

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

M. DIANE KOKEN
Insurance Commissioner of the
Commonwealth of Pennsylvania,

Plaintiff,

v.

RELIANCE INSURANCE COMPANY,

Defendant.

DOCKET NO. 269 MD 2001

2005 DEC - 8
2005 DEC 9 2
2005 DEC 12 06
RECEIVED
CLERK OF COURT
JUDICIAL CENTER
PHILADELPHIA
PA 19102

ORDER

This matter having come before the Court on the Petition of M. Diane Koken, Insurance Commissioner of the Commonwealth of Pennsylvania, in her official capacity as Liquidator of Reliance Insurance Company, to Approve the Stipulation and Agreement of Settlement in the matter of *In re Reliance Group Holdings, Inc. Securities Litigation*, Master File No. 00-CV-4653 (TPG) (S.D.N.Y);

IT IS this 8TH day of December, 2005, hereby ORDERED that:

1. The Petition is GRANTED;
2. The Stipulation and Agreement of Settlement attached as Exhibit A to the Petition and incorporated herein (hereinafter the "Settlement Agreement") is in the best interests of the Reliance estate, and is consistent with (1) the provisions of the Settlement Agreement approved by this Court by Order dated May 10, 2005 in the matter captioned *Koken v. Steinberg, et al.*, 421 M.D. 2002 (Pa. Commw. Ct.) (the "Koken Settlement"); and (2) the provisions of the Agreement between the Liquidator and the Official

Unsecured Bank Committee and the Official Unsecured Creditors' Committee for the Estates of Reliance Group Holdings, Inc. ("RGH") and Reliance Financial Services Corporation ("RFSC"), approved by this Court by Order dated June 19, 2003 (the "RGH Settlement");

3. The Settlement Agreement is APPROVED and the Liquidator is AUTHORIZED, pursuant to her authority under 40 P.S. § 221.23, to perform actions necessary and appropriate to effectuate the terms of the Settlement Agreement and unless otherwise defined in this Order, all capitalized terms used in this Order shall have the meaning ascribed to them in the Settlement Agreement; and,

4. The Settlement Amount is APPROVED, and the payment of that amount by the Escrow Agent in the Koken Settlement to the Administration Account and Settlement Fund, in the manner specified in Paragraphs 4(b) and (c) of the Settlement Agreement, is APPROVED and AUTHORIZED;

BY THE COURT:


James Gardner Collins, President Judge