

her Application, the Liquidator avers that Rohr Inc. (Insured) submitted a written request to the Liquidator seeking approval of direct payment by First Charter Insurance Company (Reinsurer) to Rohr Inc.³ Application, ¶ 5. The Insured's written request is attached to the Application as Exhibit C. The Liquidator has approved the Insured's written request for approval of direct payment of reinsurance by Reinsurer and recommends in her Application that the Court approve the direct payment as well.

In support of her Application and recommendation, the Liquidator represents that: (1) Reinsurer and Insured comply with Section 534 of the Act, 40 P.S. § 221.34, the Guidelines and the Court's Order of April 26, 2002; (2) the Reinsurance Agreements expressly provide for a direct coverage obligation from Reinsurer to Insured in the event that Reliance became insolvent; (3) Reinsurer has unequivocally assumed Reliance's entire direct coverage obligation to Insured and Reinsurer's payment to Insured will satisfy Reliance's coverage obligation to Insured; (4) Reinsurer releases Reliance from all further liability regarding Insured and the policies at issue; (5) Insured has consented to the substitution of Reinsurer for Reliance and consents to the release of Reliance for all claims that Insured has against Reliance relating to the coverage at issue; and (6) no person or firm will earn any contingent fee or extra remuneration of any type as a result of this transaction. The Liquidator has submitted supporting

the reinsurer's obligation to the insurer's estate except when the reinsurance contract provided for direct coverage of an individual named insured and the payment was made in discharge of that obligation.

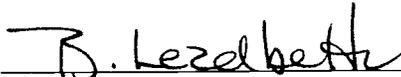
40 P.S. § 221.34.

³ According to the documents attached to the Application, Insured was formerly known as Transportation Insurance Limited.

documentation as well, including the relevant reinsurance agreements, the Assumption and Substitution by Reinsurer executed by Reinsurer's representative and Insured's Informed Consent to Substitution of Reliance.

Upon consideration of the Application, the Liquidator's representations and supporting documents, the Court concludes that the direct payment from Reinsurer to Insured satisfies the Act, Guidelines and prior Order of April 26, 2002. Therefore, the Court enters the following Order.

AND NOW, this **25th day of July, 2017**, the Application is **GRANTED**. Accordingly, the Court confirms the Liquidator's approval of the direct payment by Reinsurer to Insured and further approves Reinsurer's assumption of a direct coverage obligation to Insured upon the terms set forth in Reinsurer's request and supporting documentation. Finally, the Court approves the direct payment to Insured by Reinsurer in accordance with the direct payment obligations resulting from its assumption.



BONNIE BRIGANCE LEADBETTER,
Senior Judge

Certified from the Record

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And Order Ext