

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

M. Diane Koken,
Insurance Commissioner of the
Commonwealth Of Pennsylvania,
as Liquidator of Reliance Insurance Co.,
Plaintiff

v.

Reliance Insurance Company,
Defendant

No. 269 M.D. 2001

RECEIVED AND FILED
COMMONWEALTH COURT
OF PA (PMLA)
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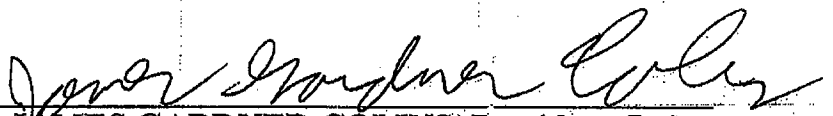
Re: Liquidator's Petition to Approve Settlement with Lloyd's Underwriters and
Companies (Other than Zurich Reinsurance) (London) Limited) Regarding
the Pershing Park Litigation.

ORDER

AND NOW, this 31st day of January, 2005, upon consideration of the
Liquidator's Petition to Approve Settlement with Lloyd's Underwriters and
Companies (Other than Zurich Reinsurance) (London) Limited) (Underwriters)
Regarding the Pershing Park Litigation, and any response thereto, the Petition is
GRANTED and the Settlement Agreement attached to the Petition as Exhibit "A"
(Agreement) is APPROVED and incorporated in this Order by reference. The
Agreement Amount, as defined in the Petition, is APPROVED and the payment of
that amount to Reliance from Underwriters' policy number QA9500554 (Policy) is
authorized, and the Liquidator is authorized to perform in accordance with the
terms of the Agreement pursuant to her authority under Article V of the Insurance
Department Act, 40 P.S. §§221.1 - 221.63.

FURTHER, the Agreement and the Policy are not subject to the D&O Policy Agreements and Matters, as that term is defined in the Petition, and the Agreement shall not constitute "Proceeds" or be subject to the "Division of Proceeds" as those terms are defined in paragraph 4(b) of the Settlement Agreement Between the Liquidator and the Creditors Committees of Reliance Holdings, Inc., Reliance Group Holdings, Inc., and Reliance Financial Services Corp., approved by and incorporated in this Court's Order of June 19, 2003.

AND FURTHER, the Liquidator shall serve a copy of this Order upon those listed on the master service list and shall file with, the Philadelphia Filing Office of this Court, a certification that such service has been made no later than 3 p.m. on December 19, 2005.



JAMES GARDNER COLINS, President Judge