P00407

CHADBOURNE & PARKE LLP

601 SOUTH FIGUEROA STREET • LOS ANGELES, CALIFORNIA 90017
TELEPHONE (213) 892-1000 • FACSIMILE (213) 622-9865

NEW YORK
WASHINGTON
LOS ANGELES
HONG KONG
MOSCOW
LONDON
CHADBOURNE & PARKE,
A MULTINATIONAL PARTNERSHIP

July 7, 1999

600002940126--6
-07/23/99--01055--023
*****52.50 *****52.50

99 JUL -7 PM 12:22
FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

VIA FEDERAL EXPRESS

Ms. Annette Ramsey
Florida Department of State
Amendment Section
Division of Corporations
409 Gaines Street
Tallahassee, FL 32399

Re: Name Change of Mercantile & General Life Reassurance Company of America ("M&G")

Dear Ms. Ramsey:

We represent Mercantile & General Life Reassurance Company of America. This letter is to advise you that M&G has amended its Articles of Incorporation to change its name to "Sun Life of Canada Reinsurance Company (U.S.)" and to reduce the minimum number of directors on its board from 7 to 5.

On March 2, 1999, the Amendments to the Articles of Incorporation were filed with the Michigan Department of Insurance, and on April 15, 1999, the Department approved the Amendments changing M&G's name.

To change M&G's name with the Florida Department of State, I have enclosed the following:

- $52.50 check for the filing fee and certified copies of the Name Approval Certificate and the Certificate of Status.

- Certified Copy of the Amended Certificate of Authority from Michigan (the state of domicile) indicating the name approval.

AJF
7/23/99

- Application by Foreign Profit Corporation to File Amendment to Application for Authorization to Transact Business in Florida form.

Also enclosed is a copy of this letter. Please date stamp and return in the envelope provided.

Please update your records to reflect this change and send the Name Approval Certificate and the Certificate of Status to my attention at the address listed above.

If there are any additional documents or information that you require, please do not hesitate to contact me at (213)892-2026.

Sincerely,

Marvin D. Mohn

Enclosures

cc: William R. Minucci, Esq. (w/o encl.)
Jonathan F. Bank, Esq. (w/o encl.)
Ms. Kathleen Anderson (w/o encl.)
Ms. Cheryl M. Conway (w/o encl.)
Mr. Michael Kemple (w/o encl.)

CHADBOURNE & PARKE LLP

601 SOUTH FIGUEROA STREET • LOS ANGELES, CALIFORNIA 90017
TELEPHONE (213) 892-1000 • FACSIMILE (213) 622-9865

NEW YORK
WASHINGTON
LOS ANGELES
HONG KONG
MOSCOW
LONDON
CHADBOURNE & PARKE,
A MULTINATIONAL PARTNERSHIP

July 9, 1999

VIA FEDERAL EXPRESS

Ms. Annette Ramsey
Florida Department of State
Amendment Section
409 East Gaines Street
Tallahassee, FL 32399

Re: Name Change of Mercantile & General Life Reassurance Company of America ("M&G")

Dear Ms. Ramsey:

Pursuant to your request I have enclosed a certified copy of the Amended Articles of Incorporation for the name change of M&G to "Sun Life of Canada Reinsurance Company (U.S.)".

Also, the Re-Domestication Approval documentation will be sent to you within the next two weeks.

If you have any questions please do not hesitate to contact me at (213) 892-2046.

Sincerely,

Michael Kemple
Legal Assistant

Enclosure

CHADBOURNE & PARKE LLP

601 SOUTH FIGUEROA STREET • LOS ANGELES, CALIFORNIA 90017
TELEPHONE (213) 892-1000 • FACSIMILE (213) 622-9865

NEW YORK
WASHINGTON
LOS ANGELES
HONG KONG
MOSCOW
LONDON
CHADBOURNE & PARKE,
A MULTINATIONAL PARTNERSHIP

July 21, 1999

VIA FEDERAL EXPRESS

Ms. Annette Ramsey
Florida Department of State
Amendment Section
409 East Gaines Street
Tallahassee, FL 32399

Re: Mercantile and General Life Reassurance Company of America ("M&G")

Dear Ms. Ramsey:

Pursuant to your request please find a certified copy of the December 29, 1993, Order Approving Redomestication for M&G. This order approved the redomestication of M&G from Delaware to Michigan.

If you have any questions please do not hesitate to contact me at (213) 892-2046.

Sincerely,

Michael Kemple
Legal Assistant

Enclosure

PROFIT CORPORATION
APPLICATION BY FOREIGN PROFIT CORPORATION TO FILE AMENDMENT TO APPLICATION FOR AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA

(Pursuant to s. 607.1504, F.S.)

FILED
99 JUL -7 PM 12:22
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

SECTION I
(1-3 MUST BE COMPLETED)

1. Mercantile & General Life Reassurance Company of America
Name of corporation as it appears on the records of the Department of State.

2. Delaware
Incorporated under laws of

3. 12/28/83
Date authorized to do business in Florida

SECTION II
(4-7 COMPLETE ONLY THE APPLICABLE CHANGES)

4. If the amendment changes the name of the corporation, when was the change effected under the laws of its jurisdiction of incorporation? April 15, 1999

5. Sun Life of Canada Reinsurance Company (U.S.)
Name of corporation after the amendment, adding suffix "corporation" "company" or "incorporated," or appropriate abbreviation, if not contained in new name of the corporation.

6. If the amendment changes the period of duration, indicate new period of duration.

N/A
New Duration

7. If the amendment changes the jurisdiction of incorporation, indicate new jurisdiction.

Michigan
New Jurisdiction

[signature]
Signature

July 5, 1999
Date

William R. Minucci
Typed or printed name

Secretary
Title

INS 1024 (4/96) State of Michigan Department of Consumer and Industry Services

CERTIFICATE OF AUTHORITY - DUPLICATE

Michigan Insurance Bureau

Effective Date: April 15,1999

THIS IS TO CERTIFY, that

SUN LIFE OF CANADA REINSURANCE COMPANY (U.S.)

(Michigan stock insurer)

NAIC No. 97071

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

Chapter 06 - Section 602 - Life & Annuities
Chapter 06 - Section 606 - Disability

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.

COMMISSIONER OF INSURANCE STATE OF MICHIGAN

CERTIFIED COPY April 22, 1999

Financial Analysis and Company Licensing Division

INS 61 (12/95) State of Michigan
Department of Consumer and Industry Services

CERTIFICATION OF ARTICLES OF INCORPORATION OR AMENDMENTS TO ARTICLES OF INCORPORATION

Company Licensing Division
Michigan Insurance Bureau
P. O. Box 30220
Lansing, MI 48909

Department of Consumer & Industry Services
Insurance Bureau
I certify that this is a true and complete copy of the original document on file in this office.

Date: 4/22/99

I have examined the

Amended and Restated Articles of Incorporation of

Mercanitle & General Life Reassurance Company of America

and certify that the same is in accordance with the requirements

of the act under which this company is organized.

COMMISSIONER OF INSURANCE
STATE OF MICHIGAN
TUEBOR

Commissioner of Insurance

Dated: 4/15/99

STATE OF MICHIGAN

Attorney General's Department

LANSING, MICHIGAN

I Hereby Certify, That I have examined the

AMENDED AND RESTATED ARTICLES OF INCORPORATION OF MERCANTILE AND GENERAL LIFE REASSURANCE COMPANY OF AMERICA

and find the same in accordance with the requirements of the statutes of the State of Michigan and not in conflict with the Constitution of this State.

Dated at Lansing, Michigan, this 13th day of April, 19 99.

E. JOHN BLANCHARD
Assistant Attorney General.

No 736

INS 66 (3/90) State of Michigan Department of Licensing & Regulation Insurance Bureau

Company Admissions Division
Michigan Insurance Bureau
P.O. Box 30220
Lansing, Michigan 48909

(517) 373-6854

AMENDMENT TO or *RESTATEMENT OF* ARTICLES OF INCORPORATION

NAME OF THE CORPORATION:	THIS CORPORATION IS ORGANIZED UNDER THE PROVISIONS OF PUBLIC ACT: No. 218 OF 1956
Sun Life of Canada Reinsurance Company (U.S.) (formerly The Mercantile and General Life Reassurance Company of America)	CHAPTER: 6

DETAILS ABOUT MEETING WHERE AMENDMENT VOTE WAS TAKEN:

Type of meeting *(select one)*: ☒ Annual ☐ Special

Date of meeting: December 30, 1998 & February 2, 1999

City meeting was held in: By Unanimous Consent of Sole Shareholder and Directors

THE VOTE ON AMENDMENTS WAS:

	In person	By proxy	Total
Votes *FOR*	Unanimous Consent of Sole Shareholder & Directors		
Votes *AGAINST*			

THE ARTICLES OF INCORPORATION ARE TO BE AMENDED AS FOLLOWS: (attach additional sheets if necessary)
Amending only-List article amended, and state the amendment.
Amending & Restating-List article amended, and state the amendment, then restate articles including amendment.

1. Article I of the Amended and Restated Articles of Redomestication of the Corporation is hereby deleted and replaced as follows:

"ARTICLE I

"NAME OF CORPORATION

"The name of the corporation is: Sun Life of Canada Reinsurance Company (U.S.)."

2. Article VII of the Corporation's Articles of Incorporation, which states that the business and property of the Corporation shall be conducted by a Board of Directors consisting of not less than seven (7) nor more than twelve (12), is hereby deleted and replaced as follows (changing the minimum number of directors from seven (7) to five (5):

"ARTICLE VII

"CORPORATE POWERS - DIRECTORS

"The business and property of the corporation shall be conducted and managed by a Board of Directors consisting of not less than five (5) nor more than twelve (12) directors. The number of directors shall be increased or decreased within the limits provided, by amendment of the By-Laws, by the affirmative vote of a majority of the directors, or, by the affirmative vote of a majority in interest of the shareholders, at the annual meeting or at a special meeting called for that purpose and by like vote the additional directors may be chosen at such meeting to hold office until the next annual election and until their successors are elected and qualify. Directors need not be shareholders."

Certification

We certify that we are the president and secretary of this corporation, transacting business under Michigan Public Act 218 of 1956 as amended.

Notice of the intention to amend the articles of incorporation was given to the members or stockholders of this corporation in compliance with §500.5214 of the Michigan Insurance Code. After providing proper notice, a meeting was held and it was resolved by the required vote of stockholders or members to amend or restate the articles of incorporation, the details of which are described above. Subject to attached Secretary's Certificate and exhibits thereto.

Signature of the President of the corporation	Date	Signature of the Secretary of the corporation	Date
	2/1/2/99		2/1/2/99
President's name typed or printed: Graham J. Bancroft		Secretary's name typed or printed: William R. Minucci	

Required by P.A. 218 of 1956 as amended. Failure to submit this form when amending the articles of incorporation of a domestic insurer will result in disapproval.

LA1: 69423.01

SECRETARY'S CERTIFICATE

I, William R. Minucci, certify that:

(1) I am the duly elected Secretary of Mercantile and General Life Reassurance Company of America ("M&G Life"), which is amending its Amended and Restated Articles of Redomestication to change its name to Sun Life of Canada Reinsurance Company (U.S.).

(2) Attached hereto as Exhibit A is a true and correct copy of the December 30, 1998 consent by Mercantile and General Life Reassurance Company of America (the sole shareholder of M&G Life) to the amendment of the articles of incorporation of M&G Life without a meeting of the board of directors.

(3) Attached hereto as Exhibit B is a true and correct copy of the resolutions adopted by the unanimous written consent of the directors of M&G Life executed as of December 30, 1998.

(4) Attached hereto as Exhibit C is a true and correct copy of the February 2, 1999 consent by Mercantile and General Life Reassurance Company of America (the sole shareholder of M&G Life) to the amendment of the articles of incorporation of M&G Life without a meeting of the board of directors.

(5) Attached hereto as Exhibit D is a true and correct copy of the resolutions adopted by the unanimous written consent of the directors of M&G Life executed as of February 2, 1998.

(6) The attached resolutions have not been changed or modified and are in full force and effect as of the date of this certificate, except that the name change approved in the December 30, 1998 resolutions has been superseded by the name change approved in the February 2, 1998 resolutions.

Dated: February 22, 1999

William R. Minucci
Secretary
Mercantile and General Life Reassurance
Company of America

The Mercantile and General Life Reassurance Company of America

Consent of Sole Shareholder to Action Without Meeting

Name Change

Resolved that the name of the Corporation be changed from "The Mercantile and General Life Reassurance Company of America" to "Sun Life of Canada Reinsurance Company", that Article I of the Amended and Restated Articles of Redomestication of the Corporation (the "Articles") be amended accordingly, subject to the approval of the appropriate regulatory authorities of the State of Michigan, and that Article I of the By-laws of the Corporation be also amended accordingly; and it is

Further Resolved that Article VII of the Corporation's Articles be deleted in its entirety and replaced in its entirety as follows:

Decrease Minimum Number of Directors

"CORPORATE POWERS - DIRECTORS

The business and property of the corporation shall be conducted and managed by a Board of Directors consisting of not less than five (5) nor more than twelve (12) directors. The number of directors shall be increased or decreased within the limits provided, by amendment of the By-Laws, by the affirmative vote of a majority of the directors, or, by the affirmative vote of a majority in interest of the shareholders, at the annual meeting or at a special meeting called for that purpose and by like vote the additional directors may be chosen at such meeting to hold office until the next annual election and until their successors are elected and qualify. Directors need not be shareholders."; and it is

Further Resolved that Section 1 of Article VII of the Corporation's By-laws be deleted and replaced in its entirety as follows:

"SECTION 1. NUMBER AND TERM - The business and property of the corporation shall be conducted and managed by a Board of Directors consisting of not less than five (5) nor more than twelve (12) directors. The number of directors shall be increased or decreased within the limits provided, by amendment of these By-Laws, by the affirmative vote of a majority of the directors, or, by the affirmative vote of a majority in interest of the shareholders, at the annual meeting or at a special meeting called for that purpose and by like vote the additional directors may be chosen at such meeting to hold office until the next annual election and until their successors are elected and qualify. Directors need not be shareholders."; and it is

Further Resolved that any officer of the Corporation, including without limitation, the President and the Secretary, is hereby authorized to file a Certificate of Amendment in the appropriate form with the appropriate authorities for the State of Michigan and any other regulatory authorities as may be necessary to effect the amendment authorized by the foregoing resolutions and to effect the change of name of the Corporation in all jurisdictions in which the Corporation transacts business; and it is

Further Resolved that the number of Directors of the Corporation is hereby set at five (5).

The Mercantile and General Life Reassurance Company of America

Unanimous Consent of Directors to Action Without a Meeting

Name Change

Whereas, the sole stockholder of this Corporation has duly consented in writing, and has authorized this Board of Directors and the officers of this Corporation to amend Article I of the Amended and Restated Articles of Redomestication of the Corporation (the "Articles") and Article I of the By-laws to effectuate the change of name of this Corporation from "The Mercantile and General Life Reassurance Company of America" to "Sun Life of Canada Reinsurance Company", which consent is now on file in the minute book of this Corporation; it is:

Resolved, that Article I of the Articles be deleted and replaced with "The name of the corporation is: Sun Life of Canada Reinsurance Company"; and it is

Further Resolved, that Article I of the By-laws of the Corporation be deleted and replaced with "The name of the corporation is: Sun Life of Canada Reinsurance Company".

Decrease Minimum Number of Directors

Whereas, the sole stockholder of this Corporation has duly consented in writing, and has authorized this Board of Directors and officers of this Corporation to amend Article VII of the Articles and Article VII of the By-laws, which consent is now on file in the minute book of this Corporation; it is:

Resolved, Article VII of the Corporation's Articles be deleted in its entirety and replaced as follows:

"CORPORATE POWERS - DIRECTORS

The business and property of the corporation shall be conducted and managed by a Board of Directors consisting of not less than five (5) nor more than twelve (12) directors. The number of directors shall be increased or decreased within the limits provided, by amendment of the By-Laws, by the affirmative vote of a majority of the directors, or, by the affirmative vote of a majority in interest of the shareholders, at the annual meeting or at a special meeting called for that purpose and by like vote the additional directors may be chosen at such meeting to hold office until the next annual election and until their successors are elected and qualify. Directors need not be shareholders."; and it is

Further Resolved that Section 1 of Article VII of the Corporation's By-laws be deleted and replaced in its entirety as follows:

"SECTION 1. NUMBER AND TERM - The business and property of the corporation shall be conducted and managed by a Board of Directors consisting of not less than five (5) nor more than twelve (12) directors. The number of directors shall be increased or decreased within the limits provided, by amendment of these By-Laws, by the affirmative vote of a majority of the directors, or, by the affirmative vote of a majority in interest of the shareholders, at the annual meeting or at a special meeting called for that purpose and by like vote the additional directors may be chosen at such meeting to hold office until the next annual election and until their successors are elected and qualify. Directors need not be shareholders."

Filing of Certificate of Amendment

Resolved that any officer of the Corporation, including without limitation, the President and Secretary, is hereby authorized to file a Certificate of Amendment in the appropriate form with the appropriate authorities for the State of Michigan and any other regulatory authorities as may be necessary to effect the amendments authorized by the foregoing resolutions, to effect the change of name of the Corporation in all jurisdictions in which the Corporation transacts business and to do such other acts as they deem necessary or advisable in order to carry out the foregoing.

The Mercantile and General Life Reassurance Company of America

Consent of Sole Shareholder to Action Without Meeting

Whereas, on December 30, 1998 the sole stockholder of this Corporation duly consented in writing, and authorized this Board of Directors and the officers of this Corporation to amend Article I of the Amended and Restated Articles of Redomestication of the Corporation (the "Articles") and Article I of the By-laws to effectuate the change of name of this Corporation from "The Mercantile and General Life Reassurance Company of America" to "Sun Life of Canada Reinsurance Company", which consent is now on file in the minute book of this Corporation; and

Whereas the California Insurance Department has requested that the proposed name more clearly indicate that the Corporation is a United States domiciled entity; it is:

> **Resolved** that the name of the Corporation be changed from "The Mercantile and General Life Reassurance Company of America" to "Sun Life of Canada Reinsurance Company (U.S.)", that Article I of the Amended and Restated Articles of Redomestication of the Corporation (the "Articles") be amended accordingly, subject to the approval of the appropriate regulatory authorities of the State of Michigan, and that Article I of the By-laws of the Corporation be also amended accordingly.

This consent shall be filed with the minutes of the proceedings of the Corporation.

The Mercantile and General Life Reassurance Company of America

Unanimous Consent of Directors to Action Without a Meeting

Name Change

Whereas, on December 30, 1998 the sole stockholder of this Corporation duly consented in writing, and authorized this Board of Directors and the officers of this Corporation to amend Article I of the Amended and Restated Articles of Redomestication of the Corporation (the "Articles") and Article I of the By-laws to effectuate the change of name of this Corporation from "The Mercantile and General Life Reassurance Company of America" to "Sun Life of Canada Reinsurance Company", which consent is now on file in the minute book of this Corporation; and

Whereas the California Insurance Department has requested that the proposed name more clearly indicate that the Corporation is a United States domiciled entity; and

Whereas on February 2, 1999, the sole stockholder of this Corporation duly consented in writing, and authorized this Board of Directors and the officers of this Corporation to change the name of this Corporation from The Mercantile and General Life Reassurance Company of America" to "Sun Life of Canada Reinsurance Company (U.S.)"; it is:

Resolved, that Article I of the Articles be deleted and replaced with "The name of the corporation is: Sun Life of Canada Reinsurance Company (U.S.)"; and it is

Further Resolved, that Article I of the By-laws of the Corporation be deleted and replaced with "The name of the corporation is: Sun Life of Canada Reinsurance Company (U.S.)".

STATE OF MICHIGAN

DEPARTMENT OF COMMERCE

INSURANCE BUREAU

Before the Commissioner of Insurance

In the matter of the proposed redomestication of The Mercantile and General Life Reassurance Company from Delaware to Michigan /

No. 93-15922-M

Issued and Entered
this 29th day of December, 1993
by David J. Dykhouse
Commissioner of Insurance

ORDER APPROVING REDOMESTICATION

I

BACKGROUND

The Mercantile and General Life Reassurance Company of America (Mercantile), a stock Delaware life insurer, has applied to the Michigan Commissioner of Insurance (Commissioner) to redomesticate to Michigan pursuant to Section 412 et seq of the Michigan Insurance Code of 1956, as amended (Code), MCL 500.412 et seq; MSA 24 1412 et seq. Mercantile's application to redomesticate was filed on November 23, 1993, and supplemented various times up to and including December 29, 1993.

Mercantile is owned by Mercantile and General US Holdings, Inc., a wholly owned subsidiary of The Mercantile and General Reinsurance Company plc. The Mercantile and General Reinsurance Company plc is a UK life insurance company with its "port of entry" into the United States being Michigan. Ultimate control rests with Prudential Corporation plc, a UK public limited company.

Mercantile states in its application that it is licensed in 25 states, including Delaware and Michigan. Mercantile further states it is accredited or approved in 11 additional states, and has submitted applications for authorization in 6 more states.

Mercantile indicates it is set up to be the ordinary reinsurance arm of Mercantile and General Reinsurance Company plc of London, and currently conducts reinsurance business only. Mercantile's clients are almost exclusively Best's rated A or A+ life insurance companies in most states. Mercantile indicates it plans a firm and steady growth in both the ordinary life and disability income lines, both through amount of reinsurance received from its current customers, and by increasing the number of companies with which it does business.

As a part of its application for redomestication, Mercantile has submitted an undertaking regarding books and records pursuant to Section 5256 of the Code, MCL 500.5256, MSA 24.15256, as a plan for the Commissioner's approval to permit it to maintain less than all of its books and records at its offices in Lansing, Michigan.

Staff has reviewed all submitted documents and information, and existing Bureau records that relate to this matter.

II

ISSUE

At issue in this matter is whether or not the statutory requirements have been met such that, pursuant to Section 412 of the Code, MCL 500.412; MSA 24.1412, the Commissioner shall approve the proposed redomestication. In addition, the Commissioner must decide if conditions exist that warrant the Commissioner's use of discretionary authority provided pursuant to Section 414 of the Code, MCL 500.414; MSA 24.1414.

III

ANALYSIS

Section 412 of the Code, MCL 500.412, MSA 24.1412 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.

Section 414 of the Code, MCL 500.414, MSA 24.1414 reads as follows:

> The certificate of authority, agent's appointments, licenses, rates, and other items which the commissioner allows, in his or her discretion, which are in existence at the time an insurer licensed to transact the business of insurance in this state transfers its corporate domicile to this or any other state by merger, consolidation, or any other lawful method shall continue in full force and effect upon the transfer if the insurer remains duly qualified to transact the business of insurance in this state. All outstanding policies of a transferring insurer shall remain in full force and effect and need not be endorsed as to the new name of the company or its new location unless so ordered by the commissioner. Each transferring insurer shall file new forms with appropriate endorsements if allowed by, and under such conditions as approved by, the commissioner. Each transferring insurer shall notify the commissioner of the details of the proposed transfer and shall file promptly any resulting amendments to corporate documents filed or required to be filed with the commissioner.

Section 5256(1) of the Code, MCL 500.5256(1), MSA 24.15256(1), reads in pertinent part:

> Except as provided in subsection (5), each domestic insurer shall keep all of its original books, records, and files, or true copies thereof, at its home office or principal place of doing business in this state ...

Section 5256(3) of the Code, MCL 500.5256(3), MSA 24.15256(3), reads in pertinent part:

> Removal of all or a material part of the records of a domestic insurer from this state, except pursuant to a plan or merger or consolidation approved by the commissioner under this code or for such reasonable purposes and periods of time as may be approved in writing by the commissioner, is prohibited. ...

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 have 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 Redomestication, to the extent applicable, shall comply with Chapter 50 of the Code, MCL 500.5000 _et seq_; MSA 24.15000 _et seq_, and be approved by the Michigan Attorney General and the Commissioner.

2. The Bylaws, to the extent applicable, shall comply with Chapter 52 of the Code, MCL 500.5200 _et seq_; MSA 24.15200 _et seq_.

3. The applicant shall meet the capitalization requirements of Section 410 of the Code, MCLA 500.410; MSA 24.1410.

4. The applicant shall meet the deposit requirements of Section 411 of the Code, MCL 500.411; MSA 24.1411.

5. The applicant shall meet the qualifying assets requirements of Section 901 of the Code, MCL 500.901; MSA 24.1901.

6. The applicant, to the extent applicable, shall meet the physical presence, record keeping, and trust requirements of Section 5256 of the Code, MCL 500.5256; MSA 24.15256; and shall have designated its principal place of business at a place in this state as required by Section 412 of the Code, MCL 500.412; MSA 24.1412.

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 Section 5238 of the Code, MCL 500.5238, MSA 24.15238.

8. The applicant must have designated its principal place of business at a place in this state, pursuant to Section 412(1) of the Code, MCL 500.412(1), MSA 24.1412(1).

IV

FINDINGS OF FACT AND CONCLUSIONS OF LAW

Based upon the foregoing considerations and the record in this matter, it is FOUND and CONCLUDED that:

1. Mercantile has requested approval of its redomestication from Delaware to Michigan.

2. Mercantile is a Delaware stock life insurer, admitted to transact the business of insurance in Michigan.

3. The Delaware Department of Insurance, has on December 28, 1993, verbally indicated its approval of the proposed redomestication to Staff, with written order of approval to follow. The Delaware Department has further verbally indicated to Staff that the current regular triennial Delaware examination of Mercantile is approximately 90% completed. No examination of Mercantile was conducted in conjunction with the proposed redomestication. Mercantile's Corporate Secretary has also certified that the current Delaware examination "is not being undertaken for any reason other than that of the periodic examination conducted by Delaware in their normal routine cycle of examinations."

4. The Articles of Redomestication, have been approved by the Michigan Department of Attorney General and the Commissioner. Some grammatical or typographical errors have been identified. Mercantile has stipulated though its attorney to submit corrected and amended articles of incorporation for approval no later than 60 days following the redomestication of Mercantile.

5. The Bylaws comply with Chapter 52 of the Code, with the exceptions of some grammatical or typographical errors, and a few minor but substantive errors. Mercantile has stipulated though its attorney to submit corrected and amended Bylaws no later than 60 days following the redomestication of Mercantile.

6. Mercantile meets the capitalization requirements of Section 410 of the Code.

7. Mercantile has provided evidence that it is in the process of establishing a deposit with the State of Michigan Treasurer that complies with the requirements of MCL 500.411 and 912.

8. Mercantile meets the qualifying assets requirements of Section 901 of the Code.

9. As a part of its application for redomestication, Mercantile has submitted an undertaking dated December 24, 1993 regarding books and records pursuant to Section 5256 of the Code, MCL 500.5256, MSA 24.15256, as a plan for the Commissioner's approval to permit it to maintain less than all of its books and records at its offices in Lansing, Michigan.

10. Mercantile has one director that is a resident of Michigan in compliance with Section 5238 of the Code.

11. Mercantile has designated a principal office for the transaction of business in the City of Lansing, State of Michigan in compliance with Section 412(1) of the Code.

V

ORDER

Therefore, it is ORDERED that:

1. The undertaking dated December 24, 1993 constitutes a plan pursuant to MCL 500.5256(3) for the purpose of initially facilitating redomestication of Mercantile to Michigan, and such plan is approved until it is amended or revoked by further order of the Commissioner, at the sole discretion of the Commissioner, without need for notice or hearing.

2. The redomestication of Mercantile is approved, effective December 29, 1993.

The Commissioner specifically retains jurisdiction of the matters contained herein and the authority to issue such further order or orders as he shall deem just, necessary, and appropriate.

David J. Dykhouse

David J. Dykhouse
Commissioner of Insurance