

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: Reliance Insurance Company :
 In Liquidation, :
 : 1 REL-2001
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Commutation, Settlement Agreement and Release among Reliance Insurance Company (In Liquidation) and Swiss Reinsurance America Corporation on behalf of itself and as successor in interest to Underwriters Reinsurance Company and GE Reinsurance Corporation, and Westport Insurance Corporation, formerly known as and as successor in interest to Employers Reinsurance Corporation, and Swiss Re Life & Health America, Inc., formerly known as Swiss Re Life Company America

ORDER

AND NOW, this 21st day of December, 2012, upon consideration of the Liquidator's Application for Approval of the Commutation, Settlement Agreement, and Release ("Settlement Agreement") among Reliance Insurance Company in Liquidation ("Reliance or Estate") and Swiss Reinsurance America Corporation on behalf of itself and as successor in interest to Underwriters Reinsurance Company and GE Reinsurance Corporation, and Westport Insurance Corporation, formerly known as and as successor in interest to Employers Reinsurance Corporation, and Swiss Re Life & Health America, Inc., formerly known as Swiss Re Life Company America (the "Reinsurers").

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 the Reinsurers under the Reinsurance Agreements and the Estate will receive an economic benefit amounting to \$23,000,000.

FURTHER, the Court accepts the Liquidator's representations that the Settlement Agreement is a fair and reasonable settlement of the Reinsurers' 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 Application for Approval is GRANTED and the Settlement Agreement attached hereto and marked as "Exhibit A" is hereby APPROVED.



BONNIE BRIGANCE LEADBETTER,
Judge

Certified from the Record

DEC 21 2012

And Order Exit