

STATE OF NORTH DAKOTA

BEFORE THE INSURANCE COMMISSIONER

**In the Matter of the)
Application of Reorganization of)
Center Mutual Insurance Company)
)**

**NOTICE AND
ORDER OF HEARING

FILE No. CO-23-868**

NOTICE

In accordance with N.D.C.C. § 26.1-12.1-06, you are hereby notified that the North Dakota Insurance Commissioner ("Commissioner") will hold a public hearing ("Hearing") regarding the Application ("Plan") of Center Mutual for approval of its Plan of Reorganization and Mutual Holding Company Formation which could result in a corporate restructure of Center Mutual. The public hearing **will** be held at **2:00 p.m.** on **Thursday, the 27th day of July 2023**, in the **Sakakawea Room** at the **North Dakota State Capitol located at 600 East Boulevard Avenue, Bismarck, North Dakota.**

ORDER

WHEREAS, Center Mutual, a North Dakota mutual insurance company, seeks to reorganize their corporate structure as permitted by N.D.C.C. § 26.1-12.1; and

WHEREAS, N.D.C.C. § 26.1-12.1-06 requires the Commissioner hold a public hearing regarding a proposed reorganization plan; and

WHEREAS, following the hearing, the Commissioner shall enter findings of fact, conclusions of law, and an order either approving, conditionally approving, or disapproving the plan. An approval or conditional approval of a plan reorganization expires if the reorganization is not completed within one hundred and eighty days after the approval or conditional approval, unless the time period is extended by the Commissioner upon a showing of good cause; and

ORDER

WHEREAS, Center Mutual, a North Dakota mutual insurance company, seeks to reorganize their corporate structure as permitted by N.D.C.C. § 26.1-12.1; and

WHEREAS, N.D.C.C. § 26.1-12.1-06 requires the Commissioner hold a public hearing regarding a proposed reorganization plan; and

WHEREAS, the Commissioner, in making the determination as to a plan of reorganization under N.D.C.C. §26.1-12.1, shall consider whether:

1. The reorganizing insurer's surplus in regard to policyholders following a plan of reorganization is reasonable in relation to the reorganizing insurer's outstanding liability and adequate to its financial needs;
2. Under a plan of reorganization that materially affects the membership interest of eligible members in the reorganizing insurer, the eligible members will receive a membership interest in a mutual holding company commensurate with an equitable share of the value of the reorganizing insurer;
3. After the reorganization, the reorganized insurance company will be able to satisfy the requirements for the issuance of a certificate of authority to write the lines of insurance for which it was licensed before the reorganization; and;

4. The plan of reorganization is fair, reasonable, and equitable to the policyholders of the reorganizing insurer.

NOW, THEREFORE, IT IS HEREBY ORDERED that a hearing will be held at **2:00 p.m.** on **Thursday, the 27th day of July 2023**, in the **Sakakawea Room** at the **North Dakota Capitol located at 600 E Boulevard Ave, Bismarck, North Dakota.**

Policyholders and other interested persons may attend the hearing. There will be an opportunity for attendees to offer oral and written statements, present evidence and ask questions in accordance with N.D.C.C. §28-32. Persons showing good cause may be allowed to intervene if initiated with the Department at least five days prior to the date of the hearing.

Dated at Bismarck, North Dakota, this 29th day of June 2023

/s/ Helene J Herauf

Helene J Herauf
Legal Counsel
North Dakota Insurance Department