STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

BEFORE THE INSURANCE COMMISSIONER OF THE STATE OF OREGON

In the Matter of the Proposed Merger of Dentist Benefits Insurance Company into The Dentist Insurance Company	)))	Order of Exemption Case No. INS-FR 18-09-0009

INTRODUCTION

By letter dated August 15, 2018, The Dentist Insurance Company ("TDIC") filed a request for exemption from the provisions of Oregon Revised Statutes ("ORS") 732.521(1) pursuant to ORS 732.521(2) with regard to the merger of Dentist Benefits Insurance Company ("DBIC") into TDIC.

DBIC is an Oregon domiciled stock insurance company, authorized under ORS chapter 731 to transact Property & Casualty insurance business in Oregon since September 26, 1985. DBIC conducts business in 6 of its 8 licensed states with majority of business being conducted in the State of Oregon. TDIC currently owns 100% of the issued and outstanding shares of DBIC.

TDIC is a California domiciled stock insurance company that has been authorized under ORS chapter 731 to transact Property & Casualty insurance business in Oregon since December 19, 2000. TDIC currently does not write business in Oregon.

California Dental Association ("CDA") is a nonprofit, professional organization representing organized dentistry in California, and is the ultimate controlling entity of TDIC and DBIC.

FACTS PROVIDED

Under the proposed merger, DBIC will be merged with and into TDIC and DBIC will cease to exist. TDIC shall be the surviving corporation. The merger will be effective on the date that all regulatory approvals are received. The separate corporate existence of TDIC with all its rights, privileges, immunities, powers and franchises shall continue unaffected by the merger. TDIC will succeed to all the properties and assets of DBIC and to all policyholder obligations, debts, causes of action and other interests due or belonging to DBIC. TDIC will be subject to,

and responsible for, all the debts, liabilities and duties of DBIC as provided by applicable state law. The officers and directors of TDIC will not change as a result of the merger.

Both TDIC and DBIC acknowledge that the purpose of the merger is to make more efficient use of resources within CDA, the ultimate holding company of TDIC and DBIC.

The boards of directors of TDIC and DBIC have represented that the proposed merger is in the best interest of each corporation and have approved the merger.

The merger does not effect a change of control within the holding company system since the ultimate controlling entity for TDIC and DBIC is CDA. CDA will remain the ultimate controlling person in the holding company system. The merger does not affect a change of control within the holding company system.

TDIC-DBIC will provide notification of the proposed merger to the current holders of DBIC insurance policies as an endorsement upon offer of renewal of such insurance policies. The endorsement will verify that all benefits remain the same and the surviving insurer is assuming full liability under the policy. The endorsement will include and address to which the policyholder cans send premium payments, and a phone number for inquiries. The endorsement will be deemed accepted upon continued premium payment.

CONCLUSION OF LAW

The proposed merger will not have the effect of changing or influencing the control or ownership of a domestic insurer. The proposed merger thereby meets the requirements for exemption from the provisions of ORS 732.521(1) pursuant to ORS 732.521(2).

ORDER

Based on the foregoing facts provided and conclusion of law, it is hereby ordered that the proposal to merge Dentist Benefits Insurance Company into The Dentist Insurance Company submitted by The Dentist Insurance Company is exempt from the provisions of ORS 732.521(1).

Issued this 28th day of September 2018.

Andrew Stolfi
Insurance Commissioner