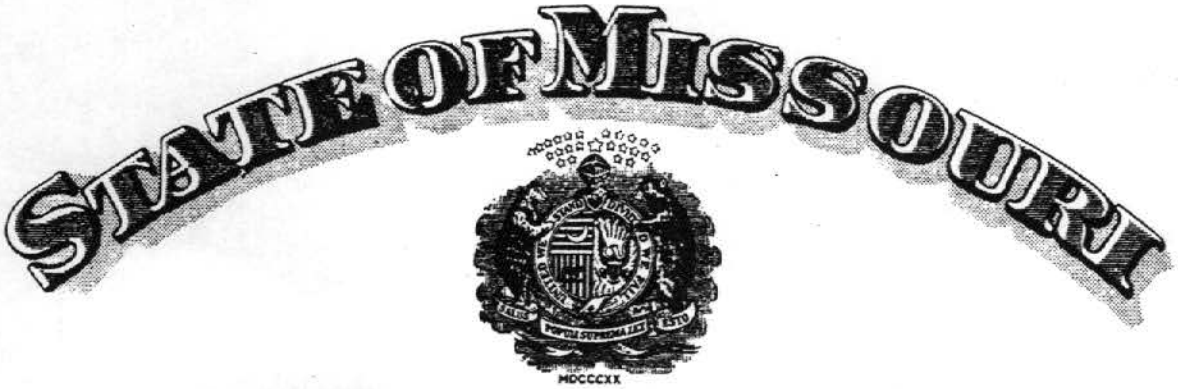

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

P.O. Box 690, Jefferson City, Mo. 65102-0690

IN RE: The Proposed Acquisition of Plaza Insurance Company by State Automobile Mutual Insurance Company	)))	Case No. 090105002C

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

Findings of Fact and Conclusions of Law

Based on the testimony and other evidence presented, I, Kip Stetzler, Acting Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration ("Director"), find and conclude that:

1. On or about December 9, 2008, State Automobile Mutual Insurance Company ("Applicant") filed a Form A Statement with the Missouri Department of Insurance, Financial Institutions and Professional Registration (the "Department"), in connection with the proposed acquisition of Plaza Insurance Company (the "PIC"), a Missouri domestic insurance company. On January 29, 2009, the Department held a public hearing pursuant to an order of notice of hearing. Robert B. Sullivan appeared for the Applicant. Mark W. Stahlhuth appeared for the Department's Division of Insurance Company Regulation.

2. According to the Form A, the Applicant is an Ohio domiciled mutual insurance company that will, pursuant to a Stock Purchase Agreement dated November 17, 2008, acquire all of the issued and outstanding shares of common stock of Rockhill Holding Company, a Delaware insurance holding company, which wholly owns Rockhill Insurance Company, an Arizona domiciled insurance company, which wholly owns PIC.

3. A preponderance of the evidence on the whole record fails to show that:

A. After the acquisition of PIC by the Applicant, PIC will not be able to satisfy the requirements for the issuance of licenses to write the lines of insurance for which it is presently licensed.

B. The effect of the acquisition of PIC will be to substantially lessen competition in insurance, or tend to create a monopoly in this state.

C. The financial condition of the Applicant is such as might jeopardize the financial stability of PIC or prejudice the interest of the policyholders of PIC.

D. The Applicant's plans or proposals, if any, to liquidate PIC, to sell its assets, to consolidate or merge PIC with any person, or to make any other material change in its business or corporate structure or management is unfair or unreasonable to policyholders of PIC or contrary to the public interest.

E. The competence, experience and integrity of the Applicant's management are such that it would be contrary to the interests of the policyholders of PIC and of the public to permit the acquisition of PIC by the Applicant.

F. The proposed acquisition of PIC by the Applicant is likely to be hazardous or prejudicial to the insurance buying public.

ORDER

Based on the foregoing findings and conclusions, the proposed acquisition of Plaza Insurance Company by State Automobile Mutual Insurance Company is hereby **APPROVED.**

Recommended by the hearing officer this 30th day of January, 2009.

Tamara Kopp

Tamara Kopp

So ordered, signed and official seal affixed this 30 day of January, 2009.

KIP STETZLER, Acting Director