

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: Reliance Insurance Company :
In Liquidation, :
 : 1 REL 2001
 :
 :
 :
 :

Commutation, Settlement Agreement and Release between Reliance Insurance Company (In Liquidation) and XL Reinsurance America, Inc.

ORDER

AND NOW, this 2nd day of October, 2014, upon consideration of the Liquidator's Application for Approval of the Commutation, Settlement Agreement, and Release ("Settlement Agreement") between Reliance Insurance Company in Liquidation ("Reliance or Estate") and XL Reinsurance America, Inc. (XLRA):

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 between XLRA and Reliance under the Reinsurance Agreement and the Estate will receive an economic benefit amounting to \$7,248,830.

FURTHER, the Court accepts the Liquidator's representations that the Settlement Agreement is a fair and reasonable settlement of XLRA's obligations to the Reliance Estate under the Reinsurance Agreement, 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 is hereby **APPROVED**.

A handwritten signature in black ink that reads "Bonnie B. Leadbetter". The signature is written in a cursive style with a large initial "B".

BONNIE BRIGANCE LEADBETTER,
Judge

Certified from the Record

OCT 02 2014

And Order Exit