsequently approved by the Department on December 21, 2018.

NOW THEREFORE IT IS on this 5th day of March, 2019:

ORDERED that the dissolution of NJ Skylands be approved in accordance with the terms and conditions set forth below:

1. The dissolution of NJ Skylands is hereby approved. NJ Skylands shall undertake any remaining steps, to complete its dissolution, including but not limited to, payment of any outstanding liabilities on its books.

2. NJ Skylands shall apply to the Office of Solvency Regulation in the Department for the return of any special deposits being held on its behalf.

3. In the event that any claim should be asserted against NJ Skylands, its successor in interest, NJSIA, shall fully satisfy any such claim pursuant to the Loss Portfolio Transfer Agreement. As provided in the Loss Portfolio Transfer Agreement, in the unlikely event that any other liability should be asserted against the Company, its successor in interest, NJSIA, shall fully satisfy any such liability as is appropriate under the circumstances.



Marlene Caride
Commissioner

Jc nj skylands ins co dissolution/orders