

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF THE MERGER OF)
DOMINION NATIONAL INSURANCE) ORDER APPROVING MERGER
COMPANY AND DOMINION DENTAL)
SERVICES, INC.)

This matter having been opened by the Commissioner of the New Jersey Department of Banking and Insurance (“the Commissioner”) pursuant to the authority of N.J.S.A. 17:1-15, 17:27A-2 and 17B:18-60, and all powers expressed or implied therein, and upon the application of Dominion National Insurance Company (“DNIC”) for approval to merge with Dominion Dental Services, Inc. (“DDSI”); and

WHEREAS, DNIC is a New Jersey domiciled stock health insurer limited to providing dental services in this State, and DDSI is a Virginia-domiciled stock health insurer admitted to transact business in this State pursuant N.J.S.A. 17B:23-1 to -11; and

WHEREAS, DDSI is currently permitted to transact business in this State subject to the approval of the merger of DNIC into DDSI with the same limits as to products as is DNIC; and

WHEREAS, both insurers are affiliated and ultimately controlled by Capital Blue Cross, a Pennsylvania domiciled insurance company; and

WHEREAS, immediately upon DNIC merging into DDSI, with DDSI being the surviving entity, pursuant to N.J.S.A. 17B:18-60(g), which provides that upon such merger or consolidation all the rights, franchises, and interest of the insurers so merging

or consolidating, in and to every species of property and things in action belonging to them, or either of them, shall be deemed to be transferred to and vested in the insurer resulting from such merger or consolidation, without any other deed or transfer, and the merged or consolidated insurer shall hold and enjoy the same to the same extent as if the merging or consolidating insurers, or either of them, had continued to retain their titles and transact business; and

WHEREAS, N.J.S.A. 17B:18-60(c) provides that a domestic stock insurer may merge or consolidate with one or more domestic or foreign stock insurers unless the Commissioner finds the proposed merger: (1) is contrary to law; (2) inequitable to the stockholders of any insurer involved; (3) would substantially reduce the security of and service to be rendered to policyholders of the domestic insurer in this State or elsewhere; or (4) involves the merger of a domestic insurer into a nonadmitted foreign insurer;

WHEREAS, N.J.S.A. 17:27A-2(d) provides that the Commissioner shall approve any merger or other acquisition of control of a domestic insurer, unless, after holding a public hearing, it is found that any of the factors set forth in N.J.S.A. 17:27A-2(d)(1)(i) through (vii) exists; and

WHEREAS, N.J.S.A. 17:27A-2(f)(1)(a) provides that the provisions of N.J.S.A. 17:27A-2 do not apply any transaction that is the subject of N.J.S.A. 17B:18-60 to -66; and

WHEREAS, upon review of the merger application, the Commissioner has determined that the merger of DNIC and DDSI should be approved as the plan does not violate the standards set forth in N.J.S.A. 17B:18-60;

NOW, THEREFORE IT IS on this 8th day of November, 2019,

ORDERED that:

1. The application for the merger of DNIC and DDSI, with DDSI the surviving, is hereby approved;

2. Effective the date of this Order, the merged insurer shall be permitted to transact business under the terms of its certificate of authority, and will be vested with the licenses and authorities of DNIC; and

2. As this transaction is subject to N.J.S.A. 17B:18-60 to -66, this transaction is exempted from the statutory filing and public hearing requirements of N.J.S.A. 17:27A-2 in accordance with N.J.S.A. 17:27A-2(f)(1).



Marlene Caride
Commissioner

Jc order merger of DNIC and DDSI/orders