

P12555

(Requestor's Name)

(Address)

(Address)

(City/State/Zip/Phone #)

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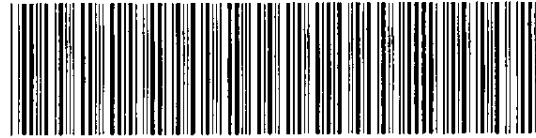
(Business Entity Name)

(Document Number)

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12/29/10--01001--013 **35.00

*Name Change
Amend*

RECEIVED
10 DEC 28 PM 3:33
DEPARTMENT OF STATE
DIVISION OF CORPORATIONS
TALLAHASSEE, FLORIDA

FILED
2010 DEC 28 PM 3:52
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

DR

12/28/10

COVER LETTER

TO: Amendment Section
Division of Corporations

SUBJECT: Ace Indemnity Insurance Company
Name of Corporation

DOCUMENT NUMBER: P12555 (amendment effective 01/01/2011)

The enclosed Amendment and fee are submitted for filing.

Please return all correspondence concerning this matter to the following:

Tom Crabb
Name of Contact Person

Radey Thomas Yon & Clark, P.A.
Firm/Company

301 South Bronough Street Suite 200
Address

tcrabb@radeylaw.com
City/State and Zip Code

Carmine Giganti@acegroup.com
NEEDED
E-mail address: (to be used for future annual report notification)

For further information concerning this matter, please call:

Tom Crabb at (850) 425-6654
Name of Contact Person Area Code & Daytime Telephone Number

Enclosed is a check for the following amount:



\$35.00 Filing Fee



\$43.75 Filing Fee &
Certificate of Status



\$43.75 Filing Fee &
Certified Copy
(Additional copy is
enclosed)



\$52.50 Filing Fee,
Certificate of Status &
Certified Copy
(Additional copy is
enclosed)

Mailing Address:

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

Street Address:

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

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.)

SECTION I
(1-3 MUST BE COMPLETED)

P12555 (amendment eff. 01/01/2011)

(Document number of corporation (if known))

2010 DEC 28 PM 3:52
FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

1. Ace Indemnity Insurance Company
(Name of corporation as it appears on the records of the Department of State)

2. Pennsylvania 3. 12/16/1986
(Incorporated under laws of) (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? filed 7/21/2010, effective 1/01/2011

5. Westchester Fire Insurance Company
(Name of corporation after the amendment, adding suffix "corporation," "company," or "incorporated," or appropriate abbreviation, if not contained in new name of the corporation)

n/a
(If new name is unavailable in Florida, enter alternate corporate name adopted for the purpose of transacting business in Florida)

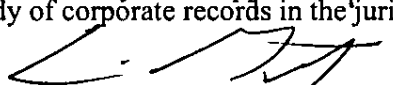
6. If the amendment changes the period of duration, indicate new period of duration.

n/a
(New duration)

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

n/a
(New jurisdiction)

8. Attached is a certificate or document of similar import, evidencing the amendment, authenticated not more than 90 days prior to delivery of the application to the Department of State, by the Secretary of State or other official having custody of corporate records in the jurisdiction under the laws of which it is incorporated.


(Signature of a director, president or other officer - if in the hands of a receiver or other court appointed fiduciary, by that fiduciary)

Carmine A. Giganti
(Typed or printed name of person signing)

Assistant Secretary
(Title of person signing)

COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF STATE

JULY 22, 2010

TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:

WESTCHESTER FIRE INSURANCE COMPANY

I, Basil L Merenda, Acting Secretary, Secretary of the Commonwealth of Pennsylvania

**do hereby certify that the foregoing and annexed is a true and correct
copy of**

ARTICLES OF MERGER-BUSINESS filed on July 21, 2010

which appear of record in this department.



**IN TESTIMONY WHEREOF, I have
hereunto set my hand and caused
the Seal of the Secretary's Office to
be affixed, the day and year above
written.**

Basil L. Merenda

Acting Secretary of the Commonwealth

Entity #: 2661028
Date Filed: 07/21/2010
Effective Date: 01/01/2011
Basil L Merenda, Acting Secretary
Acting Secretary of the Commonwealth

PENNSYLVANIA DEPARTMENT OF STATE
CORPORATION BUREAU

Articles/Certificate of Merger
(15 Pa.C.S.)

- ☒ Domestic Business Corporation (§ 1926)
☐ Domestic Nonprofit Corporation (§ 5926)
☐ Limited Partnership (§ 8547)

Name	CT - COUNTER		
Address			
City	State	Zip Code	
7894594	SO		

Document will be returned to the
name and address you enter to
the left.
←

Commonwealth of Pennsylvania
ARTICLES OF MERGER-BUSINESS 20 Page(s)

Fee: \$150 plus \$40 additional for each
Party in additional to two



In compliance with the requirements of the applicable provisions (relating to articles of merger or consolidation), the undersigned, desiring to effect a merger, hereby state that:

1. The name of the corporation/limited partnership surviving the merger is:
ACE Indemnity Insurance Company

2. Check and complete one of the following:

☒ The surviving corporation/limited partnership is a domestic business/nonprofit corporation/limited partnership and the (a) address of its current registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is (the Department is hereby authorized to correct the following information to conform to the records of the Department):

(a) Number and Street	City	State	Zip	County
436 Walnut Street	Philadelphia	PA	19106	Philadelphia

(b) Name of Commercial Registered Office Provider
c/o

☐ The surviving corporation/limited partnership is a qualified foreign business/nonprofit corporation/limited partnership incorporated/formed under the laws of _____ and the (a) address of its current registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is (the Department is hereby authorized to correct the following information to conform to the records of the Department):

(a) Number and Street	City	State	Zip	County
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(b) Name of Commercial Registered Office Provider
c/o

☐ The surviving corporation/limited partnership is a nonqualified foreign business/nonprofit corporation/limited partnership incorporated/formed under the laws of _____ and the address of its principal office under the laws of such domiciliary jurisdiction is:

Number and Street	City	State	Zip
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3. The name and the address of the registered office in this Commonwealth or name of its commercial registered office provider and the county of venue of each other domestic business/nonprofit corporation/limited partnership and qualified foreign business/nonprofit corporation/limited partnership which is a party to the plan of merger are as follows:

Name	Registered Office Address	Commercial Registered Office Provider	County
Westchester Fire Insurance Company, 436 Walnut Street, Philadelphia, PA 19106 Philadelphia (A NY corporation			
licensed by the Pennsylvania Insurance Department but not qualified with the Pennsylvania Secretary of State)			

4. Check, and if appropriate complete, one of the following:

☐ The plan of merger shall be effective upon filing these Articles/Certificate of Merger in the Department of State.

☒ The plan of merger shall be effective on: January 1, 2011 at 12:03 a.m.
Date Hour

5. The manner in which the plan of merger was adopted by each domestic corporation/limited partnership is as follows:

Name	Manner of Adoption
ACE Indemnity Insurance Company	Adopted by the Board of Directors and Sole Shareholder Pursuant to 15
Pa. C.S. Section 1924(a).	

6. *Strike out this paragraph if no foreign corporation/limited partnership is a party to the merger.*

The plan was authorized, adopted or approved, as the case may be, by the foreign business/nonprofit corporation/limited partnership (or each of the foreign business/nonprofit corporations/limited partnerships) party to the plan in accordance with the laws of the jurisdiction in which it is incorporated/organized.

7. Check, and if appropriate complete, one of the following:

☒ The plan of merger is set forth in full in Exhibit A attached hereto and made a part hereof.

☐ Pursuant to 15 Pa.C.S. § 1901/§ 8547(b) (relating to omission of certain provisions from filed plans) the provisions, if any, of the plan of merger that amend or constitute the operative provisions of the Articles of Incorporation/Certificate of Limited Partnership of the surviving corporation/limited partnership as in effect subsequent to the effective date of the plan are set forth in full in Exhibit A attached hereto and made a party hereof. The full text of the plan of merger is on file at the principal place of business of the surviving corporation/limited partnership, the address of which is.

Number and street	City	State	Zip	County
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DSCB: 15-1926/5926/8547-3

IN TESTIMONY WHEREOF, the undersigned
corporation/limited partnership has caused these
Articles/Certificate of Merger to be signed by a duly
authorized officer thereof this

21st day of July

2010

ACE Indemnity Insurance Company

Name of Corporation/Limited Partnership

[Signature]

Signature

VICE PRESIDENT

Title

Westchester Fire Insurance Company

Name of Corporation/Limited Partnership

[Signature]

Signature

VICE PRESIDENT

Title

EXHIBIT A

Agreement and Plan of Merger

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this "Agreement") dated as of April 9, 2010, is by and between ACE INDEMNITY INSURANCE COMPANY (fka CIGNA Indemnity Insurance Company, fka Alaska Pacific Assurance Company) ("ACE Indemnity"), and WESTCHESTER FIRE INSURANCE COMPANY (fka Westchester County Mutual Insurance Company) ("WFIC").

BACKGROUND

ACE Indemnity is a Pennsylvania stock property and casualty insurance company organized and existing under the laws of the Commonwealth of Pennsylvania with its principal place of business located at 436 Walnut Street, Philadelphia, PA 19106 and is currently a wholly-owned subsidiary of Indemnity Insurance Company of North America ("IINA"); and

WFIC is a New York stock property and casualty insurance company organized and existing under the laws of the State of New York with its principal place of business located at 1325 Avenue of the Americas, New York, NY 10019 and, at the Effective Time (as defined in Section 2) is a wholly-owned subsidiary of ACE US Holdings, Inc.; and

IINA is a Pennsylvania stock property and casualty insurance company organized and existing under the laws of the Commonwealth of Pennsylvania with its principal place of business located at 436 Walnut Street, Philadelphia, PA 19106 and is a wholly-owned subsidiary of INA Holdings Corporation, a Delaware domiciled holding company; and

IINA, as the current sole shareholder of ACE Indemnity, intends to sell and transfer 100% of its ownership interest in ACE Indemnity to ACE US Holdings, Inc., a Delaware domiciled holding company, pursuant to that certain Stock Purchase Agreement dated of even date with this Agreement, with such transfer to take effect immediately before the Effective Time of this Agreement; and

The respective Boards of Directors of ACE Indemnity and WFIC have deemed it desirable and in the best interest of ACE Indemnity and WFIC to merge WFIC with and into ACE Indemnity upon the terms and conditions hereinafter set forth (the "Merger"), and in accordance with the requirements of the New York Insurance Law, the Pennsylvania GAA Amendments Act of 1990 (the "GAA Act"), the Pennsylvania Insurance Company Law (the "Pennsylvania Insurance Law"), and the Pennsylvania 1988 Business Corporation Law, each as amended (collectively "applicable law"); and

For reasons of efficiency and cost savings the respective Boards of Directors of each of ACE Indemnity and WFIC have approved this Agreement, subject to necessary regulatory approvals, and directed that this Agreement be submitted to IINA as the

current sole shareholder of ACE Indemnity, and to ACE US Holdings, Inc., the sole shareholder of WFIC and the prospective sole shareholder of ACE Indemnity, for a vote in accordance with the requirements of applicable law; and

IINA and ACE US Holdings, Inc., have approved and adopted this Agreement, subject to necessary regulatory approvals, in accordance with the requirements of applicable law.

NOW THEREFORE, in consideration of the foregoing, and in further consideration of the promises and mutual covenants and agreements herein set forth, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. The Merger. At the Effective Time (as defined in Section 2) and subject to and upon the terms and conditions of this Agreement and applicable law, WFIC shall be merged with and into ACE Indemnity, the separate corporate existence of WFIC shall cease, and ACE Indemnity shall continue as the surviving insurance company. ACE Indemnity, as the surviving insurance company after the Merger, is sometimes hereinafter referred to as the "Surviving Corporation."

2. Effective Time. The Merger shall be effective as of the "Effective Time," which shall be after receipt of all necessary approvals from the Commonwealth of Pennsylvania and the later of (a) January 1, 2011, immediately following the effective time of the transfer of ACE Indemnity from IINA to ACE US Holdings, Inc., a Delaware corporation ("Buyer"), as specified in that certain Stock Purchase Agreement by and between IINA and Buyer dated of even date with this Agreement, or (b) the date of the filing of a certified copy of this Agreement as approved by the Superintendent of Insurance of the State of New York in the office of the New York County Clerk as required by section 7108 of the New York Insurance Law.

3. Effect of the Merger. The Merger shall have the effects set forth in Section 1929 of the Pennsylvania 1988 Business Corporation Law and Article 71 of the New York Insurance Law. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time all of the policies and obligations of WFIC shall be assumed by the Surviving Corporation on the same terms as if the policies were still being carried by WFIC and all the property, rights, privileges, powers, and franchises of WFIC shall vest in the Surviving Corporation, and all debts, liabilities, and duties of WFIC shall become the debts, liabilities, and duties of the Surviving Corporation, and all and every other interest, and all deposits, shall be taken and deemed to be transferred to and to vest, and shall be vested, in the Surviving Corporation as of the Effective Time without further act or deed and as effectively as they were formerly vested in WFIC. Except as otherwise specifically set forth in this Agreement and Plan of Merger, the Surviving Corporation, with all its purposes, powers and objects, shall continue unaffected and unimpaired by the Merger. The Surviving Corporation shall continue as a Pennsylvania corporation organized pursuant to, and in accordance with, Pennsylvania Insurance Law. The Surviving Corporation shall be governed under the laws of the Commonwealth of Pennsylvania.

4. Name; Articles of Incorporation; By-Laws; Directors and Officers.

4.1 At the Effective Time, the Articles of Incorporation of the Surviving Corporation shall be amended to change its name to Westchester Fire Insurance Company, in the form attached hereto as Exhibit 1. All other provisions of the Surviving Corporation's Articles of Incorporation as in effect immediately before the Effective Time, shall be the Articles of Incorporation of the Surviving Corporation until thereafter amended as provided by law and such Articles of Incorporation.

4.2 The By-laws of the Surviving Corporation, as in effect immediately before the Effective Time, shall be the By-laws of the Surviving Corporation, except with respect to the change of the corporation's name to Westchester Fire Insurance Company, until thereafter amended as provided by law, the Articles of Incorporation of the Surviving Corporation, and such By-laws.

4.3 The directors of ACE Indemnity immediately before the Effective Time shall be the initial directors of the Surviving Corporation, and the officers of ACE Indemnity immediately before the Effective Time shall be the initial officers of the Surviving Corporation, in each case until their successors are duly elected or appointed. If, at the Effective Time, a vacancy shall exist on the Board of Directors of the Surviving Corporation or in any office of the Surviving Corporation by virtue of there having been a vacancy on the Board of Directors or any office of ACE Indemnity immediately before the Merger, such vacancy may thereafter be filled in the manner provided by law, the Articles of Incorporation, and/or the By-laws of the Surviving Corporation.

5. Conversion of Securities. At the Effective Time, by virtue of the Merger and without any action on the part of ACE Indemnity or WFIC, or by the sole shareholder of ACE Indemnity and WFIC:

5.1 Each share of common stock of WFIC issued and outstanding shall no longer be outstanding and all of such shares collectively shall be cancelled without consideration

5.2 Each share of common stock, par value \$71.43 per share, of ACE Indemnity issued and outstanding immediately before the Effective Time shall remain issued and outstanding as the only shares of stock of the Surviving Corporation and shall be unaffected by the Merger.

6. Conditions of the Merger. The respective obligations of each party to effect the Merger shall be subject to the approval of the Insurance Department of the Commonwealth of Pennsylvania and the New York Insurance Department having been obtained and remaining in full force and effect without any material conditions, other than conditions under applicable statutes or regulations, having been imposed in connection therewith.

7. Adoption of the Agreement. This Agreement and Plan of Merger has been adopted and approved by (a) the Board of Directors of WFIC, (b) the Board of Directors of ACE Indemnity, and (d) the shareholders of both ACE Indemnity and WFIC.

8. Abandonment. The filing of any certificate, articles, or other documents, as may be required to be filed in the Commonwealth of Pennsylvania to effectuate this Merger, shall constitute a waiver by either of ACE Indemnity or WFIC's right to abandon the Merger as of the date set forth in such filed document, and shall serve as conclusive evidence that neither ACE Indemnity nor WFIC abandoned the Merger and each knowingly consummated the Merger as of such date.

9. Expenses. Ace Indemnity and WFIC shall share the expenses of accomplishing the Merger, including, without limitation, the expenses of each entity incurred in connection with this Agreement and the preparations for carrying this Agreement into effect.

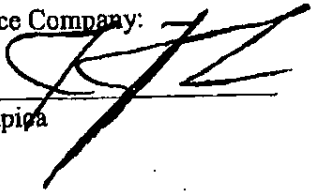
10. Service of Process. As ACE Indemnity is already licensed to do business in the Commonwealth of Pennsylvania, and as ACE Indemnity immediately following the Merger shall be the Surviving Corporation, the Surviving Corporation has already designated an agent for service of process in the Commonwealth of Pennsylvania. Nonetheless, the Surviving Corporation re-confirms that it agrees that it may be served with process in the Commonwealth of Pennsylvania and/or in the State of New York in any proceeding for enforcement of any obligation of either ACE Indemnity or WFIC, as well as for enforcement of any obligation of the Surviving Corporation arising from the Merger, including any suit or proceeding to enforce the right of any shareholder of either ACE Indemnity or WFIC. The Surviving Corporation does hereby irrevocably appoint the Pennsylvania Commissioner of Insurance and/or the New York Superintendent of Insurance as its agent to accept service of process in any such suit or other proceedings in their respective jurisdictions, and shall also appoint the Secretary of State of Pennsylvania and the Secretary of State of New York for such purposes.

11. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an executed original and all of which together shall constitute one and the same instrument.

[Signature page follows.]


IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf by its officer thereunto duly authorized.

Westchester Fire Insurance Company:

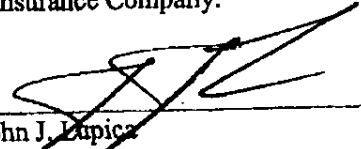
By: 
Name: John J. Lupica
Its: President

ATTEST:

(SEAL)

By: 
Name: George D. Mulligan
Its: Secretary

ACE Indemnity Insurance Company:

By: 
Name: John J. Lupica
Its: President

ATTEST:

(SEAL)

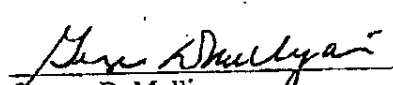
By: 
Name: George D. Mulligan
Its: Secretary

EXHIBIT 1

RESTATED ARTICLES OF INCORPORATION

OF

Westchester Fire Insurance Company

- FIRST:** The name of the Corporation is Westchester Fire Insurance Company.
- SECOND:** The address of the Corporation's current registered office in this Commonwealth is: 436 Walnut Street, Philadelphia, PA 19106.
- THIRD:** The purpose or purposes of the Corporation are:
- To engage, directly or indirectly, in the business of insurance and reinsurance and in all acts and/or activities reasonably and necessarily incidental to the business of insurance and reinsurance, lawful for a Corporation organized under the Corporation and Insurance Laws of the Commonwealth of Pennsylvania as these laws may be amended from time to time; and
- To issue policies or other contracts on a participating or non-participating basis and with or without corporate seal; and
- To have unlimited power to engage in and to do any lawful act concerning any and all lawful business for which corporations may be incorporated under the Business Corporation Law of 1988.
- FOURTH:** The authorized capital stock of this Corporation shall be Five Million One Hundred Dollars (\$5,000,100), divided into Seventy Thousand (70,000) shares with a par value of Seventy-One Dollars and Forty-three cents (\$71.43) per share.
- FIFTH:** The term for which this Corporation shall exist shall be perpetual.
- SIXTH:** In furtherance and not in limitation of the powers conferred by statute, the board of directors is expressly authorized to make, alter and repeal the By-laws of the Corporation.
- SEVENTH:** This Corporation reserves the right to amend, alter, change and repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by law and all rights conferred on officers, directors and stockholders herein are granted subject to this reservation.

BEFORE THE DEPUTY INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Sections 1401, 1402, and
	:	1403 of the Insurance Holding
Application of ACE Indemnity Insurance	:	Companies Act, Article XIV of the
Company Requesting Exemption from	:	Insurance Company Law of 1921, Act of
the Requirements of 40 P.S. §991.1402	:	May 17, 1921, P.L. 682, <u>as amended</u> , 40
for the Restructure of the Insurance	:	P.S. §§991.1401, 991.1402, and
Holding Company System Which	:	991.1403; Sections 1921 through
Contains ACE Indemnity Insurance	:	1929 of the 1988 Business
Company to include a Merger of	:	Corporation Law, Act of
Westchester Fire Insurance Company	:	December 21, 1988, P.L. 1444, No.
with and into ACE Indemnity Insurance	:	177, as amended, 15 Pa. C.S.
Company	:	§§1921-1929; Sections 205 and 207
	:	of the GAA Amendments Act of
	:	1990, Act of December 19, 1990,
	:	P.L. 834, No. 198, as amended, 15
	:	P.S. §§21205 and 21207.
	:	
	:	Order No. ID-RC-10-10

DECISION AND ORDER

AND NOW, on this 3rd day of May, 2010, Stephen J. Johnson, Deputy Insurance Commissioner of the Commonwealth of Pennsylvania ("Deputy Commissioner"), hereby makes the following Decision and Order:

Pursuant to the Insurance Holding Companies Act and in consideration of the documents, presentations, and reports received, as well as other inquiries and studies as permitted by law, the Deputy Commissioner hereby makes the following findings of fact:

FINDINGS OF FACT

Identity of Parties

1. ACE Indemnity Insurance Company ("AIC") is a domestic stock casualty insurance company organized pursuant to the laws of the Commonwealth of Pennsylvania with its principal place of business located in Philadelphia, Pennsylvania.

2. Indemnity Insurance Company of North America ("IINA") is a domestic stock casualty insurance company organized pursuant to the laws of the Commonwealth of Pennsylvania with its principal place of business located in Philadelphia, Pennsylvania. AIIC is a direct wholly-owned subsidiary of IINA.
3. Westchester Fire Insurance Company ("WFIC") is a foreign stock fire insurance company organized pursuant to the laws of the State of New York with its principal place of business located in Philadelphia, Pennsylvania.
4. ACE US Holdings, Inc. ("ACE US") is a business corporation organized pursuant to the laws of the State of Delaware with its principal place of business located in Wilmington, Delaware. WFIC is a direct wholly-owned subsidiary of ACE US.
5. ACE Limited is a business corporation organized under the laws of Switzerland with its principal place of business located in Zurich, Switzerland. ACE US and IINA are both indirectly wholly-owned subsidiaries of ACE Limited.
6. ACE Limited is a publicly-traded company on the New York Stock Exchange. No person controls ACE Limited.
7. ACE Limited is the sole ultimate controlling person of the holding company system that contains WFIC and AIIC.

Filing of the Request

8. On April 2, 2010, the Pennsylvania Insurance Department ("Department") received an initial request (which together with all material received subsequently is collectively referenced as "Request") from AIIC for approval to change direct ownership of AIIC from IINA to ACE US and subsequently merge WFIC with and into AIIC.
9. The Insurance Holding Companies Act, Article XIV of the Insurance Company Law of 1921, Act of May 17, 1921, P.L. 682, as amended, 40 P.S. §§991.1401 et seq. ("Insurance Holding Companies Act"), provides that all mergers or other acquisitions of control of domestic insurers must be filed with the Department for approval or disapproval.
10. Section 1402(g) of the Insurance Holding Companies Act provides for the exemption from the requirements of Section 1402(b) if the transaction:
 - a) does not have the effect of changing or influencing the control of a domestic insurer, or
 - b) is otherwise not comprehended within the purposes of the section.

11. The 1988 Business Corporation Law, Act of December 21, 1988, P.L. 1444, as amended, Sections 1921 through 1929, 15 Pa.C.S. §§1921 through 1929 ("1988 BCL"), and the GAA Amendments Act of 1990, P.L. 834, No. 198, as amended, 15 P.S. §§21205 and 21207 ("GAA Amendments Act"), provide that all plans of merger of domestic insurers must be filed with the Department for approval or disapproval.
12. The Request was filed with the Department pursuant to Section 1402(g) of the Insurance Holding Companies Act and Section 205 of the GAA Amendments Act.

Notice and Filing of Comments

13. On April 24, 2010, the Department published notice in the *Pennsylvania Bulletin* that the Request had been received and such notice invited interested persons to submit comments to the Department regarding the Request for a seven (7) day period, ending May 1, 2010.
14. During the seven (7) day public comment period, the Department received no comments regarding the Request.

The Transaction

15. As described in the Request, the restructure involves the following steps:
 - a) ACE US will acquire direct ownership of AIIC by means of a Stock Purchase Agreement ("AIIC Acquisition").
 - b) Subsequent to and immediately following the AIIC Acquisition, WFIC will merge with and into AIIC with AIIC being the surviving corporation ("WFIC/AIIC Merger").
16. WFIC and AIIC executed an Agreement and Plan of Merger dated as of April 9, 2010 ("Merger Agreement"), which provides for the WFIC/AIIC Merger.
17. As described in the Request, the Merger Agreement was adopted by resolution of the boards of directors of WFIC and AIIC on March 23, 2010.
18. As described in the Request, the Merger Agreement was adopted by resolution of IINA as the sole shareholder of AIIC on March 23, 2010.
19. As described in the Request, the Merger Agreement was adopted by resolution of ACE US as the sole shareholder of WFIC and the prospective sole shareholder of AIIC on April 9, 2010.

20. As described in the Request, AIIC shall acquire all of the assets of WFIC and assume all of the debts and other liabilities of WFIC.
21. As described in the Request, the articles of incorporation and by-laws of AIIC in effect immediately prior to the WFIC/AIIC Merger shall be the articles of incorporation and by-laws of AIIC upon the effective date of the WFIC/AIIC Merger with the exception of an amendment to change the name of AIIC to "Westchester Fire Insurance Company" upon the effective date of the merger.
22. As described in the Request, the members of the board of directors and the officers of AIIC prior to the WFIC/AIIC Merger shall be the members of the board of directors and the officers of AIIC after the WFIC/AIIC Merger.
23. As described in the Request, each share of WFIC common stock issued and outstanding immediately prior to the effective date of the WFIC/AIIC Merger shall be cancelled without consideration.
24. As described in the Request, each share of AIIC common stock issued and outstanding immediately prior to the effective date of the WFIC/AIIC Merger shall remain issued and outstanding and be unaffected by the WFIC/AIIC Merger.
25. As provided in the Request, AIIC has filed applications to obtain a foreign certificate of authority from the insurance regulatory authority in the following jurisdictions:
 - a) Alabama
 - b) Maine
 - c) Nevada
 - d) New Hampshire
 - e) North Carolina
 - f) Tennessee
 - g) Puerto Rico
 - h) Virgin Islands
 - i) Guam
 - j) Northern Mariana Islands
26. As provided in the Request, AIIC has filed applications for additional authority from the insurance regulatory authority in the following jurisdictions in which they are currently licensed:
 - a) California
 - b) Delaware
 - c) Florida
 - d) Massachusetts
 - e) New Jersey
 - f) New York

g) Texas

27. As described in the Request, ACE Limited will remain the sole ultimate controlling person of AIIC upon the effective date of the AIIC and subsequent WFIC/AIIC Merger.
28. If any of the above Findings of Fact are determined to be Conclusions of Law, they shall be incorporated in the Conclusions of Law as if fully set forth therein.

CONCLUSIONS OF LAW

1. Under Section 1402 of the Insurance Holding Companies Act, the Department has jurisdiction to review and approve the acquisition of controlling securities of a domestic insurer if, after consummation thereof, the acquiring person would be in control of the domestic insurer.
2. The change in direct ownership of AIIC capital stock proposed in the Request is not being contemplated to change or influence the ultimate control of AIIC, and, therefore, is exempt from the requirements of Section 1402(b) of the Insurance Holding Companies Act.
3. Under Section 1402 of the Insurance Holding Companies Act, the Department has jurisdiction to review and approve the merger of WFIC and AIIC.
4. Under Section 1402(g) of the Insurance Holding Companies Act, the Department shall exempt a merger from the requirements of Section 1402 if the merger does not have the effect of changing or influencing the control of a domestic insurer.
5. Pursuant to Section 1402(g) of the Insurance Holding Companies Act, the Deputy Commissioner concludes that the proposed merger does not change the ultimate controlling person of a domestic insurer and, therefore, is exempt from the requirements of the Insurance Holding Companies Act.
6. The Request was properly filed pursuant to and in accordance with Section 1402(g) of the Insurance Holding Companies Act.
7. The Deputy Commissioner concludes that the preparation of the Merger Agreement, pertaining to the terms and conditions, satisfies the requirements of Section 1922 of the 1988 BCL.
8. Pursuant to Section 1924 of the 1988 BCL, the Deputy Commissioner concludes that the Merger Agreement has been adopted and consented to by the sole shareholders of WFIC and AIIC, and by the board of directors of WFIC and AIIC.

9. The Deputy Commissioner concludes that the execution and contents of the Articles of Merger will satisfy the requirements of Section 1926 of the 1988 BCL.
10. The Deputy Commissioner concludes that the Merger Agreement will be effective on or after proper filing of Articles of Merger with the Department of State, pursuant to Sections 1927 and 1928 of the 1988 BCL.
11. The Deputy Commissioner concludes that, if the proposed merger is consummated, all the rights, privileges, immunities, powers and purposes of WFIC will be conveyed to the surviving entity, as a matter of law, pursuant to Section 1929 of the 1988 BCL.
12. Pursuant to Section 205(b) of the GAA Amendments Act, the Deputy Commissioner concludes that the proposed merger is in accordance with law and not injurious to the interests of policyholders and creditors of WFIC and AIIC.
13. The Application satisfies the requirements of the Insurance Holding Companies Act, the 1988 BCL and the GAA Amendments Act.
14. If any of the above Conclusions of Law are determined to be Findings of Fact, they shall be incorporated in the Findings of Fact as if fully set forth therein.

BEFORE THE DEPUTY INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

In Re:	:	Pursuant to Sections 1401, 1402, and
	:	1403 of the Insurance Holding
Application of ACE Indemnity Insurance	:	Companies Act, Article XIV of the
Company Requesting Exemption from	:	Insurance Company Law of 1921, Act of
the Requirements of 40 P.S. §991.1402	:	May 17, 1921, P.L. 682, <u>as amended</u> , 40
for the Restructure of the Insurance	:	P.S. §§991.1401, 991.1402, and
Holding Company System Which	:	991.1403; Sections 1921 through
Contains ACE Indemnity Insurance	:	1929 of the 1988 Business
Company to include a Merger of	:	Corporation Law, Act of
Westchester Fire Insurance Company	:	December 21, 1988, P.L. 1444, No.
with and into ACE Indemnity Insurance	:	177, as amended, 15 Pa. C.S.
Company	:	§§1921-1929; Sections 205 and 207
	:	of the GAA Amendments Act of
	:	1990, Act of December 19, 1990,
	:	P.L. 834, No. 198, as amended, 15
	:	P.S. §§21205 and 21207.
	:	
	:	Order No. ID-RC-10-10

ORDER

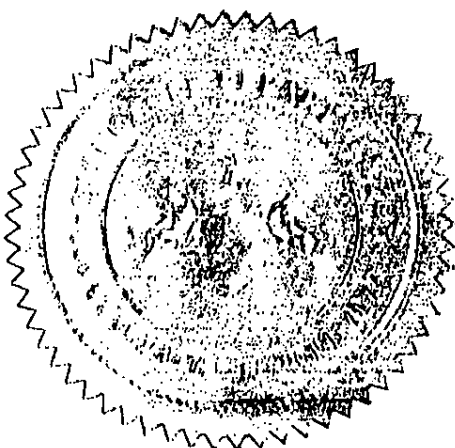
Upon consideration of the foregoing, the Deputy Insurance Commissioner of the Commonwealth of Pennsylvania, hereby makes the following Order:

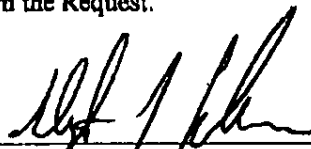
An approving determination for the request for exemption from the requirements of 40 P.S. §991.1402(b) for the restructure of the insurance holding company system which contains ACE Indemnity Insurance Company to include a merger of Westchester Fire Insurance Company ("WFIC") with and into ACE Indemnity Insurance Company ("AIIC"), as set forth in the Request, is hereby granted subject to the following conditions:

1. AIIC shall obtain a foreign certificate of authority from the insurance regulatory authority in the following jurisdictions:
 - a) Alabama
 - b) Maine
 - c) Nevada
 - d) New Hampshire

- e) North Carolina
 - f) Tennessee
 - g) Puerto Rico
 - h) Virgin Islands
 - i) Guam
 - j) Northern Mariana Islands
2. AIIC shall obtain additional authority from the insurance regulatory authority in the following jurisdictions in which they are currently licensed:
- a) California
 - b) Delaware
 - c) Florida
 - d) Massachusetts
 - e) New Jersey
 - f) New York
 - g) Texas
3. An approving determination must be granted by the New York State, Insurance Department, before Articles of Merger are filed with the Pennsylvania Department of State. A certified copy of the New York approval shall be provided to the Deputy Commissioner within three (3) business days of receipt by WFIC.
4. AIIC shall file a copy of the Articles of Merger with the Deputy Commissioner not later than ten (10) days after their filing with the Pennsylvania Department of State.
5. WFIC shall surrender its Certificate of Authority to operate as a foreign stock fire insurance company to the Deputy Commissioner not later than ten (10) days after the filing of the Articles of Merger with the Pennsylvania Department of State.
6. This transaction may be recorded as effective for accounting purposes as of the first day of the calendar quarter in which the merger is consummated.

This Order is effective immediately and valid for one year from the date of signature, provided there are no significant changes from the Request.




STEPHEN J. JOHNSON
Deputy Insurance Commissioner
Office of Corporate and Financial Regulation



May 3, 2010

Ilana G. Hessing, Esquire
ACE USA
Routing WA 04J
436 Walnut Street
Philadelphia, PA 19106

RE: Westchester Fire Insurance Company

Dear Ms. Hessing:

The following information is being provided in response to your earlier request.

Please be advised that the phrasing of the above-referenced name has been reviewed and found to be acceptable to the Pennsylvania Insurance Department. You will need to present a copy of this letter to the Pennsylvania Department of State, Corporation Bureau. In processing the registration of the name, the Department of State will verify that the new name is not being used by an existing entity or that the name does not too closely resemble that of an existing entity.

Note that this letter is to approve the use of a name only, it does not represent any form of licensure.

I trust that the information provided is responsive to your request. Please feel free to contact me at (717) 783-2144 should you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Cressinda E. Bybee". The signature is written in a cursive, flowing style.

Cressinda E. Bybee
Insurance Company Licensing Specialist
Company Licensing Division