

**IN THE COMMONWEALTH COURT OF PENNSYLVANIA**

IN RE: Reliance Insurance Company :  
 In Liquidation, :  
 : No. 1 REL 2001  
 :

*Commutation, Settlement Agreement and Release between Reliance Insurance Company (In Liquidation) and Swiss Reinsurance America Corporation, on behalf of itself and as successor in interest to GE Reinsurance Corporation and Western Atlantic Reinsurance Corporation, and Westport Insurance Corporation fka and successor in interests to Employers Reinsurance Corporation*

**ORDER**

AND NOW, this 23rd day of January, 2012, upon consideration of the Liquidator's Petition for Approval of the Commutation, Settlement Agreement, and Release ("Settlement Agreement") between Reliance Insurance Company in Liquidation ("Reliance or Estate") and Swiss Reinsurance America Corporation, on behalf of itself and as successor in interest to GE Reinsurance Corporation and Western Atlantic Reinsurance Corporation, and Westport Insurance Corporation fka and successor in interests to Employers Reinsurance Corporation (collectively "Swiss Re"):

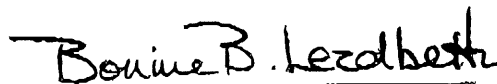
The Court accepts the Liquidator's representations that the Settlement Agreement is in the best interest of the Reliance Estate, as the Settlement Agreement allows the Liquidator to terminate and commute the obligations of Swiss Re under the Reinsurance Agreements and the Estate will receive an economic benefit amounting to \$19,858,000;

Further, the Court accepts the Liquidator's representations that the Settlement Agreement is a fair and reasonable settlement of Swiss Re's obligations to the Reliance Estate for its fair share of the Reinsurance Agreements, and that the payment

contemplated under the Settlement Agreement constitutes fair and reasonable value to the Reliance Estate;

Accordingly, the Petition for Approval is **GRANTED** and the Commutation, Settlement Agreement and Release attached to the Petition 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,**  
Judge

**Certified from the Record**

**JAN 24 2012**

**And Order Exit**