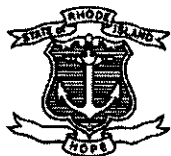


Filing Fee: See Instructions

ID Number: 40645



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Office of the Secretary of State  
Corporations Division  
148 W. River Street  
Providence, Rhode Island 02904-2615

FILED

DEC 30 2009

By [Signature]

11:33

29-10-7228

ARTICLES OF MERGER OR CONSOLIDATION INTO

TIG Insurance Company

(Insert full name of surviving or new entity on this line.)

SECTION I: TO BE COMPLETED BY ALL MERGING OR CONSOLIDATING ENTITIES

Pursuant to the applicable provisions of the General Laws of Rhode Island, 1956, as amended, the undersigned entities submit the following Articles of ☒ Merger or ☐ Consolidation (check one box only) for the purpose of merging or consolidating them into one entity.

a. The name and type (for example, business corporation, non-profit corporation, limited liability company, limited partnership, etc.) of each of the merging or consolidating entities and the state under which each is organized are:

Name of entity	Type of entity	State under which entity is organized
Old Lyme Insurance Company of Rhode Island Inc. 40645	Business Corporation	Rhode Island
TIG Insurance Company	Business Corporation	California

b. The laws of the state under which each entity is organized permit such merger or consolidation.

c. The full name of the surviving or new entity is TIG Insurance Company  
which is to be governed by the laws of the state of California

d. The attached Plan of Merger or Consolidation was duly authorized, approved, and executed by each entity in the manner prescribed by the laws of the state under which each entity is organized. (Attach Plan of Merger or Consolidation)

e. If the surviving entity's name has been amended via the merger, please state the new name:  
Not applicable

f. If the surviving or new entity is to be governed by the laws of a state other than the State of Rhode Island, and such surviving or new entity is not qualified to conduct business in the state of Rhode Island, the entity agrees that it: (i) may be served with process in Rhode Island in any proceeding for the enforcement of any obligation of any domestic entity which is a party to the merger or consolidation; (ii) irrevocably appoints the Secretary of State as its agent to accept service of process in any action, suit, or proceeding; and (iii) the address to which a copy of such process of service shall be mailed to it by the Secretary of State is:  
250 Commercial Street, Suite 5000, Manchester, New Hampshire 03101

g. These Articles of Merger or Consolidation shall be effective upon filing unless a specified date is provided which shall be no later than the 90<sup>th</sup> day after the date of this filing upon filing

SECTION II: TO BE COMPLETED ONLY IF ONE OR MORE OF THE MERGING OR CONSOLIDATING ENTITIES IS A BUSINESS CORPORATION PURSUANT TO TITLE 7, CHAPTER 1.2 OF THE RHODE ISLAND GENERAL LAWS, AS AMENDED.

a. If the surviving or new entity is to be governed by the laws of a state other than the State of Rhode Island, such surviving or new entity hereby agrees that it will promptly pay to the dissenting shareholders of any domestic corporation the amount, if any, to which they shall be entitled under the provisions of Title 7, Chapter 1.2 of the General Laws of Rhode Island, 1956, as amended, with respect to dissenting shareholders.

b. Complete the following subparagraphs i and ii only if the merging business corporation is a subsidiary corporation of the surviving corporation.

i) The name of the subsidiary corporation is Old Lyme Insurance Company of Rhode Island Inc.

ii) A copy of the plan of merger was mailed to shareholders of the subsidiary corporation (such date shall not be less than 30 days from the date of filing) September 8, 2009

c. As required by Section 7-1.2-1003 of the General Laws, the corporation has paid all fees and franchise taxes.

.....  
**SECTION III: TO BE COMPLETED ONLY IF ONE OR MORE OF THE MERGING OR CONSOLIDATING ENTITIES IS A NON-PROFIT CORPORATION PURSUANT TO TITLE 7, CHAPTER 6 OF THE RHODE ISLAND GENERAL LAWS, AS AMENDED.**

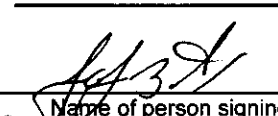
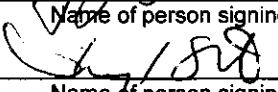
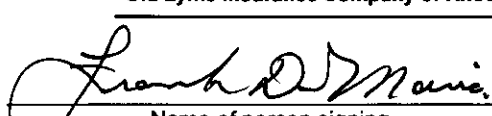
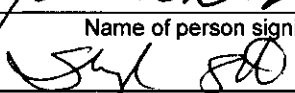
- a. If the members of any merging or consolidating non-profit corporation are entitled to vote thereon, attach a statement for each such non-profit corporation which sets forth the date of the meeting of members at which the Plan of Merger or Consolidation was adopted, that a quorum was present at the meeting, and that the plan received at least a majority of the votes which members present at the meeting or represented by proxy were entitled to cast; OR attach a statement for each such non-profit corporation which states that the plan was adopted by a consent in writing signed by all members entitled to vote with respect thereto.
- b. If any merging or consolidating corporation has no members, or no members entitled to vote thereon, then as to each such non-profit corporation attach a statement which states the date of the meeting of the board of directors at which the plan was adopted, and a statement of the fact that the plan received the vote of a majority of the directors in office.

.....  
**SECTION IV: TO BE COMPLETED ONLY IF ONE OR MORE OF THE MERGING OR CONSOLIDATING ENTITIES IS A LIMITED PARTNERSHIP PURSUANT TO TITLE 7, CHAPTER 13 OF THE RHODE ISLAND GENERAL LAWS, AS AMENDED**

- a. The agreement of merger or consolidation is on file at the place of business of the surviving or resulting domestic limited partnership or other business entity and the address thereof is:
- \_\_\_\_\_
- b. A copy of the agreement of merger or consolidation will be furnished by the surviving or resulting domestic limited partnership or other business entity, on request and without cost, to any partner of any domestic limited partnership or any person holding an interest in any other business entity which is to merge or consolidate.

.....  
**SECTION V: TO BE COMPLETED BY ALL MERGING OR CONSOLIDATING ENTITIES**

Under penalty of perjury, we declare and affirm that we have examined these Articles of Merger or Consolidation, including any accompanying attachments, and that all statements contained herein are true and correct.

<u>TIG Insurance Company</u>		_____	
		Print Entity Name	
By: _____		_____	Chief Financial Officer
	Name of person signing	_____	Title of person signing
By: _____		_____	Assistant Secretary
	Name of person signing	_____	Title of person signing
<u>Old Lyme Insurance Company of Rhode Island Inc.</u>		_____	
		Print Entity Name	
By: _____		_____	President
	Name of person signing	_____	Title of person signing
By: _____		_____	Assistant Secretary
	Name of person signing	_____	Title of person signing



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Business Regulation  
INSURANCE DIVISION  
1511 Pontiac Avenue, Bldg. 69-2  
Cranston, RI 02920  
[www.dbr.state.ri.us](http://www.dbr.state.ri.us)

Tel No. (401) 462-9606  
FAX No. (401) 462-9602  
Jack\_Broccoli@dbr.state.ri.us

**VIA E-MAIL**

December 24, 2009

John S. Pruitt  
Dewey & LeBoeuf LLP  
1301 Avenue of the Americas  
New York, NY 10019-6092

Re: Proposed Merger of Old Lyme Insurance Company of Rhode Island, Inc.  
(NAIC # 19160) with and into TIG Insurance Company (NAIC# 25534)

Dear Mr. Pruitt:

We have completed our review of the proposed merger of Old Lyme Insurance Company of Rhode Island, Inc. ("Old Lyme") with and into TIG Insurance Company ("TIG"). Our review did not disclose any material regulatory concerns with regard to the proposed merger; therefore, this transaction is hereby approved.

It is understood that all liens upon the property of Old Lyme and all rights of creditors of Old Lyme, including, without limitation, the rights of insurance policyholders and certificate holders, shall be preserved unimpaired as the liens upon the property of TIG.

It is also understood that TIG will be responsible for the payment of all fees relating to the financial analysis of Old Lyme for the 2009 period in addition to any annual filing fees.

Once the merger is completed, please submit the final agreements to effectuate the merger.

If you have any questions, please contact me.

Jack Broccoli, CPA, CFE  
Chief Insurance Examiner

CC: Tom Gauthier  
Elizabeth Ammerman  
Matt DiMaio

## **AGREEMENT AND PLAN OF MERGER**

**THIS AGREEMENT AND PLAN OF MERGER**, dated as of September 15, 2009 (this "Agreement"), is by and between **TIG INSURANCE COMPANY**, a California insurance corporation ("TIG-CA"), and **OLD LYME INSURANCE COMPANY OF RHODE ISLAND, INC.**, a Rhode Island insurance corporation ("Old Lyme").

### **WITNESSETH**

**WHEREAS**, all issued and outstanding capital stock of TIG-CA, consisting of 30,928 shares of common stock with a par value of \$140 per share, is wholly owned by TIG Insurance Group, Inc., a Delaware insurance corporation ("TIG-Group"); and

**WHEREAS**, all issued and outstanding capital stock of Old Lyme, consisting of 200,000 shares of common stock with a par value of \$14.50 per share and 100,000 shares of preferred stock with a par value of \$1 per share, is wholly owned by TIG-CA; and

**WHEREAS**, TIG-CA and Old Lyme have determined that it would be in their respective best interests and the best interests of their respective shareholders for Old Lyme to merge with and into TIG-CA, with TIG-CA being the surviving entity, in a transaction structured to qualify as a tax free reorganization under Section 368(a)(1)(A) of the Internal Revenue Code of 1986, as amended; and

**WHEREAS**, in furtherance thereof, the respective Boards of Directors of TIG-CA and Old Lyme have duly approved and authorized this Agreement and the merger contemplated hereby subject to the terms and conditions set forth herein; and

**WHEREAS**, TIG-Group, as the sole stockholder of TIG-CA, and TIG-CA, as the sole stockholder of each of Old Lyme, have duly approved and authorized this Agreement and the merger contemplated hereby subject to the terms and conditions set forth herein.

**NOW, THEREFORE**, the parties hereto, in consideration of the mutual covenants, agreements and provisions hereinafter contained, do hereby agree upon and prescribe the terms and conditions of such merger and the mode of carrying it into effect, as follows:

### **ARTICLE I MERGER AND SURVIVING CORPORATION**

**1.1 Merger.** Upon the terms and subject to the conditions hereof and in accordance with the provisions pertaining to the merging of domestic and foreign insurance corporations contained in the laws of the State of California, at the Effective Time, as defined in Section 1.3, Old Lyme shall be merged with and into TIG-CA (the "Merger").

**1.2 Surviving Corporation.** TIG-CA shall be the surviving corporation in the Merger (the "Surviving Corporation"). At the Effective Time, the separate existence of Old Lyme shall cease.

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SECRETARY OF STATE  
CORPORATIONS DIV  
2009 DEC 30 AM 11:38

**1.3 Effective Time.** Subject to the receipt of all required approvals of the Rhode Island Insurance Director and the California Insurance Commissioner, the Merger shall become effective as of the later of (i) November 30, 2009 and (ii) the filing of all required documents with the California Secretary of State (the "Effective Time"), provided that if the Effective Time is more than ninety (90) days after November 30, 2009, the Merger shall not become effective and this Agreement shall become void.

**1.4 Termination.** Notwithstanding anything to the contrary in this Agreement, this Agreement may be terminated at any time before the Effective Time by the mutual consent of the Boards of Directors of TIG-CA and Old Lyme or by the unilateral action of either of these Boards, if the terminating Board determines, in its sole discretion, that the consummation of this Agreement is, for any reason, inadvisable. TIG-CA and Old Lyme shall not have any liability to any other person by reason of the termination of this Agreement.

## **ARTICLE II TERMS, CONDITIONS AND EFFECTS OF MERGER**

**2.1 Articles of Incorporation.** The articles of incorporation of TIG-CA in effect at the Effective Time shall be the articles of incorporation of the Surviving Corporation, and shall not be amended by the Merger.

**2.2 Bylaws.** The bylaws of TIG-CA in effect at the Effective Time shall be the bylaws of the Surviving Corporation, and shall not be amended by the Merger.

**2.3 Directors and Officers.** The directors and officers of TIG-CA immediately prior to the Effective Time shall continue to be the directors and officers of the Surviving Corporation, to hold office until their respective successors shall have been elected and qualified as provided by the bylaws of the Surviving Corporation and California law.

**2.4 Effects of the Merger.** The Merger shall have the effects set forth in the laws of the State of California. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time:

(a) all the property, rights, privileges, franchises, patents, trademarks, licenses, registrations, choses in action, and other assets of every kind and description of Old Lyme shall transfer to, vest in and devolve upon the Surviving Corporation without further act or deed;

(b) all liens upon the property of Old Lyme and all rights of creditors of Old Lyme, including, without limitation, the rights of insurance policyholders and certificate holders, shall be preserved unimpaired as the liens upon the property of the Surviving Corporation;

(c) all debts, liabilities and duties of Old Lyme shall become the debts, liabilities and duties of the Surviving Corporation and may be enforced against it to the same extent as if said debts, liabilities and duties had been incurred or contracted by the Surviving Corporation; and

(d) all appointments heretofore made and in effect as of the Effective Time by Old Lyme of persons to act as its licensed agents are hereby ratified and accepted as its own by the Surviving Corporation, effective as of the Effective Time and the Surviving Corporation shall be bound by the acts of said agents in the same manner and to the same degree as was Old Lyme.

**2.5 Further Assurances.** Old Lyme hereby agrees, as and when requested by the Surviving Corporation, to execute and deliver or cause to be executed and delivered all such documents, deeds and instruments and to take or cause to be taken such further or other action as the Surviving Corporation may deem necessary or desirable in order to vest in and confirm to the Surviving Corporation title to and possession of any property of Old Lyme acquired or to be acquired by reason of or as a result of the Merger and otherwise to evidence or carry out the intent and purposes hereof.

### **ARTICLE III TREATMENT OF SHARES**

**3.1 TIG-CA Stock.** Each issued and outstanding share of TIG-CA shall not be affected by the Merger and shall continue to be outstanding at and after the Effective Time without any change and shall continue as a share of the Surviving Corporation.

**3.2 Old Lyme Stock.** At the Effective Time, all outstanding shares of the capital stock of Old Lyme shall be cancelled without consideration and retired and shall cease to exist.

### **ARTICLE IV MISCELLANEOUS**

**4.1 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws.

**4.2 Binding Agreement; No Third Party Beneficiaries.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

**4.3 Amendments.** At any time prior to the Effective Time, this Agreement may be amended in matters of form or substance, or supplemented by additional agreements, articles or certificates, to the extent permitted by the laws of the State of California, as may be approved by the Boards of Directors of TIG-CA and Old Lyme and their respective shareholders to be necessary, desirable or expedient to clarify the intention of the parties hereto or to effect or facilitate the filing, recording or official approval of this Agreement and the consummation hereof and the Merger provided for herein, in accordance with the purpose and intent of this Agreement.

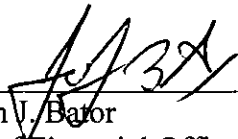
**4.4 Counterparts.** This Agreement may be executed by the parties thereto in

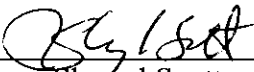
separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument.

\* \* \* \* \*

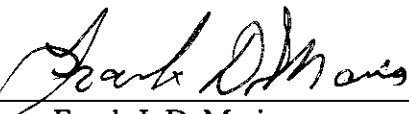
**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

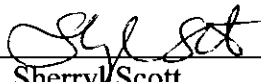
**TIG INSURANCE COMPANY**

By:   
Name: John J. Bator  
Title: Chief Financial Officer and Senior Vice President

By:   
Name: Sherryl Scott  
Title: Assistant Secretary

**OLD LYME INSURANCE COMPANY OF RHODE ISLAND, INC.**

By:   
Name: Frank J. DeMaria  
Title: President

By:   
Name: Sherryl Scott  
Title: Assistant Secretary