

AGREEMENT OF MERGER
OF
PENNSYLVANIA NATIONAL MUTUAL INSURANCE COMPANY
WITH AND INTO
PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY

THIS AGREEMENT of Merger entered into by and between the Directors of PENNSYLVANIA NATIONAL MUTUAL INSURANCE COMPANY, City of Harrisburg, Pennsylvania, (hereinafter referred to as "Pennsylvania National Mutual") and of PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY, City of Harrisburg, Pennsylvania (hereinafter referred to as "Pennsylvania National Casualty"), in conformity with the provisions of Sections 332, 333, 334, 335, 336 and 352 of "The Insurance Company Law of 1921", the Act of May 17, 1921, P.L. 682, as amended.

WHEREAS, Pennsylvania National Mutual is a mutual fire insurance company, having been incorporated May 22, 1909 under the Act of May 1, 1876, P.L. 53 under the name of "The Blair County Mutual Fire Insurance Company" to write fire insurance, as recorded in the office of the Secretary of the Commonwealth on May 22, 1909 in Charter Book No. 48, at page 139, and recorded in the Office of the Recorder of Deeds for Blair County on April 23, 1932 in Charter Book "K" at page 126; and an amendment to the Company's Charter under Section 322 of "The Insurance Company Law of 1921", the Act of May 17, 1921, P.L. 682, as amended, changing the Company's name to "Pennsylvania Threshermen and Farmers' Mutual Fire Insurance Company", with principal office at City of Harrisburg.

Dauphin County, Pennsylvania, and enlarging its indemnity powers to include the fire and marine powers mentioned in Paragraphs (1) and (2) of Subdivision (b) of Section 202 of the said Insurance Company Law of 1921, as amended, was approved by Governor Edward Martin on July 10, 1944 and recorded on the same day in the office of the Secretary of the Commonwealth in C.B.C. Roll 44-7, films 76 to 83 inclusive, and recorded on July 21, 1944 in the Office of the Recorder of Deeds for Dauphin County in Charter Book Vol. R, page 491, and on July 25, 1944 in the Office of the Recorder of Deeds for Blair County in Charter Book "O", page 1; and an amendment to and restatement in its entirety of the Company's Charter under Sections 322 and 352 of the above-cited Insurance Company Law of 1921, as amended, enlarging its underwriting powers to include the fire, marine and casualty powers mentioned in Paragraphs (1) and (2) of subdivision (b) and in Paragraphs (1) to (13) inclusive of subdivision (c) of Section 202 of the above cited Insurance Company Law of 1921, as amended, was approved by Governor George M. Leader on March 14, 1955 and recorded on the same day in the office of the Secretary of the Commonwealth at 3 - 1 - 55.08, films 1144 to 1152 inclusive, and recorded on March 21, 1955 in the Office of the Recorder of Deeds of Dauphin County in Charter Book "v" at page 205; and an amendment to the Company's Charter under Section 322 of the above cited Insurance Company Law of 1921, as amended, changing the Company's name to "Pennsylvania National Mutual Insurance Company", was approved by Governor William W. Scranton on January 23, 1963 and recorded on the same day in the Office of the Secretary of the Commonwealth at 3-1-63.01, films 1280 to 1287 inclusive, and recorded in the Office of the Recorder of Deeds of Dauphin County on April 1, 1963 in Charter Book "C", Vol. 2 at page 449;

WHEREAS, Pennsylvania National Casualty is a domestic mutual casualty insurance company, which was incorporated as "Penna. Threshermen's & Farmers' Mutual Casualty Insurance Company" on

January 6, 1919 under the Act of July 11, 1917, P.L. 782, to write certain casualty insurance, the Charter having been recorded in the office of the Secretary of the Commonwealth on January 6, 1919 in Charter Book No. 170 at page 102, and in the Office of the Recorder of Deeds for Dauphin County on January 17, 1919 in Charter Book "L", Volume 1, at page 192; and an amendment to the Company's Charter under Section 322 of the Insurance Company Law of 1921, the Act of May 17, 1921, P. L. 682, as amended, changing its name to "Pennsylvania Threshermen & Farmers' Mutual Casualty Insurance Company", was approved by Governor Edward Martin on February 11, 1943 and recorded on the same day in the office of the Secretary of the Commonwealth at CBC, Roll 43-2, films 1073 to 1079 inclusive, and recorded in the Office of the Recorder of Deeds of Dauphin County on February 18, 1943 in Charter Book "R" at page 353; and a further amendment to and restatement of the Company's Charter under Sections 322 and 352 of the above cited "The Insurance Company Law of 1921", as amended enlarging its underwriting powers to include the insurances mentioned in Paragraphs (1) and (2) of Subdivision (b) and in Paragraphs (1) to (13) inclusive of Subdivision (c) of Section 202 of the above-cited The Insurance Company Law of 1921, as amended, was approved by Governor James H. Duff on December 1, 1949, and on the same day recorded in the office of the Secretary of the Commonwealth at 3-1-49.28, films 581 to 594 inclusive, and recorded in the Office of the Recorder of Deeds of Dauphin County on December 2, 1949, in Charter Book "T" at page 22; and a further amendment to the Company's Charter under Section 322 of the above cited The Insurance Company Law of 1921, as amended, changing the Company's name to "Pennsylvania National Mutual Casualty Insurance Company", was approved by Governor William W. Scranton on January 23, 1963, and on the same day recorded in the Office of the Secretary of the Commonwealth at 3-1-63.01, films 1288 to 1295 inclusive and recorded in the Office of the Recorder of Deeds of Dauphin County on April 1, 1963

in Charter Book C, Volume 2, page 441.

And an Agreement of Merger, dated September 11, 1963, between Mutual Insurance Company of Pennsylvania and Pennsylvania National Mutual Casualty Insurance Company to form a mutual casualty insurance company to be known as "Pennsylvania National Mutual Casualty/ Insurance Company", with authority to write the insurances mentioned in Paragraphs (1), (2) and (3) of subdivision (b) and Paragraphs (1) to (13) inclusive of subdivision (c) and subdivision (e) of the above cited Insurance Company Law of 1921, as amended, was approved by letters patent issued by Governor William W. Scranton on December 20, 1963, the said proceedings being recorded on the same day in the Office of the Secretary of the Commonwealth at 3-1-63.34, films 1012 to 1039 inclusive and recorded in the Office of the Recorder of Deeds of Dauphin County on January 2, 1964 in Charter Book "D" Volume 2, at pages 379 to 406 inclusive; and

WHEREAS, Pennsylvania National Mutual and Pennsylvania National Casualty (hereinafter referred to as the "Constituent Companies") are transacting the same or similar lines or classes of insurance, and it is deemed to be to the interest and advantage of each of the said companies and their respective members and policyholders that the said companies be merged, the surviving company to be a mutual casualty insurance company to be known as "Pennsylvania National Mutual Casualty Insurance Company" and that their business and good will and assets be carried on and held by the said surviving company.

NOW THEREFORE, THIS AGREEMENT WITNESSETH: That in consideration of the premises and of the mutual covenants and premises herein contained, and of the mutual advantages inuring to each of them, the parties hereto agree as follows:

1. Upon the adoption and approval of this Agreement by vote of two-thirds in amount of the members of each of the Constituent

Companies, who are present in person or by proxy at separate special meetings of such members, to be held on November 16, 1967 at 10:00 o'clock A.M., and 10:30 o'clock A.M., Eastern Daylight Saving Time, respectively, at the principal office of the Constituent Companies, notice of which is to be given by the Secretaries of the Constituent Companies in compliance with the requirements of Section 333 (c) of The Insurance Company Law of 1921, the Act of May 17, 1921, P.L. 682, as amended, and upon approval by the Insurance Commissioner and by the Governor of the Commonwealth of Pennsylvania, and upon compliance with all other legal requirements, the said Constituent Companies shall be merged, the surviving company to be a mutual casualty insurance company to be known as "Pennsylvania National Mutual Casualty Insurance Company" (hereinafter referred to as the "Surviving Company"), which shall possess all of the rights, privileges, franchises and property heretofore vested in and to which each of the parties hereto is entitled.

2. The Charter of the Surviving Company in its entirety shall be, until and unless amended as provided by law, as follows:

CHARTER
OF
PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY

FIRST: The name by which this Company shall be known is "Pennsylvania National Mutual Casualty Insurance Company".

SECOND: The classes of insurance for which the Company is constituted are as provided in Paragraphs (1), (2) and (3) of Subdivision (b) and Paragraphs (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (12), (13) of Subdivision (c), and Subdivision (e) of Section 202 of "The Insurance Company Law of 1921", the Act of May 17, 1921, P. L. 682, as amended, namely for making insurances:

Subdivision (b)

(1) On dwelling houses, stores, and all kinds of buildings, and household furniture and other property, -against loss or damage, including loss of use or occupancy, by fire, smoke, smudge, lightning, and explosion, whether fire ensue or not, and by tornadoes, cyclones, wind-storms, earthquakes, hail, frost, sleet, snow, or flood; against loss or damage by water to any goods or premises, arising from the breakage or leakage of sprinklers, pumps, or other apparatus erected for extinguishing fires, and of water pipes against accidental injury to such sprinklers, pumps, or other apparatus; against loss or damage caused by the caving in of the surface of the earth above coal mines; against perils to property arising from the ownership or maintenance or from the use of aircraft, automobiles, or other motor vehicles; against loss or damage caused by bombardment, invasion, insurrection, riot, civil war, or commotion, and military or usurped power; and against damage to property as specified in this paragraph by any or all risks not herein specifically designated; and to effect reinsurance of any risk provided for in this clause.

(2) Upon vessels, boats, cargoes, goods, personal property, merchandise, freight and other property, -against loss or damage by all or any of the risks of lake, river, canal, and inland navigation and transportation, including all personal property floater risks; upon automobiles, airplanes, seaplanes, dirigibles, or other aircraft, whether stationary or in operation or in transit, against loss or damage by fire, explosion, transportation, collision, or by burglary, larceny, or theft; not including, in any case, insurances against loss by reason of bodily injury to the person; and to effect reinsurance of any risk provided for in this clause.

(3) Upon vessels, freight, goods, wares, merchandise, specie, bullion, jewels, profit, commissions, bank notes, bills of exchange, and other evidence of debt, bottomry and respondentia interests, and every insurance appertaining to or connected with marine risks, and risks of transportation and navigation; and to effect reinsurance of any risk provided for in this clause.

Subdivision (c)

(1) Guaranteeing the fidelity of persons holding places of public or private trust; guaranteeing the performance of contracts, other than insurance policies guaranteeing the performance of insurance contracts, where surety bonds are accepted from insurance companies by state or municipalities in lieu of actual deposits; executing or guaranteeing bonds and undertakings required or permitted in all actions or proceedings or by law allowed; and indemnifying banks, bankers, brokers, financial or moneyed associations, or financial or moneyed corporations, against the loss of any bills of exchange, notes, drafts, acceptances of drafts, bonds, securities, evidences of debt, deeds, mortgages, warehouse receipts, bills of lading, documents, currency, money, gold, platinum, silver and other precious metals, refined or unrefined, and articles made therefrom, jewelry, watches, necklaces, bracelets, gems, precious and semi-precious stones, and also against loss resulting from damage, except by fire, to the insured's premises, furnishings, fixtures, equipment, safes and vaults therein, caused by burglary, robbery, hold-up, theft, or larceny, or attempt thereat, except against loss caused by marine risks or risks of transportation or navigation; Provided, however, that indemnification against the loss of such property may include loss occurring during transportation by and

armored motor vehicle accompanied by one or more armed guards. Also guaranteeing any Federal Land Bank against loss by reason of defective title or incumbrances on real property on which any such Federal Land Bank may make a loan secured by a mortgage.

(2) To insure against injury, disablement, or death resulting from traveling or general accident, and against disablement resulting from sickness, and every insurance appertaining thereto, including a funeral benefit to an amount not exceeding one hundred dollars.

(3) To insure against loss of, and damage to, glass, including lettering and ornamentation thereon, and the frame in which the glass is set, resulting from breakage of the insured glass.

(4) To insure any one against loss or damage resulting from accident to, or injury, fatal or non-fatal, suffered by an employee or other person, for which the person insured is liable, to insure against medical, hospital, surgical and funeral expenses incurred by or on behalf of the persons accidentally injured, including the person insured, and in the case of automobile liability insurance, including also an obligation of the insurer to pay disability benefits to injured persons and death benefits to dependents, beneficiaries or personal representatives of persons who are killed, irrespective of the legal liability of the insured when such insurance is issued with and supplemental to such liability insurance; to insure against loss or damage to property caused by horses, or by any vehicle drawn by animal power, for which loss or damage the person insured is liable; and to insure against loss or damage to property, for which loss or damage the person insured is liable, but not including any kind of property damage insurance specified in other paragraphs of this section.

(5) To insure steam boilers, and pipes, flywheels, engines, and machinery connected therewith or operated thereby, against loss caused by explosion or accident; and against loss of or damage to life, person, or property resulting therefrom; and against loss of use and occupancy caused thereby; and to make inspection of, and issue certificates of inspection upon, such boilers, pipes, flywheels, engines and machinery.

(6) To insure against loss or damage by burglary, larceny, theft, robbery, forgery, fraud, vandalism or malicious mischief (or any one or more of such hazards), and to insure against any and all kinds of loss or destruction of, or damage to, moneys, securities, currencies, scrip, coins, bullion, bonds, notes, drafts, bills of exchange, and other valuable papers or documents, except while in the custody or possession of, and being transported by, a carrier for hire or in the mail, and against loss or damage to automobiles and aircraft by burglary, larceny or theft, vandalism or malicious mischief, confiscation or wrongful conversion, disposal or concealment, whether held under conditional sale contract or subject to chattel mortgages, or otherwise, or any one of more of such hazards.

(7) To carry on the business of credit insurance or guaranty, either by agreeing to purchase uncollectible debts or otherwise; and to insure against loss or damage from the failure of persons indebted to the insured to meet their liabilities.

(8) To insure any goods or premises against loss or damage by water or other fluid, caused by the breakage or leakage of

sprinklers, pumps, or other apparatus, erected for extinguishing fires, or of other conduits or containers, or of water pipes, or caused by casual water entering through leaks or openings in buildings; and against accidental injury, from causes other than fire or lightening, to such sprinklers, pumps, water pipes, conduits, containers, or other apparatus; and against damage from use or occupancy of premises by reason of such loss or damage.

(9) To insure against loss or damage to elevators or other property, except loss or damage by fire, caused by the maintenance, operation, or use of elevators and machinery; loss or legal liability for damage to property resulting from such operation, maintenance, or use of elevators.

(10) To insure horses, cattle, and other livestock.

(11) To insure against loss or damage to automobiles and airplanes, seaplanes, dirigibles, or other aircraft (except loss or damage by fire or while being transported in any conveyance by land or water), including loss by legal liability for damage to property resulting from the maintenance and use of automobiles and airplanes, seaplanes, dirigibles, or other aircraft.

(12) To insure against loss or damage to machinery pumps, transporting, hoisting and ventilating apparatus, and equipment of mines while located underground, and loss or damage to underground passageways, gangways, airways, drifts, slopes, shafts, overcasts, and stoppings in the mines.

Provided, however, that any casualty company which is authorized to transact business in this Commonwealth shall not expose itself to any loss or hazard or any one risk authorized by this paragraph in an amount exceeding ten per centum of its capital and surplus, unless it shall be protected in excess of that amount by reinsurance.

(13) To insure by means of an all-risk type of policy, commonly known as "The personal Property Floater Policy", against all risks of loss of or damage to personal property owned by any individual other than merchandise, motor vehicles, aircraft, water-craft (excepting canoes, rowboats, sailboats less than twenty-one feet in length and outboard motor boats), or, personal property, pertaining to the business trade or profession of the insured (excepting professional books, instruments and other professional equipment owned by the insured).

Subdivision (e)

Any other form of insurance not included in Section 202, if such insurance is not contrary to law and is allied or in harmony with the classes of insurance therein provided, such additional insurance to be transacted only on express license by the Insurance Commissioner and upon such terms and conditions as are from time to time prescribed by him.

THIRD: The plan or principle on which the business is to be conducted is the mutual plan or principle.

FOURTH: The place in which the company is to be established or located is in the City of Harrisburg, in the County of Dauphin, in the Commonwealth of Pennsylvania.

FIFTH: The general objects of the company are to make insurances against losses as set forth in Article Second above.

SIXTH: The duration of the company is perpetual.

SEVENTH: The powers which the company proposes to have and exercise are: to have succession as hereinbefore provided; to have a common seal and the same to alter at pleasure; to sue and to be sued; to exercise the powers of a corporate body; to make such contracts as may be necessary for its corporate purposes; to purchase or lease such real estate as may be necessary for a place or places of business, and for the security of investments; to adopt by-laws and alter the same from time to time; and generally to exercise all the powers authorized or permitted by the laws of the Commonwealth of Pennsylvania to such insurance companies.

EIGHTH: The number of Directors shall be eleven (11) but which may be increased or decreased from time to time, provided however, there shall never be less than seven (7).

3. All of the assets of Pennsylvania National Mutual and Pennsylvania National Casualty, the Constituent Companies, subject to the liabilities of each of such companies, and the surplus of each of such companies held for the benefit and protection of its members shall be transferred to the Surviving Company upon the effective date of the merger, as hereinafter set forth in Paragraph 8 of this Agreement.

4. The first By-laws of the Surviving Company shall be the By-laws of Pennsylvania National Casualty as existing immediately preceding the effective date of the merger.

5. The number of Directors of the Surviving Company shall be eleven (11) until the same is increased or decreased as provided by law. They shall be chosen by vote of the members at the annual meeting of the members of the Surviving Company in accordance with its By-laws. The names and residence addresses of these Directors, all of whom are members and Policyholders of one of the Constituent Companies and are citizens of the United States, who will act as such until the next annual meeting of the members of the Surviving Company, are as follows:

R. L. Shaffer	24 S. 2nd Street, Harrisburg, Pa., 17101
Alfred B. Smith	1229 Derry St. Harrisburg, Pa.
C. E. Mills	3613 Brisban Street, Harrisburg, Pa.
J. V. Wherry	Grove City, Pa.
R. E. Morgenthaler	4411 W. 66 Terrace, Prairie Village, Kansas
T. G. Rigling	114 Poplar Ave., New Cumberland, Pa.
C. C. Jennings	3700 N. Charles Street, Baltimore, Md.
C. E. Noggé, Jr.	416 Trudy Rd, Harrisburg, Pa.
T. M. Rutherford	260 Eddington Ave., Harrisburg, Pa.
Clay C. Hess	Collegeville, R.D. #2, Pennsylvania
R. R. Thompson	425 Berryhill Rd., Harrisburg, Pa.

6. The number of Officers of the Surviving Company shall be five (5) until the same is changed in accordance with the By-laws; a President and an Executive Vice President, a Board Chairman, a Secretary and Treasurer. The names and residence addresses of those who shall be Officers until the next organization meeting of the Board of Directors, are as follows:

President

R. L. Shaffer 24 S. 2nd St., Harrisburg, Pa., 17101

Executive Vice Pres.

C. E. Mills 3613 Brisban St., Harrisburg, Pa.

Chairman of the Board of Directors

J. V. Wherry

Grove City, Pennsylvania

Secretary

Alfred B. Smith

1229 Derry Street
Harrisburg, Pennsylvania

Treasurer

C. E. Mills

3613 Brisban Street, Harrisburg, Pa.

7. This merger shall be effective on the date the entire proceedings shall be recorded in the Office of the Recorder of Deeds of the proper county in accordance with Section 334 of the said Insurance Company Law of 1921, as amended. The officers of the constituent Companies are hereby authorized to make such alterations, revisions or amendments to this Agreement by a Supplemental Agreement or otherwise as may be required by the Insurance Commissioner or by the Governor of the Commonwealth of Pennsylvania, as a condition precedent to approval.

8. Upon this merger becoming effective, all the rights, privileges, powers and franchises, and all the estate and property, real and personal, and rights of action of each of the Constituent Companies, shall be deemed and taken to be transferred to and vested in the Surviving Company without any other or further act or deed. All rights of creditors and all liens upon the property of each of said companies shall continue unimpaired, limited in lien to the property affected by such liens at the time of the creation of the same, and the respective Constituent Companies may be deemed to be in existence to preserve the same. All debts not of record, duties and liabilities of each of said Constituent Companies, including any obligations, definite or contingent, arising from advances to the surplus of either company, shall thenceforth attach to the Surviving Company, and may be enforced against it to the same extent and by the same process as if said debts, duties and liabilities, including advances to surplus, had been incurred or contracted by it. No action or proceeding pending at the time

of the merger, to which any of the Constituent Companies may be a party, shall be abated or discontinued by reason of the merger, but the same may be prosecuted to final judgment in the same manner as if the merger had not taken place, or the Surviving Company may be substituted in place of any such Constituent Companies by Order of the Court in which the action or proceeding may be pending.

9. Upon the effective date of this merger, all members and policyholders of each of the Constituent Companies shall automatically become members and policyholders of the Surviving Company.

IN WITNESS WHEREOF, the Directors of Pennsylvania National Mutual Insurance Company and of Pennsylvania National Mutual Casualty Insurance Company and the President and Secretary of the respective companies, by authorization of the Board of Directors of said companies, have hereunto set their hands and caused the corporate seals of the respective companies to be hereunto affixed this 16th day of November 1967.

DIRECTORS OF PENNSYLVANIA NATIONAL MUTUAL INSURANCE COMPANY

C. C. Jennings
C. C. JENNINGS

R. L. Shaffer
R. L. SHAFER

C. E. Mills
C. E. MILLS

Alfred B. Smith
ALFRED B. SMITH

C. E. Noggle Jr.
C. E. NOGGLE, JR.

R. R. Thompson
R. R. THOMPSON

T. G. Rigling
T. G. RIGLING

W. C. Weaver
W. C. WEAVER

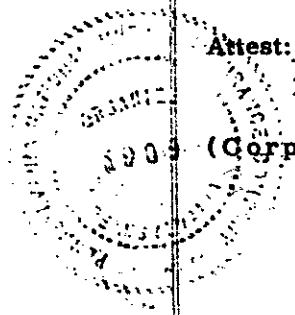
T. M. Rutherford
T. M. RUTHERFORD

J. V. Wherry
J. V. WHERRY

PENNSYLVANIA NATIONAL MUTUAL INSURANCE COMPANY

BY: R. L. Shaffer
R. L. SHAFER, President

Attest: R. R. Thompson
R. R. Thompson, Secretary



(Corporate Seal)

DIRECTORS OF PENNSYLVANIA NATIONAL MUTUAL CASUALTY
INSURANCE COMPANY

C. C. Hess
C. C. HESS

T. M. Rutherford
T. M. RUTHERFORD

C. C. Jennings
C. C. JENNINGS

R. L. Shaffer
R. L. SHAFFER

C. E. Mills
C. E. MILLS

Alfred B. Smith
ALFRED B. SMITH

R. E. Morgenthaler
R. E. MORGENTHALER

V. Wherry
V. WHERRY

T. G. Rigling
T. G. RIGLING

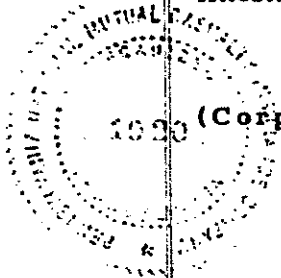
R. R. Thompson
R. R. THOMPSON

C. E. Noggle Jr.
C. E. NOGGLE, JR.

PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY

BY: R. L. Shaffer
R. L. SHAFFER, President

Attest: Alfred B. Smith
Alfred B. Smith, Secretary



(Corporate Seal)

COMMONWEALTH OF PENNSYLVANIA

:SS

COUNTY OF DAUPHIN

On the 16th day of November, 1967, before me the subscriber a Notary Public of the Commonwealth of Pennsylvania, residing in the County of Dauphin, personally appeared the below named

- | | |
|-------------------|-----------------|
| C. C. JENNINGS | R. L. SHAFFER |
| C. E. MILLS | ALFRED B. SMITH |
| C. E. NOGGLE, JR. | R. R. THOMPSON |
| T. G. RIGLING | W. C. WEAVER |
| T. M. RUTHERFORD | J. V. WHERRY |

Directors of Pennsylvania National Mutual Insurance Company and in due form of law acknowledged the foregoing Agreement of Merger to be their act and deed as Directors of the said Corporation, and the act and deed of said Corporation, and desire the same to be recorded as such.

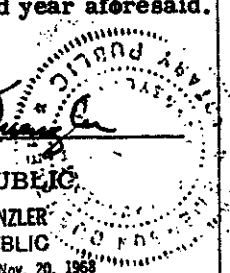
WITNESS my hand and notarial seal the day and year aforesaid.

Emerson Quenzler

NOTARY PUBLIC

EMERSON QUENZLER
NOTARY PUBLIC

My Commission Expires Nov. 20, 1968
Harrisburg, Pa. Dauphin County



COMMONWEALTH OF PENNSYLVANIA
COUNTY OF DAUPHIN :SS

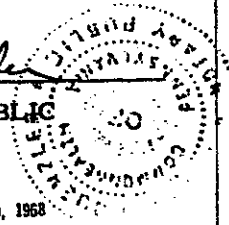
On the 16th day of November, 1967, before me, the subscriber,
a Notary Public of the Commonwealth of Pennsylvania, residing in the
County of Dauphin, personally appeared the below named

- | | |
|--------------------|-------------------|
| C. C. HESS | R. L. SHAFFER |
| ALFRED B. SMITH | C. E. MILLS |
| J. V. WHERRY | C. C. JENNINGS |
| R. G. RIGLING | T. M. RUTHERFORD |
| R. E. MORGANTHALER | R. R. THOMPSON |
| | C. E. NOGGLE, JR. |

Directors of Pennsylvania National Mutual Casualty Insurance Company
and in due form of law acknowledged the foregoing Agreement of Merger
to be their act and deed as Directors of the said Corporation, and the
act and deed of said Corporation, and desire the same to be recorded as
such.

WITNESS my hand and notarial seal the day and year aforesaid.

Emerson Quenzler
 NOTARY PUBLIC
 EMERSON QUENZLER
 NOTARY PUBLIC
 My Commission Expires Nov. 20, 1968
 Harrisburg, Pa. Dauphin County



COMMONWEALTH OF PENNSYLVANIA

:SS

COUNTY OF DAUPHIN

R. R. THOMPSON, being duly sworn according to law, deposes and says that he is the Secretary of Pennsylvania National Mutual Insurance Company, that the books and records of said Company are in his custody and under his control, that the below named

- | | |
|-------------------|-----------------|
| C. C. JENNINGS | R. L. SHAFFER |
| C. E. MILLS | ALFRED B. SMITH |
| C. E. NOGGLE, JR. | R. R. THOMPSON |
| T. G. RIGLING | W. C. WEAVER |
| T. M. RUTHERFORD | J. V. WHERRY |

whose signatures appear in execution of the foregoing Agreement of Merger are all of the Directors of said Company, that the signatures of said persons so signing as directors are genuine and in their own proper handwriting, as are the signatures of the President and Secretary of said Company, that he was present at the execution of the said Agreement and saw the corporate seal of said Company affixed thereto, and that the seal so affixed is the corporate seal of said Company.

R. R. Thompson
R. R. THOMPSON, Secretary

Sworn to and Subscribed
before me this 16th day
of November, A. D., 1967.

Emerson Quenzler
EMERSON QUENZLER
NOTARY PUBLIC
My Commission Expires Nov. 20, 1968
Harrisburg, Pa. Dauphin County

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF DAUPHIN :SS

ALFRED B. SMITH, being duly sworn according to law, deposes and says that he is the Secretary of Pennsylvania National Mutual Casualty Insurance Company, that the books and records of said Company are in his custody and under his control, that the below named

- | | |
|--------------------|------------------|
| C. C. HESS | R. L. SHAFFER |
| ALFRED B. SMITH | C. E. MILLS |
| J. V. WHERRY | C. C. JENNINGS |
| T. G. RIGLING | T. M. RUTHERFORD |
| R. E. MORGANTHALER | R. R. THOMPSON |

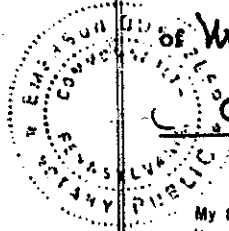
C. E. NOGGLE, JR.

whose signatures appear in execution of the foregoing Agreement of Merger are all of the Directors of said Company, that the signatures of said persons so signing as directors are genuine and in their own proper handwriting, as are the signatures of the President and Secretary of said Company, that he was present at the execution of the said Agreement and saw the corporate seal of said Company affixed thereto, and that the seal so affixed is the corporate seal of said Company.

Alfred B. Smith
ALFRED B. SMITH, Secretary

SWORN TO AND SUBSCRIBED

before me this 16th day
of *November*, A. D., 1967.



Emerson Quenzler
EMERSON QUENZLER
NOTARY PUBLIC
My Commission Expires Nov. 20, 1968
Harrisburg, Pa. Dauphin County

CERTIFICATE OF MERGER
OF
PENNSYLVANIA NATIONAL MUTUAL INSURANCE COMPANY
WITH AND INTO
PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY

TO THE INSURANCE COMMISSIONER OF THE
COMMONWEALTH OF PENNSYLVANIA:

In compliance with the provisions of Sections 332, 333, 334, 335, 336 and 352 of "The Insurance Company Law of 1921", the Act of May 17, 1921, P. L. 682, as amended, the Secretary of Pennsylvania National Mutual Casualty Insurance Company hereby certifies as follows:

At a regular meeting of the Board of Directors of Pennsylvania National Mutual Casualty Insurance Company held on July 20, 1967, and at a Special Meeting of said Board of Directors on November 16, 1967, it was resolved unanimously that an Agreement of Merger, providing for the merger of Pennsylvania National Mutual Insurance Company with and into Pennsylvania National Mutual Casualty Insurance Company be approved and adopted; that the Directors be authorized to enter into and execute said Agreement and the President and Secretary be authorized to join in said Agreement; that proper notice be given in compliance with the Company's By-laws and the laws of this Commonwealth to the members of the Company of a Special Meeting of such members to be held on Thursday, November 16, 1967, at the principal office of the Company, for the purpose of voting by ballot for the adoption or rejection of said Agreement of Merger; and that proxy forms for proxy voting at said Special Meeting be mailed to the members in advance of said Meeting.

Notice of the Special Meeting of the members of Pennsylvania

National Mutual Casualty Insurance Company to be held on Thursday, November 16, 1967, was on or before October 9, 1967, sent by first class mail to all such members at the last known address of such members on the records of the company. Notice of such Special Meeting was given also by publication once a week for three consecutive weeks in the Patriot and The Evening News on October 13, 20, 27 and November 3, 1967, both being newspapers of general circulation in Dauphin County where the principal office of the said company is located, and in the Dauphin County Reporter, the duly designated legal newspaper for Dauphin County, on October 13, 20, 27 and November 3, 1967. The said notices by first class mail and by publication were in compliance with the Company's By-laws and with Section 333 of The Insurance Company Law of May 17, 1921, P.L. 682, as amended, and set forth the time, place and object of such Special Meeting, explained the general nature of the Agreement of Merger, which could be inspected and examined at the principal office of the Company, and advised that members might vote in person or by proxy for adoption and approval or rejection of the Agreement of Merger.

At the Special Meeting of the members of Pennsylvania National Mutual Casualty Insurance Company held on November 16, 1967, at the principal office of the Company at 1900 Derry Street, Harrisburg, Pennsylvania, an Agreement of Merger, which has been executed by all of the Directors and joined in by the respective Presidents and Secretaries of Pennsylvania National Mutual Insurance Company and of Pennsylvania National Mutual Casualty Insurance Company, was submitted and considered. A vote having been taken by written ballot of 2314 members who were present in person or by proxy for adoption and approval or rejection of the said Agreement of Merger, 66 present in person and 2230 members present by proxy voted in favor of adoption and approval of the said Agreement, and 1 member present in person and 34 members by proxy

voted against approval of the said Agreement, so that more than two-thirds in amount of the members who were present in person or by proxy voted in favor of the said Agreement.

The above-mentioned Agreement of Merger which was submitted to and adopted at the said Special Meeting of the members of the said company, is attached to this certificate.

IN WITNESS WHEREOF, Pennsylvania National Mutual Casualty Insurance Company, City of Harrisburg, Dauphin County, Pennsylvania, has caused this Certificate of Merger to be subscribed and attested by its Secretary under its corporate seal this 16th day of November 1967.

PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY



A. B. SMITH
Secretary

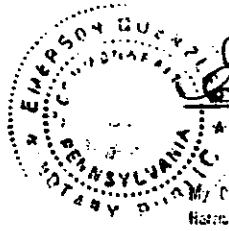
COMMONWEALTH OF PENNSYLVANIA :
 SS
COUNTY OF DAUPHIN : :

On the 16th day of November, 1967 , before me, the
subscriber, a Notary Public of the Commonwealth of Pennsylvania,
residing in the County of Dauphin, personally appeared the above-
named A. B. Smith, who being duly sworn according to law, did
depose and say that he is the Secretary of the above-named
Pennsylvania National Mutual Casualty Insurance Company, Harrisburg,
Pennsylvania, and that he has affixed his signature to the foregoing
Certificate of Merger, which also appears on this affidavit, in his
official capacity as such Secretary.

A. B. Smith

A. B. Smith
Secretary

Sworn to and subscribed
before me this 16th day
of November, 1967

 *Emerson Quenzler*

EMERSON QUENZLER
NOTARY PUBLIC
My Commission Expires Nov. 20, 1968
Harrisburg, Pa. Dauphin County

CERTIFICATE OF MERGER
OF
PENNSYLVANIA NATIONAL MUTUAL INSURANCE COMPANY
WITH AND INTO
PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY

TO THE INSURANCE COMMISSIONER OF THE
COMMONWEALTH OF PENNSYLVANIA:

In compliance with the provisions of Sections 332, 333, 334, 335, 336 and 352 of "The Insurance Company Law of 1921", the Act of May 17, 1921, P. L. 682, as amended, the Secretary of Pennsylvania National Mutual Insurance Company hereby certifies as follows:

At a regular meeting of the Board of Directors of Pennsylvania National Mutual Insurance Company held on July 20, 1967, and at a Special Meeting of said Board of Directors on November 16, 1967, it was resolved unanimously that an Agreement of Merger providing for the merger of Pennsylvania National Mutual Insurance Company with and into Pennsylvania National Mutual Casualty Insurance Company be approved and adopted; that the Directors be authorized to enter into and execute said Agreement and the President and Secretary be authorized to join in said Agreement; that proper notice be given in compliance with the Company's By-laws and the laws of this Commonwealth to the members of the Company of a Special Meeting of such members to be held on Thursday, November 16, 1967 at the principal office of the Company, for the purpose of voting by ballot for the adoption or rejection of said Agreement of Merger; and that proxy forms for proxy voting at said Special Meeting be mailed to the members in advance of said Meeting.

Notice of the Special Meeting of the members of Pennsylvania National Mutual Insurance Company to be held on November 16, 1967, was on or before October 9, 1967, sent by first class mail to all such members at the last known address of such members on the records of the company. Notice of such Special Meeting was given also by publication once a week

for three consecutive weeks in the Patriot and the Evening News on October 13, 20, 27 and on November 3, 1967, both being newspapers of general circulation in Dauphin County where the principal office of the said company is located, and in the Dauphin County Reporter, the duly designated legal newspaper for Dauphin County on October 13, 20, 27 and on November 3, 1967. The said notices by first class mail and by publication were in compliance with the Company's By-laws and with Section 333 of The Insurance Company Law of May 17, 1921, P. L. 682, as amended, and set forth the time, place and object of such Special Meeting, explained the general nature of the Agreement of Merger, which could be inspected and examined at the principal office of the Company, and advised that members might vote in person or by proxy for adoption and approval or rejection of the Agreement of Merger.

At the Special Meeting of the members of Pennsylvania National Mutual Insurance Company held on November 16, 1967, at the principal office of the company at 1900 Derry Street, Harrisburg, Pennsylvania, an Agreement of Merger, which has been executed by all of the Directors and joined in by the respective Presidents and Secretaries of Pennsylvania National Mutual Insurance Company and of Pennsylvania National Mutual Casualty Insurance Company, was submitted and considered. A vote having been taken by written ballot of 550 members who were present in person or by proxy for adoption and approval or rejection of the said Agreement of Merger, 71 members present in person and 470 members present by proxy voted in favor of adoption and approval of the said Agreement, and no members present in person and 8 members by proxy voted against approval of the said Agreement, so that more than two thirds in amount of the members who were present in person or by proxy voted in favor of the said Agreement.

The above mentioned Agreement of Merger which was submitted to and adopted at the said Special Meeting of the members of the said company, is attached to this certificate.

IN WITNESS WHEREOF, Pennsylvania National Mutual Insurance Company of Harrisburg, Dauphin County, Pennsylvania, has caused this Certificate of Merger to be subscribed and attested by its Secretary under its corporate seal this 16th day of November, 1967.

PENNSYLVANIA NATIONAL MUTUAL INSURANCE COMPANY




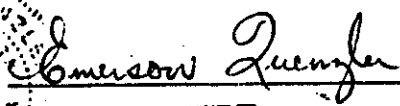
R. R. THOMPSON
SECRETARY

COMMONWEALTH OF PENNSYLVANIA :
COUNTY OF DAUPHIN : SS

On the 16th day of November, 1967, before me, the subscriber a Notary Public of the Commonwealth of Pennsylvania, residing in the County of Dauphin, personally appeared the above-named R. R. Thompson who being sworn according to law, did depose and say that he is the Secretary of the above-named Pennsylvania National Mutual Insurance Company of Harrisburg, Pennsylvania, and that he has affixed his signature to the foregoing Certificate of Merger, which also appears on this affidavit in his official capacity as such Secretary.


R. R. THOMPSON
Secretary

Sworn to and subscribed
before me this 16th day
of November, 1967



EMERSON QUENZLER
NOTARY PUBLIC
My Commission Expires Nov. 20, 1968
Harrisburg, Pa. Dauphin County

COMMONWEALTH OF PENNSYLVANIA

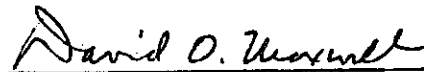
INSURANCE DEPARTMENT

Harrisburg, Pennsylvania

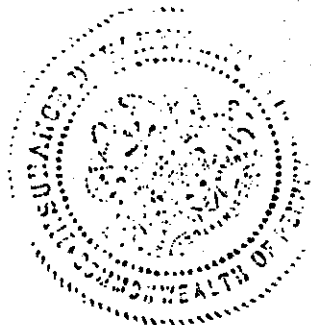
November 22 , 1967

To His Excellency, the Governor of
the Commonwealth of Pennsylvania:

In accordance with the provisions and requirements of Section 333 of the Act of the General Assembly of the Commonwealth of Pennsylvania, approved, May 17, 1921, P. L. 682, entitled "An Act relating to insurance, amending, revising and consolidating the law, providing for the incorporation of insurance companies, and the regulation, supervision and protection of home and foreign insurance companies, etc." and amendments and supplements thereto, I have examined the Agreement of Merger of Pennsylvania National Mutual Insurance Company, Harrisburg, Pennsylvania with and into Pennsylvania National Mutual Casualty Insurance Company, Harrisburg, Pennsylvania, and the proceedings in connection therewith, and find the same to be in accordance with law and not injurious to the interests of the policyholders and creditors, and the same is hereby approved.



David O. Maxwell
Insurance Commissioner



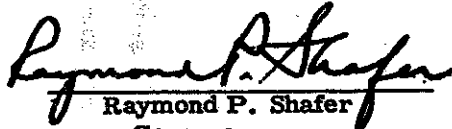
EXECUTIVE DEPARTMENT
OFFICE OF THE GOVERNOR

Harrisburg, Pennsylvania

December 1, 1967

APPROVED

Let Letters Patent Issue

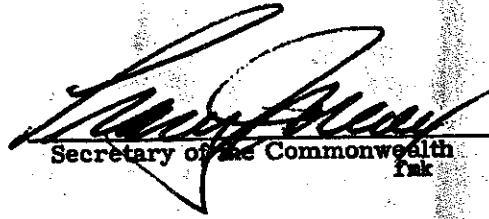

Raymond P. Shafer
Governor

DEPARTMENT OF STATE
SECRETARY'S OFFICE

PENNSYLVANIA SS:

Witness my hand and seal of office at Harrisburg, this 1st day
of December, 1967.




Secretary of the Commonwealth
rak

Commonwealth of Pennsylvania



EXECUTIVE DEPARTMENT

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING:

WHEREAS, In and by Section 334 of an Act of the General Assembly of the Commonwealth of Pennsylvania, approved May 17, 1921, P. L. 682, as amended, the Governor of this Commonwealth is authorized and required to issue

LETTERS PATENT

to all corporations merging or consolidating in accordance with said Act.

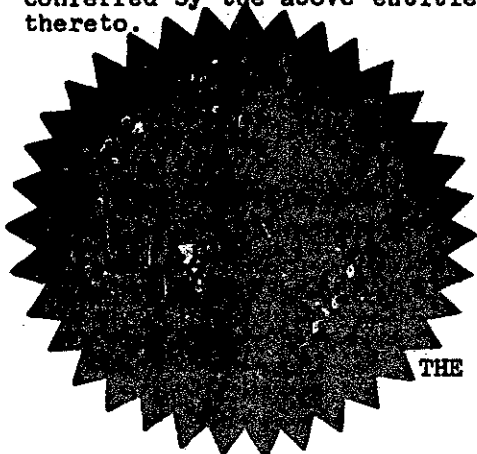
AND WHEREAS, The Directors of PENNSYLVANIA NATIONAL MUTUAL INSURANCE COMPANY and PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY, did file in the office of the Insurance Commissioner of this Commonwealth a joint agreement of merger duly approved by the policy-holders of each of said corporations;

AND WHEREAS, The Insurance Commissioner, after due examination, has duly certified that said proceedings are in accordance with law and not injurious to the policy-holders and creditors of said corporations, and has endorsed his approval thereon;

THEREFORE, KNOW YE, That under authority of the Constitution and laws of said Commonwealth in such case made and provided, I DO BY THESE PRESENTS, which I have caused to be made PATENT and sealed with the Great Seal of the Commonwealth, declare that PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY, shall be the surviving corporation under the name, style and title of

PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY

and entitled to all of the privileges, immunities, franchises and powers conferred by the above entitled Act, and the supplements and amendments thereto.



GIVEN under my Hand and the Great Seal of the Commonwealth, at the City of Harrisburg, this 1st day of December in the year of our Lord one thousand nine hundred and sixty-seven and of the Commonwealth the one hundred and ninety-second.

THE GOVERNOR:

Raymond P. Shafer

SECRETARY OF THE COMMONWEALTH:

Harry Mey

rb
fmk



COMMONWEALTH OF PENNSYLVANIA

DEPARTMENT OF STATE

DECEMBER 20, 1995

TO ALL WHOM THESE PRESENTS SHALL COME, GREETING:

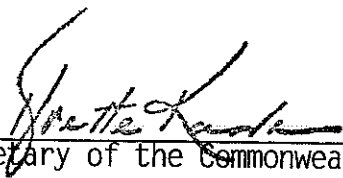
PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY

I, Yvette Kane, Secretary of the Commonwealth of Pennsylvania do hereby certify that the foregoing and annexed is a true and correct photocopy of Agreement of Merger and Letters Patent

which appear of record in this department



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Seal of the Secretary's Office to be affixed, the day and year above written.


Secretary of the Commonwealth
PHEG