

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

JOEL S. ARIO,
Insurance Commissioner of the
Commonwealth of Pennsylvania,
in his official capacity as Statutory
Liquidator of Reliance Insurance Company,
Plaintiff

v.

No. 269 M.D. 2001

RELIANCE INSURANCE COMPANY,
Defendant

IN RE: Commutation, Settlement Agreement and Release between Reliance Insurance Company (In Liquidation) and CIGNA Europe Insurance Company SA-NV, successor to CIGNA Insurance Company of Europe S.A.-N.V.

ORDER

AND NOW, this 12th day of March, 2009, upon consideration of the Liquidator's Petition for Approval of the Commutation, Settlement Agreement, and Release ("Settlement Agreement") between Reliance Insurance Company ("Reliance" or "Estate") and CIGNA Europe Insurance Company SA-NV, successor to CIGNA Insurance Company of Europe S.A.-N.V. ("Reinsurer") submitted by the Liquidator of Reliance Insurance Company ("Liquidator"):

The Court accepts the Liquidator's representations that the Settlement Agreement is in the best interest of the Estate, as the Settlement Agreement allows the Liquidator to terminate and commute the Reinsurance Agreements and the Estate will receive an economic benefit amounting to \$6,450,000;

Further, the Court accepts the Liquidator's representations that the Settlement Agreement is a fair and reasonable settlement of the Reinsurer's obligations to

the Estate under the Reinsurance Agreements, and that the payment contemplated under the Settlement Agreement constitutes fair and reasonable value to the Estate;

Accordingly, the Petition for Approval is hereby **GRANTED** and the Commutation, Settlement Agreement and Release attached hereto and marked as **Exhibit A** is hereby **Approved**.

Further, counsel for the Liquidator is directed to serve a copy of this Order upon those listed on the Master Service List and file with the Court an affidavit that service has been effectuated.


BONNIE BRIGANCE LEADBETTER
President Judge

Certified from the Record

MAR 12 2009

and Order Exit