

MIKE KREIDLER
STATE INSURANCE COMMISSIONER

STATE OF WASHINGTON



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OFFICE OF
INSURANCE COMMISSIONER

Please reply to:

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March 30, 2010

STEPHANIE DUCHENE
COUNSEL
SONNENSCHN NATH & ROSENTHAL LLP
601 SOUTH FIGUEROA STREET, STE 2500
LOS ANGELES, CA 90017-5704

Re: Application for Approval of Proposed Merger of **Pacific Northwest Title Insurance Company**

Dear Ms. Duchene:

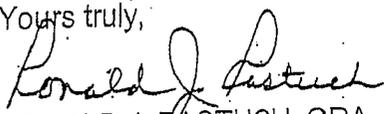
RCW 48.31.010 governs the merger of Washington domiciled insurers with other insurers. That statute requires the insurer to file its plan of merger with the Commissioner in advance of the planned merger. Approval of merger requires a public hearing by the Commissioner, and hearing notice requirements may take more than 30 days. Therefore, we do not approve your request for waiver of a hearing. Public notice of the filing will be posted on the Commissioner's website soon.

The practice we have seen is the insurer files its plan/application for merger simultaneously in Washington and the domiciliary state of the merging insurer. Analysts for both states will work together to coordinate the process. We will submit a request for information to you regarding this application of merger soon. Ordinarily when we have gained comfort with the application, a hearing will be set. If the hearing results in an order approving merger, the order will be specifically conditioned upon our receipt of an approval order from the merging insurer's domiciliary state.

Until those merger orders are entered, Pacific Northwest Title Insurance Company remains as an active Washington-domiciled title insurer.

If you have any questions, please feel free to call me at 360-725-7211 regarding the merger process in Washington.

Yours truly,


RONALD J. PASTUCH, CPA
Holding Company Manager
Company Supervision Division
Fax: 360-586-2022

Cc: Steven Galet, Financial Analysis, CA Dept of Insurance

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