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(Address)

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(City/State/Zip/Phone #)

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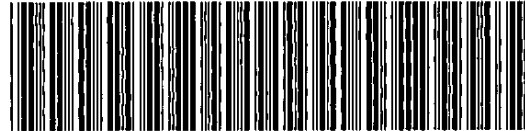
(Business Entity Name)

(Document Number)

Certified Copies _____ Certificates of Status _____

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Office Use Only



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RECEIVED
08 JAN 29 PM 3:40
DEPT. OF STATE
DIV. OF CORPORATIONS
TALLAHASSEE, FLORIDA

FILED
08 JAN 29 PM 4:10
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

1/30
Foreign
SB

SOUTHERN-OWNERS INSURANCE COMPANY, P94000062415, REDOMESTICATED TO THE
STATE OF MICHIGAN UNDER THE NAME SOUTHERN-OWNERS INSURANCE COMPANY, F
08000000420 - FILED 1/29/08 - THE REDOMESTICATION IS DEEMED A MERGER P
URSUANT TO SECTION 607.1107(5), F.S.

RADEY THOMAS YON CLARK

Attorneys & Counselors at Law

POST OFFICE BOX 10907 (32302)
301 SOUTH BRONOUGH STREET, SUITE 200
TALLAHASSEE, FLORIDA 32301
www.radeylaw.com

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BERT L. COMBS	JOHN RADEY
THOMAS A. CRABB	LISA C. SCOLES
TONI A. EGAN	HARRY O. THOMAS
JEFFREY L. FREHN	DAVID A. YON

E-mail: bcombs@radeylaw.com

January 29, 2008

Via Hand Delivery

New Filing Section
Division of Corporations
Clifton Building
2661 Executive Center Circle
Tallahassee, FL 32301

Re: *Redomestication of Southern-Owners Insurance Company*

Dear Sir or Madam:


Enclosed are an application for authorization to transact business in Florida for Southern-Owners Insurance Company ("Southern-Owners") and related documents. Also enclosed is a check in the amount of \$87.50 for the filing fee, Certificate of Status, and certification fee.

Southern-Owners was a Florida-domiciled insurance company that has redomesticated from Florida to Michigan pursuant to Section 628.525, *Florida Statutes*. Pursuant to this statute, a domestic insurer may transfer its domicile to another state upon approval of the Florida Office of Insurance Regulation. Section 607.1107, *Florida Statutes*, provides that such redomestication of an insurance company is deemed the merger of a domestic corporation and a foreign corporation, and the surviving corporation is deemed by statute to be a foreign corporation.

The Office of Insurance Regulation issued a Consent Order approving Southern-Owners' request for redomestication, Case No.: 91225-07-CO, effective upon the state of Michigan's affirmative act of redomesticating Southern-Owners to Michigan. Michigan issued a Certificate of Authority recognizing Southern-Owners' Michigan domicile effective January 1, 2008. A copy of this Certificate of Authority and a Certificate of Compliance from Michigan are enclosed.

If you have questions or need additional information, you may reach me at 425-6654. Thank you for your assistance with this matter.

Sincerely,


Bert L. Combs

Enclosures

COVER LETTER

TO: New Filing Section
Division of Corporations

SUBJECT: Southern-Owners Insurance Company
(Name of corporation - must include suffix)

Dear Sir or Madam:

The enclosed "Application by Foreign Corporation for Authorization to Transact Business in Florida," "Certificate of Existence," and check are submitted to register the above referenced foreign corporation to transact business in Florida.

Please return all correspondence concerning this matter to the following:

Mr. Bert Combs

(Name of Person)

Radey Thomas Yon & Clark, P.A.

(Firm/Company)

301 South Bronough Street, Suite 200

(Address)

Tallahassee, FL 32301

(City/State and Zip code)

For further information concerning this matter, please call:

Bert Combs

(Name of Person)

at (850) 425-6654

(Area Code & Daytime Telephone Number)

STREET/COURIER ADDRESS:

New Filing Section
Division of Corporations
Clifton Building
2661 Executive Center Circle
Tallahassee, FL 32301

MAILING ADDRESS:

New Filing Section
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

Enclosed is a check for the following amount:

- ☐ \$70.00 Filing Fee ☐ \$78.75 Filing Fee & Certificate of Status ☐ \$78.75 Filing Fee & Certified Copy ☒ \$87.50 Filing Fee, Certificate of Status & Certified Copy

**APPLICATION BY FOREIGN CORPORATION FOR AUTHORIZATION TO TRANSACT
BUSINESS IN FLORIDA**

*IN COMPLIANCE WITH SECTION 607.1503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO
REGISTER A FOREIGN CORPORATION TO TRANSACT BUSINESS IN THE STATE OF FLORIDA.*

1. Southern-Owners Insurance Company

(Enter name of corporation; must include "INCORPORATED," "COMPANY," "CORPORATION,"
"Inc.," "Co.," "Corp.," "Inc.," "Co.," or "Corp.")

(If name unavailable in Florida, enter alternate corporate name adopted for the purpose of transacting business in Florida)

2. Michigan

(State or country under the law of which it is incorporated)

3. 593265407

(FEI number, if applicable)

4. 8/24/1994

(Date of incorporation)

5. Perpetual

(Duration: Year corp. will cease to exist or "perpetual")

6. Not applicable, redomestication effective 1/1/2008, pursuant to s.626.525, FS

(Date first transacted business in Florida, if prior to registration)

(SEE SECTIONS 607.1501 & 607.1502, F.S., to determine penalty liability)

7. 6101 Anacapri Boulevard, Lansing, Michigan 48917

(Principal office address)

P.O. Box 1567, Lakeland, Florida 33802-1567

(Current mailing address)

8. Property and Casualty Insurance Company

(Purpose(s) of corporation authorized in home state or country to be carried out in state of Florida)

9. Name and street address of Florida registered agent: (P.O. Box NOT acceptable)

Name: Chief Financial Officer

Office Address: 200 East Gaines Street

Tallahassee

(City)

, Florida 32399-0000

(Zip code)

10. Registered agent's acceptance:

Having been named as registered agent and to accept service of process for the above stated corporation at the place designated in this application, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

NOT APPLICABLE PURSUANT TO 624.422

(Registered agent's signature)

11. Attached is a certificate of existence duly authenticated, not more than 90 days prior to delivery of this application to the Department of State, by the Secretary of State or other official having custody of corporate records in the jurisdiction under the law of which it is incorporated.

FILED
08 JAN 29 PM 4:10
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

12. Names and business addresses of officers and/or directors:

A. DIRECTORS - See Attached Addendum

Chairman: _____

Address: _____

Vice Chairman: _____

Address: _____

Director: _____

Address: _____

Director: _____

Address: _____

B. OFFICERS - See Attached Addendum

President: _____

Address: _____

Vice President: _____

Address: _____

Secretary: _____

Address: _____

Treasurer: _____

Address: _____

NOTE: If necessary, you may attach an addendum to the application listing additional officers and/or directors.

13. _____

(Signature of Director or Officer listed in number 12 of the application)

14. Stuart R. Birn D/SVP/SEC

(Typed or printed name and capacity of person signing application)

D/CEO/ CHAIRMAN OF THE BRD.	Roger Lee Looyenga 2647 Walmar Drive Lansing, MI 48917	D	Phillip Vern Frederickson 5938 Vienna Way Lansing, MI 48917
D/P	Ronald Herman Simon 602 Shoreline Drive DeWitt, MI 48820	D	Mark Edward Hooper 3653 Stagecoach Drive Okemos, MI 48864
D/EVP	Jeffrey Francis Harrold 1201 Candela Lane Grand Ledge, MI 48837	D	Lori Ann McAllister 201 Townsend Street Suite 900 Lansing, MI 48933
D/SVP/SEC	Stuart Roy Birn 4160 Trillium Court Okemos, MI 48864	SVP/TREAS	Eileen Kay Phaner 241 North Bradley Road Charlotte, MI 48813
D/SVP	Rodney Jay Rupp 6291 Pine Hollow Drive East Lansing, MI 48823	SVP	Robert Irwin Buchanan 5681 Woodstock Drive Lansing, MI 48917
D	Herman Joseph Arends 3555 North Cochran Charlotte, MI 48813	SVP	Kenneth Richard Schroeder 3618 Springbrook Lane Lansing, MI 48917
D	James Franklin Anderton, IV 1618 Stanlake Drive East Lansing, MI 48823	SVP	Jeffrey Scott Tagsold 3150 Crofton Drive DeWitt, MI 48820
D	Gregg Lynn Cornell 639 Orchard Street East Lansing, MI 48823	SVP	Daniel Jerome Thelen 3282 Canopy DeWitt, MI 48820
D	Thaddeus Joseph Buda, Jr. 2417 Cheltingham Lansing, MI 48917		

CERTIFICATE OF AUTHORITY

Office of Financial and Insurance Services

Effective Date: January 1, 2008

THIS IS TO CERTIFY, that

SOUTHERN-OWNERS INSURANCE COMPANY
(Michigan stock insurer)
NAIC No. 10190

is authorized in Michigan to transact the business of insurance, as defined in

Chapter 06 - Section 610 - Property
Chapter 06 - Section 616 - Inland Marine
Chapter 06 - Section 620 - Automobile Insurance - limited
Chapter 06 - Section 624 - SubSection 1a - Casualty: Steam Boiler, Flywheel & Machinery
Chapter 06 - Section 624 - SubSection 1b - Casualty: Liability
Chapter 06 - Section 624 - SubSection 1b - Casualty: Workers' Compensation
Chapter 06 - Section 624 - SubSection 1b - Casualty: Automobile
Chapter 06 - Section 624 - SubSection 1c - Casualty: Plate Glass
Chapter 06 - Section 624 - SubSection 1f - Casualty: Burglary and Theft
Chapter 06 - Section 624 - SubSection 1i - Casualty: Misc - Other
Chapter 06 - Section 628 - Surety & Fidelity

of P.A. 218 of 1956 as amended, The Michigan Insurance Code, so long as the insurer continues to conform to the authority granted by this certificate, its corporate articles, the requirements of P.A. 218 of 1956 and all amendments to it and any limitations, conditions or other matters which have been agreed to from time to time between the insurer and the Commissioner.

This Certificate of Authority is granted subject to the laws of the state of Michigan and, as set forth in Sections 405 and 405a of the Michigan Insurance Code (MCL 500.405 and 500.405a), shall be:

AUTOMATICALLY REVOKED 90 DAYS AFTER A CHANGE OF CONTROL WHICH HAS NOT RECEIVED PRIOR APPROVAL OR 90 DAYS AFTER THE INSURER OR AN AFFILIATED INSURER IS MADE SUBJECT TO FORMAL DELINQUENCY PROCEEDINGS UNLESS THE INSURER REQUALIFIES FOR A CERTIFICATE OF AUTHORITY UNDER THE PROVISIONS OF THE MICHIGAN INSURANCE CODE.



Ken Ross, Acting Commissioner

CERTIFICATE OF COMPLIANCE

Office of Financial and Insurance Services

Effective Date: January 22, 2008

THIS IS TO CERTIFY, that

SOUTHERN-OWNERS INSURANCE COMPANY

(Michigan stock insurer)

NAIC No. 10190

is organized under the laws of this State and is authorized to issue policies and transact business under the following Sections of the Insurance Code of 1956, as amended:

- Chapter 06 - Section 610 - Property
- Chapter 06 - Section 616 - Inland Marine
- Chapter 06 - Section 620 - Automobile Insurance - limited
- Chapter 06 - Section 624 - SubSection 1a - Casualty: Steam Boiler, Flywheel & Machinery
- Chapter 06 - Section 624 - SubSection 1b - Casualty: Liability
- Chapter 06 - Section 624 - SubSection 1b - Casualty: Workers' Compensation
- Chapter 06 - Section 624 - SubSection 1b - Casualty: Automobile
- Chapter 06 - Section 624 - SubSection 1c - Casualty: Plate Glass
- Chapter 06 - Section 624 - SubSection 1f - Casualty: Burglary and Theft
- Chapter 06 - Section 624 - SubSection 1i - Casualty: Misc - Other
- Chapter 06 - Section 628 - Surety & Fidelity



CERTIFIED COPY

January 22, 2008

Marlyn Rzepka

Office of Financial & Insurance Services



FILED

JAN 10 2008

OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY
COMMISSIONER

~~Exempted by~~ DOM

IN THE MATTER OF:

CASE NO: 91225-07-CO

SOUTHERN OWNERS INSURANCE
COMPANY

Application for Redomestication of
SOUTHERN OWNERS INSURANCE
COMPANY, a Florida Domestic Insurer

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement by and between SOUTHERN OWNERS INSURANCE COMPANY (hereinafter referred to as "SOUTHERN OWNERS"), a Florida domestic insurer, and the OFFICE OF INSURANCE REGULATION (hereinafter referred to as "OFFICE") regarding SOUTHERN OWNERS' request to the OFFICE for approval to transfer its domicile to the state of Michigan, pursuant to Section 628.525, Florida Statutes. After a complete review of the entire record and upon consideration thereof and being otherwise fully advised in the premises, the OFFICE finds, and SOUTHERN OWNERS agrees as follows:

1. The OFFICE has jurisdiction over SOUTHERN OWNERS and the subject matter of this proceeding.

2. On or about May 17, 2007, SOUTHERN OWNERS submitted to the OFFICE its request for approval to transfer its domicile to the state of Michigan, pursuant to Section 628.525, Florida Statutes. SOUTHERN OWNERS thereafter supplemented and amended said request with additional information, documents and explanations through submission to the OFFICE.

3. SOUTHERN OWNERS represents that all representations, submissions, documents and explanations provided to the OFFICE in relation to SOUTHERN OWNERS' request for approval to transfer its domicile to the state of Michigan fully describe all agreements, relationships, understandings and transactions pertinent to the proposed redomestication, and that all of said representations, submissions, documents and explanations, and those made herein, are material to the issuance of this Consent Order.

4. On August 30, 2007, SOUTHERN OWNERS' application to redomesticate to the state of Michigan was approved by the Office of Financial and Insurance Services in the state of Michigan, contingent on the approval of the redomestication by Florida. Evidence of said conditional approval by the Office of Financial and Insurance Services is attached hereto as Exhibit A.

5. SOUTHERN OWNERS represents that its redomestication to the state of Michigan will not affect its current operations in the state of Florida and that its redomestication to the state of Michigan will not adversely affect the interest of its Florida policyholders. Subsequent to the execution of this Consent Order, SOUTHERN OWNERS agrees not to issue a

notice of nonrenewal or notice of cancellation to any of its homeowners insurance policyholders for a period of at least two years, except when there has been a material misstatement, a nonpayment of premium, a failure to comply with underwriting requirements or a substantial change in the risk covered by the policy. In addition, SOUTHERN OWNERS agrees to offer coverage to any homeowners insurance policyholder that is issued a notice of nonrenewal or notice of cancellation from Auto-Owners Insurance Company ("Auto- Owners") and Owners Insurance Company ("Owners"), during this two-year period, except when there has been a material misstatement, a nonpayment of premium, a failure to comply with underwriting requirements or a substantial change in the risk covered by the policy. SOUTHERN OWNERS will make this offer of coverage available to any homeowners policyholder with any notice of nonrenewal or notice of cancellation that is issued by Auto-Owners or Owners during the two-year period, and the transfers of policies to Southern-Owners are approved provided the policyholders receive an offer of coverage from Southern-Owners pursuant to its filed and approved rates.

6. Upon becoming redomesticated in the state of Michigan by affirmative act of the state of Michigan, SOUTHERN OWNERS will become licensed as a foreign insurer in the state of Florida, as defined in Section 624.05(2), Florida Statutes, and, in addition to requirements set forth in this Consent Order, as such shall become subject to all provisions of the Florida Insurance Code that apply to foreign insurers. In addition, upon becoming redomesticated in the state of Michigan, SOUTHERN OWNERS shall continue to comply with all of Parts I and II of Chapter 625, Florida Statutes.

7. SOUTHERN OWNERS agrees that it shall honor all of its current claims, liabilities and obligations, and all new claims, liabilities and obligations arising under its policy contracts issued to Florida policyholders. Further, SOUTHERN OWNERS agrees that the OFFICE shall retain jurisdiction to enforce the applicable provision of the Florida Insurance Code, which relate to the satisfaction of any current or future claims, liabilities and obligations, which have arisen or may arise on policy contracts issued to Florida policyholders.

8. SOUTHERN OWNERS shall honor all obligations to residual markets in the state of Florida.

9. SOUTHERN OWNERS shall continue to comply with Section 624.424, Florida Statutes.

10. Pursuant to Section 628.530, Florida Statutes, SOUTHERN OWNERS may continue to use its existing policy forms with appropriate endorsements, and need not endorse its policy forms solely to reflect the new domicile of the company. SOUTHERN OWNERS shall not be required to file new policy forms with the OFFICE prior to the effective date of the redomestication, but shall file its policy forms with the OFFICE in the future as may otherwise be required by the Florida Insurance Code. In the event that any of SOUTHERN OWNERS' previously approved policy forms include reference to Florida as the company's state of domicile, these forms shall be amended and submitted for the OFFICE's approval within thirty (30) days from the effective date of SOUTHERN OWNERS' redomestication to the state of Michigan. Furthermore, SOUTHERN OWNERS' certificate of authority, agents appointments and licenses and rates in existence prior to SOUTHERN OWNERS' redomestication shall

continue in full force and effect after the date that redomestication is approved as long as SOUTHERN OWNERS maintains compliance with the Florida Insurance Code.

11. SOUTHERN OWNERS has certain securities on deposit with the Bureau of Collateral Securities pursuant to Sections 624.411 and 625.51(2)(a), Florida Statutes, which SOUTHERN OWNERS agrees to remain on deposit so long as SOUTHERN OWNERS meets the definition of a commercially domiciled insurer as set forth in Section 624.075, Florida Statutes.

12. Subsequent to the execution of this Consent Order and the receipt by the OFFICE of documentation from the Michigan Office of Financial and Insurance Services indicating that SOUTHERN OWNERS has been redomesticated in the state of Michigan, all records and assets of SOUTHERN OWNERS as a domestic insurer in the state of Florida which are required to be maintained in the state of Florida pursuant to the Florida Insurance Code, except those as otherwise required to be maintained in the state of Florida pursuant to this Consent Order, may be transferred to the state of Michigan.

13. SOUTHERN OWNERS currently meets the definition of a commercially domiciled insurer as set forth in Section 624.075, Florida Statutes, and therefore is subject to jurisdiction and regulation of the Office pursuant to the Florida Insurance Code as a commercially domiciled insurer. SOUTHERN OWNERS shall be subject to regulation as a commercially domiciled insurer during any such time as it meets the definition set forth in Section 624.075, Fla. Stats.

14. The OFFICE and SOUTHERN OWNERS expressly waive their rights to any hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all other and further proceedings to which they may be entitled by law or by rules of the OFFICE. SOUTHERN OWNERS agrees not to challenge or contest this Consent Order in any forum now or in the future available to them, including the rights to any administrative proceeding, circuit or federal court action, or any appeal.

15. SOUTHERN OWNERS agrees that the failure by SOUTHERN OWNERS to adhere to any of the terms or conditions of this Consent Order may, at the sole discretion of the OFFICE, be deemed to constitute a willful violation of a lawful order of the OFFICE, subjecting SOUTHERN OWNERS to such action as the OFFICE in its sole discretion deems appropriate.

16. Each party to this action shall bear its own costs and fees, except as otherwise set forth in this Consent Order.

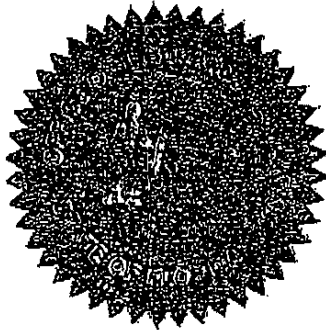
17. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has executed a copy of this Consent Order bearing the signature of SOUTHERN OWNERS or its authorized representative notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically or by facsimile machine. Further, SOUTHERN OWNERS agrees that its signature or that of its authorized representative as affixed to this Consent Order shall be under the seal of a Notary Public.

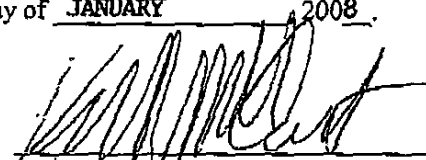
WHEREFORE, the application for an order of redomestication of SOUTHERN OWNERS, a Florida domestic insurer, to the state of Michigan, is hereby approved and effective

as of the date redomestication and licensure applications are approved by the Michigan Office of Financial and Insurance Services.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 10th day of JANUARY, 2008.





KEVIN M. McCARTY, Commissioner
Office of Insurance Regulation

By execution hereof, SOUTHERN OWNERS INSURANCE COMPANY consents to the entry of this Consent Order, agrees without reservation to all of the above terms and conditions and shall be bound by all provisions contained herein. The undersigned represents that he/she has the authority to bind SOUTHERN OWNERS INSURANCE COMPANY to the terms and conditions of this Consent Order.

SOUTHERN OWNERS INSURANCE COMPANY

By

W. F. Woodbury
WILLIAM F. WOODBURY

Print or Type Name

Title: ASSISTANT VICE PRESIDENT & ASSOCIATE GENERAL

Date: JANUARY 7, 2008

COUNSEL

Corporate Seal

STATE OF MICHIGAN

COUNTY OF EATON

The foregoing instrument was acknowledged before me this 7th day of January 2008.

by William F. Woodbury

(Name of Person)

as Asst. Gen. Counsel

(Type of Authority... e.g. Officer, Trustee Attorney in Fact)

for Southern-Owners Ins. Co.

(Company Name)

Robert C. Ellis

(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)
ROBERT C. ELLIS

Notary Public, Shiawassee Co., MI
Acting in Eaton County, Michigan
My Comm. Expires Oct. 29, 2007

Personally Known ☒ or Produced Identification ☐

Type of Identification Produced _____

[NOTARIAL SEAL]

My Commission Expires:

COPIES FURNISHED TO:

Mr. Bert Combs, Esq.
Radey, Thomas, Yon & Clark, P.A.
301 S. Bronough Street, Suite 200
Tallahassee, FL 32301

Ms. Robin Westcott, Director
Property & Casualty Financial Oversight
Office of Insurance Regulation
200 E. Gaines Street
Tallahassee, Florida 32399-0329

Charlyne Khai Patterson, Esq.
Assistant General Counsel
200 East Gaines Street
Larson Building, Suite 637C
Tallahassee, Florida 32399-4206

Jan-30-2008 11:53am

From-Radey Thomas Von & Clark

8504256694

T-238 P.011/015 F-084

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE SERVICES

Before the Commissioner of Financial and Insurance Services

In the matter of the proposed redomestication
of Southern-Owners Insurance Company
from Florida to Michigan

Order No. 07-038-M

Issued and entered
this 30th day of August 2007
by Linda A. Watters
Commissioner

ORDER APPROVING REDOMESTICATION

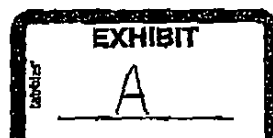
I

BACKGROUND

Southern-Owners Insurance Company a stock Florida, property and casualty insurer, has applied to the Michigan Commissioner ("Commissioner") to redomesticate to Michigan pursuant to the provisions to MCL 500.412 et seq. Southern-Owners Insurance Company's application to redomesticate was filed on May 31, 2007.

Southern-Owners Insurance Company has elected to redomesticate to Michigan in order to facilitate the coordination and consolidation of future financial examinations. Southern-Owners Insurance Company's parent, Auto-Owners Insurance Company, is already domiciled and physically located in Michigan.

0003/007



12/07/2007 FRI 10:13 FAX 617 873 6739 RMD

Jan-30-2008 11:53am

From-Radey Thomas Yon & Clark

8504256684

T-238 P.012/015 F-084

Order No. 07-038-M
Page 2

II

ISSUE

At issue in this matter is whether or not the statutory requirements have been met such that, pursuant to the provisions on MCL 500.412, the Commissioner shall approve the proposed redomestication.

III

ANALYSIS

MCL 500.412 reads as follows:

- (1) An insurer organized under the laws of any other state and admitted to do business in this state for the purpose of writing insurance may become a domestic insurer by complying with all of the requirements of law relative to the organization and licensing of a domestic insurer of the same type and by designating its principal place of business at a place in this state.
- (2) An insurer who complies with subsection (1) shall be entitled to domestic insurer certificates and licenses to transact business in this state and shall be subject to the authority and jurisdiction of this state.

MCL 500.5255 (1) reads in pertinent part:

Each domestic insurer shall keep under its control all records relating to the insurer's business or affairs at 1 or more of the following locations:

- (a) The principal place of doing business in this state.
- (b) One or more locations outside the state approved for that purpose, in writing, by the commissioner.

0004/007

12/07/2007 PRI 10:14 FAX 517 373 6738 END

Order No. 07-038-M
Page 3

The Commissioner must determine if the applicant insurer is in fact organized under the laws of any other state and admitted to do the business of insurance in this state. Given the determination of organization in any other state, it is implicit that the regulatory authority of the applicant insurer in that other state shall be approved, or intend to approve, the redomestication to Michigan.

The determination of compliance with all of the requirements of law relative to the organization and licensing of a domestic insurer of the same type includes at least the following:

1. The Articles of Incorporation, to the extent applicable, shall comply with the provisions of MCL 500.5000 *et seq.*, and be approved by the Michigan Attorney General and the Commissioner.
2. The Bylaws, to the extent applicable, shall comply with the provisions of MCL 500.5200 *et seq.*
3. The applicant shall meet the capitalization requirements of MCL 500.410.
4. The applicant shall meet the deposit requirements of MCL 500.411 and 912.
5. The applicant shall meet the qualifying assets requirements of MCL 500.901.
6. The application, to the extent applicable, shall meet the physical presence, record keeping, and trust requirements of MCL 500.5256.
7. At least 1 of the directors of an insurer organized under the laws of Michigan must be a resident of the State of Michigan pursuant to the provisions of MCL 500.5238.

Order No. 07-038-JM
Page 4

8. The applicant must have designated its principal place of business at a place in this state, pursuant to the provisions of MCL 500.412(1).

Staff has reviewed all submitted documents and information, and existing Office of Financial and Insurance Service's records that relate to this matter. Staff recommends the Commissioner approve the redomestication.

IV

FINDS OF FACT AND CONCLUSIONS OF LAW

Based upon the foregoing considerations and the records of this matter, it is FOUND and CONCLUDED that:

1. Southern-Owners Insurance Company has requested approval of its redomestication from Florida to Michigan.
2. Southern-Owners Insurance Company is a Florida stock property and casualty insurer, admitted to transact property and casualty insurance business in Michigan.
3. The amended and restated Articles of Incorporation of Southern-Owners Insurance Company comply with the provisions of MCL 500.5000 et seq., and have been approved by the Michigan Attorney General and the Commissioner.
4. The Bylaws, as amended for the redomestication, comply with the provisions of MCL 500.5200 et seq.
5. Southern-Owners Insurance Company meets the capitalization requirements of MCL 500.410.

Jan-30-2008 11:53am

From-Radey Thomas Yon & Clark

8504256694

T-239 P.015/015 F-084

Order No. 07-038-M

Page 5

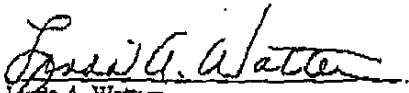
6. Southern-Owners Insurance Company has made a statutory deposit in Michigan that meets the requirements of MCL 500.411 and 912.
7. Southern-Owners Insurance Company meets the qualifying assets requirements of MCL 500.901.
8. Southern-Owners Insurance Company states that its administrative offices and principal place of business is located at 6101 Anacapi Boulevard, Lansing, MI, 48917 in compliance with MCL 500.5256.
9. Southern-Owners Insurance Company has at least one director that is a resident of Michigan in compliance with MCL 500.5238.

V

ORDER

Therefore, it is ORDERED that:

1. The redomestication of Southern-Owners Insurance Company from Florida to Michigan is approved contingent on the following:
 - Receiving approval of the redomestication from Florida.


Linda A. Waters
Commissioner

007/007

12/07/2007 FRI 10:14 FAX 517 373 6739 END