

3. Patrons is a Kansas domiciled stock property and casualty insurer and a wholly owned subsidiary of Columbia Insurance Group, Inc. Patrons is authorized to do business solely in the State of Kansas.

4. Under the proposed merger of Patrons with and into Columbia, the separate existence of Patrons will cease and Columbia will be the surviving insurer, assuming and carrying out all responsibilities of Patrons with respect to the policies of insurance currently outstanding.

5. The Board of Directors of Columbia approved the merger on October 20, 2005, and provided written consent on February 27, 2006. The Board of Directors of Patrons approved the merger on September 1, 2005. Columbia National Group, Inc., as sole shareholder of both insurers, approved the merger on January 6, 2006.

6. The proposed effective date of the merger is April 1, 2006, or the date on which the final regulatory approval is secured.

CONCLUSIONS OF LAW

1. The Department of Insurance has jurisdiction over the subject matter and parties to this proceeding as authorized under *Neb.Rev.Stat.* §44-224.04.

2. Columbia filed the required documents with the Department including a description of the merger, the Plan and Agreement of Merger, copies of the resolutions by the Board of Directors, approval of the sole shareholder, financial statements and actuarial opinions.

3. On the basis of the information filed with the Department, there is sufficient reason to believe the interests of the policyholders of Columbia and Patrons will be protected under the proposed merger.

ORDER

IT IS THEREFORE ORDERED, there being no evidence to indicate that the merger of Patrons with and into Columbia is contrary to law or to the best interest of the policyholders of the companies, the proposed merger is hereby approved. Columbia shall notify the Director within ten (10) days following the receipt of all regulatory approvals of the effective date of the merger and provide a copy of the Kansas approval order.

Dated this 8th day of March, 2006.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



L. TIM WAGNER
Director of Insurance

CERTIFICATE OF SERVICE

This Order Approving Merger was served upon Columbia National Insurance Company by mailing a copy of same to James E. Cunningham, Secretary/General Counsel, Columbia Insurance Group, 2102 White Gate Drive, P.O. Box 618, Columbia, MO 65205 by first class U. S. Mail, postage pre-paid on this 8th day of March, 2006.

