



OFFICE OF
INSURANCE COMMISSIONER

FILED

2012 JAN 31 11:37
KRC

Heidi M. B. B. B.
Patrick D. Pasero
Chief Hearing Officer

In the Matter of

No. 11-0261

THE APPLICATION FOR
REDOMESTICATION OF
Safeco Insurance Company of America,
General Insurance Company of America,
First National Insurance Company of America and
Safeco Surplus Lines Insurance Company
to New Hampshire

DECLARATION OF GAYLE D. PASERO

I, Gayle D. Pasero, under penalty of perjury under the laws of the State of Washington, declare as follows:

1. I am the Company Licensing Manager in the Company Supervision Division for the Washington State Insurance Commissioner and make this declaration in my official capacity.
2. My duties as Company Licensing Manager include the review of applications from insurance companies for admission, redomestication, and merger. I received a Bachelor of Arts degree from Washington State University and also earned my Chartered Property Casualty Underwriter (CPCU) designation. I have worked in the insurance industry for 30 years.
3. If the proposed redomestication is approved, the result will be that Safeco Insurance Company of America, Safeco Surplus Lines Insurance Company, First National Insurance Company of America and General Insurance Company of America (Safeco companies) will be domiciled in the state of New Hampshire instead of the state of Washington.
4. In the course of my duties, pursuant to RCW 48.07.210(2), I have reviewed the Application for Redomestication of Safeco companies.

5. The Notice of Hearing on the Application for Redomestication entered on December 8, 2011, which contains information concerning the proposed redomestication and the public hearing to be held concerning it, was published in its entirety on the Commissioner's web site since, at least, December 12, 2011, has remained there continuously, and will remain through the date of hearing, January 10, 2012. Attached as Exhibit A is a copy of the Notice of Hearing as published on the Commissioner's web site. A high profile link to the notices has been published on the OIC's home page. In addition, since December 24, 2011, the notice of hearing has been published and available to the public through the OIC's official twitter feed to which 1,500 entities subscribe and through the OIC's official blog which I understand has been viewed by 700 individuals thus far.

6. In the Notice of Hearing as published, all interested individuals and entities were advised of their right to submit either support for, or objections to, the proposed redomestication by letter on or before 10:00 am on January 10, 2012. The only comment or objection the OIC has received to my knowledge is an electronic copy of a document entitled "creditor objection and notice to show cause for the immediate action of the Insurance Commissioner" from Rose Howell on January 3, 2012, which was preceded by several emails from Ms. Howell. I understand this objection was also sent directly to the Chief Hearing Officer. To the extent it is intelligible, Ms. Howell's objection to the petition for transfer of domicile fails to address the statutory criteria for approval set forth in RCW 48.07.210(2) and provides no evidence those criteria are not met.

7. As of December 2010, total gross annual written premiums for Safeco Companies was \$2,459,260,792 with \$280,227,208 written in Washington State. There are no known

pending lawsuits against Safeco companies and following redomestication the companies will remain subject to process in Washington as authorized foreign insurers.

8. If the application is approved, Safeco companies will be qualified to be admitted to do business in Washington as foreign insurers. New Hampshire notified me by letter on December 30, 2011 that they have completed their review and are prepared to approve the redomestication of the Safeco companies from Washington to New Hampshire, subject only to the final approval by the Washington State Office of the Insurance Commissioner. A copy of this letter is attached as Exhibit B.

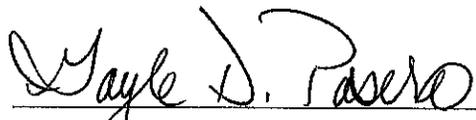
9. In my opinion, the Application for Redomestication of Safeco companies meets the requirements of RCW 48.07.210(2) in that, if approved, the redomestication will be fair, equitable, and consistent with law and that no reasonable objection exists. I am aware of no evidence or reason to believe that the transfer of domicile would prejudice policyholders or not be in the best interests of the public. Items considered in the analysis of these companies included review of their financial condition, business plans, qualifications of the directors and officers and general contractual agreements. In my opinion, redomestication of Safeco companies from the state of Washington to the state of New Hampshire is in the best interests of the public and the companies' Washington policyholders. The transition to a new state of incorporation should be seamless to the public and policyholders since all operations and staff will remain in Washington. All rights and privileges under the policyholder insurance contracts will continue to be protected. I don't see any potential disadvantages to the public or policyholders. There are no adverse retaliatory tax consequences for the state of Washington as the two percent premium tax is required to be paid to the state treasurer through the commissioner's office for all authorized insurers in Washington. As Safeco companies will be

admitted in Washington as foreign insurers, the two percent premium tax is still payable per RCW 48.14.020 and RCW 48.14.040. In addition, New Hampshire is a NAIC accredited state similar to Washington State so Safeco companies will be regulated by the same standards as they are now. Advantages to the applicant include efficiencies of consolidating to a single domestic regulator along with savings of retaliatory premium taxes as the premium tax rate in New Hampshire is less than Washington. I am not aware of potential disadvantages to the applicant.

For these reasons, I recommend approval of the proposed transfer of domicile.

I declare under penalty and perjury under the laws of the state of Washington that the foregoing is true and correct.

Executed at Tumwater, Washington on this 3rd day of January, 2012.



Gayle D. Pasero

Washington State Office of the Insurance Commissioner - Microsoft Internet Explorer provided by Office Of Insurance Commissione

http://www.insurance.wa.gov/

Washington State Office of the Insurance Commissioner

Washington State Office of the Insurance Commissioner

Search

News

Type of insurance

Publications

SHIBA HelpLine

Fraud

Laws and regulations

Public disclosure

Agency orders

Agency information

Online services

WEBSITE FEEDBACK

Mike Kreidler
INSURANCE COMMISSIONER

Ask Mike!

We're here to protect insurance consumers

Home Consumers Agents/Brokers Companies Contact Us

For consumers

Call our Insurance Consumer Hotline at **1-800-562-6900** or email us for help.

- Your money: Proposed health insurance rate hikes
- Compare company complaints
- Look up agents and companies
- How to get health insurance
- Can't afford health care coverage?

-- More topics --

Updates, insurance tips, and more...

- Insurer to refund \$7.5 million in overcharges
- Safeco requests move of incorporation to NH, hearing scheduled for Jan. 10
- Notice: Industrial Alliance Pacific hearing
- More updates

Got a problem with your insurance? File a complaint.

Against an insurance company

Against an insurance agent

Already filed a complaint? [Check on the status](#)

Highlights

Health plans by county

Medicare options

File an appeal

First Aid for uninsured

For agents & brokers

- Renew or apply for a license online
- What do I have to do to get my license?

-- More topics --

For insurance companies

-- Company licensing topics --

-- Rates and forms topics --

-- Financial reporting and tax requirements to topics --

Get updates from us: [News/Updates](#) [Facebook](#) [Twitter](#)

Trusted sites 100%



Notice

Mike Kreidler
Washington Insurance Commissioner
Web page: www.insurance.wa.gov

For More Information, Contact:
Public Affairs: (360) 725-7055
Office of Insurance Commissioner

12/12/2011

Safeco Companies request approval to move their state of incorporation from Washington State to New Hampshire – Hearing set for January 10, 2012

The Safeco Companies have filed documents with the Washington State Insurance Commissioner requesting his approval to move their state of incorporation from Washington State to New Hampshire.

To make this move, the Safeco Companies must first obtain the approval of the Insurance Commissioner, who has scheduled a **hearing for January 10, 2012 at 10 a.m. in his Tumwater, WA office** to consider this request for approval.

The public is notified that all interested parties may submit letters of support or objections and/or may appear in person at the hearing. To view all documents, go to http://www.insurance.wa.gov/orders/hearings_proceedings7.shtml.

The Safeco group of insurance companies was founded in Seattle in 1923 and was acquired in 2008 by the Liberty Mutual Insurance Group headquartered in Boston, Massachusetts, for over \$7 billion.

In 2010 the Safeco Companies (Safeco Insurance Company of America, Safeco Surplus Lines Insurance Company, First National Insurance Company of America and General Insurance Company of America) produced over \$2 billion in written premium nationally.

While the companies would no longer be incorporated in Washington, they state that this move will not affect Washington policyholders because they plan to become licensed in Washington as foreign insurers with no interruption in coverage.

Tell a friend |

.....
.....
.....
.....
.....



FILED

OFFICE OF
INSURANCE COMMISSIONER

DEC -8 P 2:43

HEARINGS UNIT

Fax: (360) 664-2782

Patricia D. Petersen
Chief Hearing Officer
(360) 725-7105

Hearings Unit
Patricia D. Petersen
Chief Hearing Officer
Kelly A. Cairns
Paralegal
(360) 725-7002
KellyC@oic.wa.gov

BEFORE THE STATE OF WASHINGTON
OFFICE OF INSURANCE COMMISSIONER

In the Matter of the Redomestication of:)
)
Safeco Insurance Company of America;)
Safeco Surplus Lines Insurance Company;)
First National Insurance Company of)
America; and General Insurance Company)
of America,)
)
Authorized Domestic Insurers.)
_____)

Docket No. 11-0261

NOTICE OF HEARING ON THE
APPLICATION OF SAFECO INSURANCE
COMPANY OF AMERICA, ET AL. FOR
APPROVAL OF THEIR CHANGE OF
INCORPORATION FROM THE STATE
OF WASHINGTON TO THE STATE
OF NEW HAMPSHIRE

TO: Richard P. Quinlan, Esq.
Deputy General Counsel
Senior Vice President and Manager, Corporate Group
Liberty Mutual Group, Inc.
175 Berkeley Street
Boston, MA 02116

Tara Colby, CPCU
Counsel-Liberty Mutual Agency Corporation
Liberty Mutual Group, Inc.
175 Berkeley Street
Boston, MA 02116

Melvin N. Sorensen, Esq.
Carney Badley Spellman, P.S.
701 Fifth Avenue, #3600
Seattle, WA 98104-7010

COPY TO: Mike Kreidler, Insurance Commissioner
Michael G. Watson, Chief Deputy Insurance Commissioner

Carol Sureau, Deputy Commissioner, Legal Affairs Division
Brown, Staff Attorney, Legal Affairs Division
James Odiorne, Deputy Commissioner, Company Supervision
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

On August 19, 2011, the Washington State Insurance Commissioner ("Insurance Commissioner") received Applications from Safeco Insurance Company of America, Safeco Surplus Lines Insurance Company, First National Insurance Company of America, and General Insurance Company of America (hereinafter collectively called "the Applicants" unless otherwise indicated), requesting his approval for the Applicants to change their state of incorporation (i.e. "redomesticate") from the state of Washington to the state of New Hampshire. All documents and information filed with their Applications on August 19, 2011; all questions from the Insurance Commissioner and responsive documents and information filed by the Applicants since that time; all communications from the undersigned to the Applicants and the Insurance Commissioner; documents and information filed by the Applicants in response to requests from the undersigned relative to this matter; and all documents entered by the undersigned in this matter are published on the Insurance Commissioner's website at:
http://www.insurance.wa.gov/orders/hearings_proceedings7.shtml.

Following review of the documents filed by the Applicants in support of their Applications, communications with the Applicants, and requests for and receipt of additional required information from the Applicants, the Insurance Commissioner referred the subject Applications to the undersigned on November 8, 2011, with the request that she review them, conduct an adjudicative proceeding concerning this matter, and enter the final decisions either approving the Applicants' requests for permission to redomesticate or denying them.

The redomestication of the Applicants is controlled by Title 48 RCW and, specifically, RCW 48.07.210(2). Pursuant to RCW 48.076.210(2), ... [t]he commissioner shall approve any proposed transfer of domicile unless the commissioner determines after a hearing, pursuant to such notice as the commissioner may require, that the transfer is not in the best interests of the public or the insurers' policyholders in this state.

In response to questions from the Insurance Commissioner, the Applicants have stated that, while "the Applicants must reserve their right to make operational and staffing changes as their business judgment deems appropriate in the future," 1) currently there is no strategic plan to restructure, consolidate, eliminate or move the Applicants' Washington based operations or employee population for the next five or ten years; 2) the proposed redomestications would be seamless to the Applicants' Washington policyholders because they will not result in any changes to the Applicants' producer base or to their methods and ability to handle claims and service policyholders; 3) the proposed redomestications would not have any substantive impact on the contractual or statutory rights of the Applicants' Washington policyholders; and 4) the proposed redomestications would not have a material impact on any pending litigation filed in Washington involving the Applicants' Washington policyholders. Further, the Applicants indicate that, if the

proposed redomestications are approved, they intend to still conduct their insurance business in Washington State as foreign insurers and they believe they will qualify and become licensed as foreign insurers in Washington State without interruption in business or coverage to Washington policyholders.

On December 5, 2011, the undersigned held a First Prehearing Conference herein. The Applicants were represented by Richard P. Quinlan, Esq., Sr. Vice President and Deputy General Counsel of Liberty Mutual Group, and Tara A. Colby, CPCU, of Liberty Mutual Group. Melvin N. Sorensen, Esq. appeared as local counsel on behalf of the Applicants. The Insurance Commissioner was represented by Charles Brown, Esq., Sr. Staff Attorney in the Office of the Insurance Commissioner. Gayle Pasero, CPCU, who is Company Licensing Manager in the Insurance Commissioner's Company Supervision Division, also participated on behalf of the Insurance Commissioner. During said First Prehearing Conference, in addition to the documents and information already filed with their Applications and in response to questions from the Insurance Commissioner since that time, the undersigned requested that the Applicants file 1) a detailed organization chart covering the entire Liberty Mutual Group; and 2) at the suggestion of the Applicants, another organization chart covering that portion of the Liberty Mutual Group in which the Applicants are situated. The Applicants also agreed to provide 3) sheets identifying those companies within the Peerless Group, and providing data on each, to replace those sheets previously filed with their Applications which reference a different company than the Applicants; and 4) executed copies of the Applicants' Restated Articles of Incorporation. Finally, the undersigned advised that, upon request to Kelly Cairns, Paralegal to the undersigned, the Applicants could be sent forms for pre-filed written testimony to use in this proceeding. Finally, the hearing date was scheduled for January 10, 2012, commencing at 10:00 a.m. [It is noted that in their initial Applications filed with the Insurance Commissioner August 19, 2011, the parties initially asked the Insurance Commissioner for final decisions on their Applications by October 1, 2011, which would have allowed a total of six weeks for review and consideration by the Insurance Commissioner's staff, referral to the undersigned, review by the undersigned, time for the documents to have been published on the Insurance Commissioner's website, time to allow for adequate public notice in advance of the hearing herein, the hearing itself and entry of the final decisions after hearing. Subsequently, at the prehearing conference, the Applicants requested that the final decisions be made by year end 2011. However, given the above responsibilities of the Insurance Commissioner and then the undersigned, together with the public's right to receive adequate notice in advance of the hearing along with the opportunity to provide input, the Applicants' request cannot be accommodated.]

The hearing will be held under the authority of Title 48 RCW and specifically RCW 48.04, Title 34 RCW, and regulations applicable thereto. Pursuant thereto, the Commissioner has delegated to the undersigned the authority to conduct all activities preliminary to the hearing, the hearing and all activities following the hearing, and to determine and enter the final decision in this matter. As required by Title 34 RCW, the undersigned shall handle these activities and make the final decision herein without input, communication or review by the Commissioner or any member of his staff or others who have knowledge of the facts herein. The Insurance Commissioner has not taken, and will not take, a position in this matter until entry of the final decision after hearing.

Accordingly, **YOU ARE HEREBY NOTIFIED** that a hearing will be held commencing on **Tuesday, January 10, 2012, at 10:00 a.m., Pacific Standard Time.** The purpose of this hearing, which will include all parties, is to consider the Applications of Safeco Insurance Company of America, Safeco Surplus Lines Insurance Company, First National Insurance Company of America, and General Insurance Company of America for approval of their proposed change of incorporation ("redomestication") from the state of Washington to the state of New Hampshire. Pursuant to RCW 48.07.210, cited above, approval of these Applications is conditioned, in part, upon a finding by the undersigned, based upon evidence presented by testimony and documents at the hearing, that the proposed redomestications are in the best interest of the public generally, and are in the best interests of the Applicants' Washington policyholders. While in their Applications the Applicants refer to their civic commitment to this state and related issues, at least one authorized representative of each Applicant shall appear as a witness to testify 1) as to whether, and why, the proposed redomestications are in the best interests of the general public including advantages to the public, and also including disadvantages to the public such as possible adverse tax consequences affecting Washington State; 2) advantages and disadvantages to Washington policyholders, including whether their rights and privileges under their current insurance contracts are protected; 3) advantages and disadvantages to the Applicants; 4) as to status of the Applicants' applications to become domesticated insurers in the state of New Hampshire and foreign insurers in the state of Washington should these redomestications be approved; and 5) as to whether the Applicants or any of their affiliates, employees, officers or directors or other affiliates have received any comments, complaints or concerns concerning these proposed redomestications and the nature and source of this input. An acceptable duly authorized representative would be an officer, director or in-house counsel for each Applicant.

Likewise, testimony from the Insurance Commissioner is expected regarding whether, and why, the Insurance Commissioner believes the proposed redomestications are in the best interest of the public generally, and are in the best interests of the Applicants' Washington policyholders. The Insurance Commissioner, or his duly authorized representative, is expected to testify 1) as to whether, and why, the proposed redomestications are in the best interests of the general public including advantages to the public, and also including disadvantages to the public such as possible adverse tax consequences affecting Washington State; 2) advantages and disadvantages to Washington policyholders, including whether their rights and privileges under their current insurance contracts are protected; 3) advantages and disadvantages to the Applicants; 4) as to status of the Applicants' applications to become domesticated insurers in the state of New Hampshire and foreign insurers in the state of Washington should these redomestications be approved; and 5) as to whether the Insurance Commissioner or any of his staff has received any comments, complaints or concerns concerning these proposed redomestications and the nature and source of this input.

Both the duly authorized representatives of each Applicant and the Insurance Commissioner and/or his duly authorized representative(s) are expected to file written testimony with the undersigned at least 5 business days prior to the date of the hearing, in addition to presenting their testimony under oath during the hearing. Said written pre-filed testimony will be published on the Insurance Commissioner's website upon filing.

Richard P. Quinlan, Esq., Sr. Vice President and Deputy General Counsel of Liberty Mutual Group, the ultimate holding company of the Applicants, and Tara Colby, CPCU, of Liberty Mutual Group, will appear on behalf of the Applicants. Melvin N. Sorensen, Esq., of Carney Badley Spellman, P.S., will appear as local counsel on behalf of the Applicants. Mr. Quinlan's and Ms. Colby's address is 175 Berkeley Street, Boston, MA 02116. Mr. Quinlan's telephone number is (617) 357-9500. Ms. Colby's telephone number is (617) 574-5998. Mr. Sorensen's address is 701 Fifth Avenue, Suite 3600, Seattle, WA 98104-7010, and his telephone number is (206) 622-8020. The Insurance Commissioner will appear by and through Charles Brown, Senior Staff Attorney in the Commissioner's Legal Affairs Division. Mr. Brown's address is Office of the Insurance Commissioner, Legal Affairs Division, P.O. Box 40255, Olympia, WA 98504-0255, and his telephone number is (360) 725-7044.

Patricia D. Petersen, Presiding Officer, who serves as Chief Hearing Officer for the Office of the Insurance Commissioner, has been designated to preside over these adjudicative proceedings and to enter the final decision either approving or denying these Applications for approval to redomesticate. Her address is Hearings Unit, Office of the Insurance Commissioner, P.O. Box 40255, Olympia, Washington 98504-0255. Her telephone number is (360) 725-7105. All interested individuals and entities who have questions or concerns concerning this proceeding should direct them to her paralegal, Kelly A. Cairns, at the same postal address, or to fax number (360) 664-2782 or email KellyC@oic.wa.gov. Ms. Cairns' telephone number is (360) 725-7002. **Please note that any interested individual or entity may indicate his/her/its support, or objection, to these proposed redomestications by submitting a letter to the undersigned at Hearings Unit, Office of the Insurance Commissioner, P.O. Box 40255, Olympia, Washington 98504-0255; by fax to the undersigned at (360)664-2782; or by email to KellyC@oic.wa.gov on or before 9:00 a.m., Pacific Standard Time, on January 10, 2012. Interested individuals and entities may include in their letters a request to be included in the hearing by telephone free of charge to simply listen to these proceedings or to submit their positions orally during the hearing. Alternatively, interested individuals may appear at the hearing in person in Tumwater, WA, to simply listen and view these proceedings or to present their positions orally during the hearing, or to submit their positions in writing during the hearing. Input received from interested individuals will be considered by the undersigned prior to entering a final decision in this matter and will become part of the hearing record.**

The hearing will be held under the authority granted by the Office of the Insurance Commissioner by Chapter 48.04 RCW and RCW 48.07.210. As above, RCW 48.07.210 indicates the findings which must be made before approval can be given to this proposed redomestication. The basic facts relied upon are those set forth in the above-referenced Applications for Redomestication of Safeco Insurance Company of America, Safeco Surplus Lines Insurance Company, First National Insurance Company of America and General Insurance Company of America, with attachments, which have been filed with the Insurance Commissioner, along with all other documents and information which has been filed herein since that time. The Applications, with attachments, will be made part of the record of this proceeding and is published on the Insurance Commissioner's website provided above. The Insurance Commissioner has not taken, and will not take, any position on this matter prior to entry of the hearing order.

The hearing will be governed by the Administrative Procedure Act, Chapter 34.05 RCW, and the model rules of procedures contained in Chapter 10-08 WAC. All parties may be represented at the hearing. They may examine witnesses and fully respond and present evidence and argument on all issues involved.

As required by RCW 34.05.434(2)(i), you are advised that a party who fails to attend or participate in any stage of the proceeding may be held in default in accordance with Chapter 34.05 RCW.

Pursuant to WAC 10-08-040(2) and in accordance with Chapter 2.42 RCW, if a limited English speaking or hearing impaired or speech impaired party or witness needs an interpreter, a qualified interpreter will be appointed. There will be no cost to the party or witness therefor, except as may be provided by Chapter 2.42 RCW. A Request for Interpreter form is attached to the original of this Notice, with instructions thereon.

This Notice is provided pursuant to RCW 48.04.010 and RCW 34.05.434.

Based upon the above activity,

IT IS HEREBY ORDERED that the adjudicative proceeding in this matter shall commence on **Tuesday, January 10, 2012 at 10:00 a.m.**, Pacific Standard Time, in the Office of the Insurance Commissioner, 5000 Capitol Boulevard, Tumwater, Washington 98501.

ENTERED AT TUMWATER, WASHINGTON, this 8th day of December, 2011, pursuant to RCW 48.04, Title 34 RCW and applicable regulations.



PATRICIA D. PETERSEN
Chief Hearing Officer
Presiding Officer

Declaration of Mailing

I declare under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused delivery through normal office mailing custom, a true copy of this document to the following people at their addresses listed above: Richard P. Quinlan, Esq., Tara Colby, CPCU, Melvin N. Sorenson, Esq., Mike Kreidler, Michael G. Watson, Carol Sureau, Esq., Charles Brown, Esq., Gayle Pasero and James Odiorne.

DATED this 8th day of December, 2011.


KELLY A. CAIRNS

HEARINGS UNIT
Fax: (360) 664-2782

Patricia D. Petersen
Chief Hearing Officer
(360) 725-7105

Hearings Unit
Paralegal
(360) 725-7002
Hearings@oic.wa.gov

To request an interpreter, complete and mail this form to:

Chief Hearing Officer
Office of Insurance Commissioner
P.O. Box 40255
Olympia, WA 98504-0255

REQUEST FOR INTERPRETER

I am a party or witness in Matter No. 11-0261, before the Insurance Commissioner. I NEED AN INTERPRETER and request that one be furnished.

Please check the statements that apply to you:

I am a non-English-speaking person. I cannot readily speak or understand the English language. My primary language is _____ (insert your primary language). I need an interpreter who can translate to and from the primary language and English.

I am unable to readily understand or communicate the spoken English language because:

- I am deaf.
- I have an impairment of hearing.
- I have an impairment of speech.

[Please state below or on the reverse side any details which would assist the Commissioner or Presiding Officer in arranging for a suitable interpreter or in providing appropriate mechanical or electronic amplification, viewing, or communication equipment.]

Date: _____ Signed: _____

Please print or type your name: _____
Address: _____
Telephone: _____

THE STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT

Roger A. Sevigny
Commissioner



Thomas S. Burke
Director of Examinations

December 30, 2011

Gayle Pasero
Company Licensing Manager
Office of the Insurance Commissioner
PO Box 40259
Olympia, WA 98504-0255

**RE: Redomestication to New Hampshire from Washington
Safeco Insurance Company of America (NAIC #24740)
Safeco Surplus Lines Insurance Company (NAIC #11100)
General Insurance Company of America (NAIC #24732)
First National Insurance Company of America (NAIC #24724)**

Dear Ms. Pasero:

Reference is made to my previous letter to you dated September 12, 2011 concerning the above captioned matter and companies. Please be advised that the New Hampshire Insurance Department (NHDI) has now completed its review process and is prepared to approve the redomestication of these companies from Washington to New Hampshire, subject only to the final approval of the referenced redomestications by the Washington State Office of the Insurance Commissioner.

If you have any other questions related to the redomestications requested by the Companies, please contact the undersigned.

Sincerely,

Handwritten signature of Thomas S. Burke in cursive.

Thomas S. Burke
Director of Examinations
New Hampshire Insurance Department

cc: George Roussos, Esq.
Mel Sorensen