

363

IN THE MATTER OF
SECURITY INSURANCE COMPANY OF HARTFORD
NEW AMSTERDAM CASUALTY COMPANY AND
UNITED STATES CASUALTY COMPANY

Before the
HONORABLE WILLIAM R. COTTER
Insurance Commissioner
of Connecticut

June 6, 1966

FINDINGS AND FINAL ORDER

This matter came before me on April 5, 1966 by virtue of the Petition filed by Security Insurance Company of Hartford ("Security"), New Amsterdam Casualty Company ("New Amsterdam") and United States Casualty Company ("U.S. Casualty") (collectively the "Petitioners") and thence to the present time after the Petitioners appeared and offered evidence in support of the Petition. On the basis of the evidence and other information on file in my office, I hereby find:

1. That said Petition filed on April 5, 1966 is in full compliance with the provisions of Title 38 of the General Statutes of Connecticut, as amended, and the jurisdiction of the matter set forth in said Petition is vested in me under said Title, including Section 38-42 of said Title;
2. That the Petitioners have given due notice of the public hearing in accordance with said statutes and as directed by me in my Order of Notice dated April 5, 1966 and by publication and by mailing of said Notice to all stockholders of record of the Petitioners;
3. That all policyholders and stockholders of the Petitioners and other interested parties were given the opportunity to appear and be heard at the public hearing held before me on April 21, 1966 pursuant to said Notice;
4. That each of the allegations in said Petition dated April 5, 1966 is true and accurate;
5. That Security is a domestic fire and casualty insurance company, specially chartered by the Connecticut General Assembly, with its principal and administration offices at 1000 Asylum Avenue, Hartford, Connecticut, being authorized under its charter to issue 1,960,000 shares of common stock and 40,000 shares of preferred stock, both of the par value of \$10 per share, of which there are presently issued and outstanding 1,598,357 shares of common stock and 3,800 shares of preferred stock;
6. That New Amsterdam is a fire and casualty insurance company duly organized and existing under the laws of the State of New York with its principal office at 100 William Street, New York, New York, and its administrative offices at 1000 Asylum Avenue in Hartford, Connecticut. Its presently authorized capital is \$2,000,000 divided into 500,000 shares of capital stock of the par value of \$4 per share, all of which are presently outstanding;
7. That U.S. Casualty is a fire and casualty insurance company duly organized and existing under the laws of the State of New York, with its principal office at 100 William Street, New York, New York, and its administrative offices at 1000 Asylum Avenue, Hartford, Connecticut. Its presently authorized capital is \$2,000,000 divided into 500,000 shares of capital stock of the par value of \$4 per share, all of which are presently outstanding;
8. Security presently owns more than 99% of the outstanding stock of New Amsterdam and New Amsterdam presently owns more than 97% of the outstanding stock of U.S. Casualty.
9. That prior to the proposed mergers which are the subject of the Petition New Amsterdam will increase its authorized capital stock from \$2,000,000 to \$2,020,000 to be divided into 505,000 shares of its capital stock of the par value of \$4 per share;
10. That the terms and conditions of the proposed merger of U.S. Casualty with and into New Amsterdam are as set forth in the Agreement and Plan of Merger dated June 3, 1966;
11. That the terms and conditions of the proposed merger of New Amsterdam with and into Security are as set forth in the Agreement and Plan of Merger dated June 3, 1966; and
12. That with respect to the mergers referred to in paragraphs 10 and 11 above, the interests of the policyholders and shareholders of the Petitioners are protected and the terms and conditions of each of the mergers are fair and reasonable.
13. That the merger transactions referred to in paragraphs 10 and 11 above are not transactions within the scope of Section 38-37 of said Title 38 by reason of the fact that they involve statutory mergers of substantially wholly owned subsidiaries into their respective parent companies and are not retentions or acquisitions of stock which are subject to Section 38-37.

On the basis of the foregoing Findings, the following are hereby approved:

- (a) The merger of U.S. Casualty with and into New Amsterdam upon the terms described in the Agreement and Plan of Merger referred to in paragraph 10 above;
- (b) The merger of New Amsterdam with and into Security upon the terms described in the Agreement and Plan of Merger referred to in paragraph 11 above.

THEREFORE IT IS HEREBY ORDERED:

- (1) That the original copy of these Findings and Final Order be made a part of the permanent records of the Connecticut Insurance Department;
- (2) That Security cause to be mailed a copy of these Findings and Final Order to each of its stockholders of record and to each of the stockholders of record of U.S. Casualty and New Amsterdam;
- (3) That Security make return to me of its doings pursuant to paragraph (2) of this Order; and
- (4) That Security bear all expenses in connection with these proceedings as required by law.

Witness my hand and official seal at Hartford, Connecticut this 6th day of June, 1966.

/s/ William R. Cotter

WILLIAM R. COTTER
Insurance Commissioner