



GOVERNOR'S OFFICE OF GENERAL COUNSEL

November 24, 2008

Michael F. Krimmel, Chief Clerk
Commonwealth Court
628 South Office Building
Harrisburg, PA 17120-0001

**Re: *Joel S. Ario, Insurance Commissioner of the Commonwealth of
Pennsylvania v. Legion Insurance Company
No. 183 M.D. 2002***

Dear Mr. Krimmel:

Enclosed for filing, please find the original and two (2) copies of the Liquidator's Petition for Approval of Settlement and Commutation Agreements and Releases Between the Liquidator and Mutual Indemnity (Barbados) Ltd., Mutual Indemnity Limited, and Mutual Indemnity Bermuda.

As directed by the Court's Order we are also enclosing copies of the documents on a computer disk.

Thank you for your courtesies in filing the documents.

Very truly yours,

Amy L. Weber
Special Funds Counsel

ALW:jlh
Encs.

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

Joel S. Ario,
Insurance Commissioner of the
Commonwealth of Pennsylvania

Plaintiff,

v.

Legion Insurance Company
One Logan Square, Suite 1400
Philadelphia, PA 19103

Defendant.

Docket No. 183 M.D. 2002

ORDER

AND NOW, this _____ day of _____, 2008, upon consideration of the
Petition for Approval of Settlement and Commutation Agreements and Releases by and between
Joel S. Ario, Insurance Commissioner of the Commonwealth of Pennsylvania in his official
capacity as Statutory Liquidator of Legion Insurance Company and Villanova Insurance
Company ("Liquidator"), and Mutual Indemnity (Barbados.), Ltd., Mutual Indemnity Limited,
and Mutual Indemnity Bermuda ("Mutual"), filed by the Liquidator, and in which petition
Mutual concurs, the Court GRANTS the Petition and approves the Settlement and Commutation
Agreements and Releases.

MARY HANNAH LEAVITT, Judge

1. On July 25, 2003, this Court found Legion insolvent and appointed the Commissioner as Liquidator of Legion pursuant to Article V of the Insurance Department Act of 1921, 40 P.S. §§ 221.1 – 221.63 (hereinafter, the “Department Act”).

2. The Act confers broad powers on the Liquidator to marshal the assets of Legion’s estate for eventual distribution to its policyholders and creditors.

3. In connection with guaranteed cost insurance policies issued prior to receivership, Legion and Mutual entered into certain reinsurance agreements identified in Schedule 2 to each of the Commutation Agreements attached hereto as Exhibit A, pursuant to which Legion ceded to Mutual a certain share of Legion’s liabilities under the guaranteed costs policies (the “GC Reinsurance Agreements”).

4. Legion and Mutual desire to terminate their business relationship and have agreed to commute certain of their respective obligations under the GC Reinsurance Agreements.

5. Mutual’s obligations to Legion under the GC Reinsurance Agreements include obligations that may become payable in the future and that cannot be determined in an amount certain at this time.

6. Legion believes that it is in its best interest to adjust and settle Mutual’s obligations, including its future obligations, to Legion.

7. Accordingly, Legion has negotiated the Commutation Agreements with Mutual, which are attached as Exhibit A to this Petition.

8. Pursuant to the Commutation Agreements, Mutual will pay two hundred fifty-three thousand, eight hundred and sixty-four dollars (\$253,864) to Legion for the Mutual Barbados program, five million, seven hundred ninety-five thousand, three hundred and seventy-four dollars

(\$5,795,374) to Legion and Villanova for the Mutual Indemnity Limited program, and eleven million one hundred thirty-one thousand, two hundred seventeen dollars (\$11,131,217) to Legion and Villanova for the Mutual Indemnity Bermuda program, as set forth in Exhibit B to this Petition.

9. Pursuant to the Commutation Agreements, Legion and Mutual will release each other from certain liabilities arising out of, or in connection with the GC Reinsurance Agreements.

10. Legion entered into these Commutations in reliance on its independent investigation and analysis of the GC Reinsurance Agreements and Legion's rights and obligations under the GC Reinsurance Agreements.

11. The Liquidator believes that the Commutations are in the best interest of Legion's policyholders, claimants, creditors and the public generally.

12. Particularly, the Liquidator believes that the receipt of a total of approximately \$17.18 million to Legion and Villanova for the Mutual Barbados, Mutual Indemnity Limited and Mutual Indemnity Bermuda programs is reasonable and adequate consideration for the commutation of certain of Mutual's obligations to Legion and Villanova under the GC Reinsurance Agreements.

13. The Liquidator currently estimates Mutual's current and future obligations under the GC Reinsurance Agreements for the Mutual Barbados, Mutual Indemnity Limited and Mutual Indemnity Bermuda programs to total approximately \$15.65 million, for gross outstanding reserves and incurred but not reported claims. The Liquidator believes that the agreed commutation payments on a discounted present value basis totaling approximately \$13.57 million in cash is reasonable given the time value of money, the results of arbitrations that Legion initiated against other reinsurers, the costs and fees that would have been expended in arbitrating due and owing balances from the reinsurer and the benefit of certain payment now versus potential payments in the future. The

Liquidator will also receive other amounts due under the contracts totaling \$3.61 million. In total, the Liquidator will receive \$17.18 million in cash for commutation payments and other amounts due. The Liquidator also hopes that these Commutations will lead to additional commutations with other reinsurers and, as a result, the more timely and orderly liquidation of Legion's estate for the ultimate benefit of the policyholders and creditors.

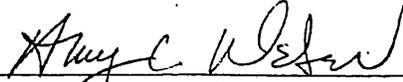
14. Thus, based on the terms of the Commutation Agreements and the evaluation of the transactions as a whole by the Liquidator, his staff, and Legion staff members familiar with the company's dealings with Mutual, the Liquidator has determined that the Commutations are a fair and reasonable commutation of certain of Legion's and Mutual's obligations to each other under the GC Reinsurance Agreements. The Insurance Department Act authorizes the Liquidator to take such actions as he deems "necessary or expedient to . . . conserve or protect [the insolvent insurer's] assets or property [,]" including the power to "compromise" claims involving assets of the insolvent insurer in order to accomplish or aid in achieving the purposes of liquidation. See 40 P.S. § 221.23(6), (9), and (23).

15. The Liquidator further believes that the Commutations will help him in achieving the objectives of liquidation under the Act, 40 P.S. §§ 221.1 – 221.63. The Commutation Agreements will assist the Liquidator in marshalling and maximizing Legion's immediately available assets and minimize any unavoidable loss to policyholders, claimants and creditors resulting from Legion's insolvency. See 40 P.S. § 221.1(c).

16. Mutual agrees to the Commutations as evidenced by its execution of the Commutation Agreements and concurs in requesting the Court's approval of this petition.

17. For all of these reasons, the Liquidator requests that the Court approve the Commutation Agreements.

Respectfully submitted,



Amy L. Weber, Special Funds Counsel
I.D. # 45447

Governor's Office of General Counsel
Pennsylvania Insurance Department
Office of Liquidations, Rehabilitations
and Special Funds
901 N. 7th Street
Harrisburg, PA 17102
(717) 787-6009

Attorney for Joel S. Ario, Insurance Commissioner of
the Commonwealth of Pennsylvania, in his official
capacity as Statutory Liquidator of Legion Insurance
Company (In Liquidation)

Dated: November 24, 2008

SETTLEMENT AND COMMUTATION AGREEMENT AND RELEASE

by and among

**Joel S. Ario, Insurance Commissioner
of the Commonwealth of Pennsylvania
as Liquidator of
Legion Insurance Company**

and

MUTUAL INDEMNITY (BARBADOS), LTD.

INDEX OF SCHEDULES AND EXHIBITS

| | |
|-------------------|-----------------------------------|
| Schedule 1 | Mutual Indemnity Reinsurer |
| Schedule 2 | GC Reinsurance Agreement |
| Schedule 3 | Terminated GC Programs |
| Schedule 4 | Settlement Amount |

This **SETTLEMENT AND COMMUTATION AGREEMENT AND RELEASE** (the "Agreement"), is entered into by JOEL S. ARIO, Insurance Commissioner of the Commonwealth of Pennsylvania (the "Commissioner"), in his capacity as Liquidator (the "Liquidator") of and acting on behalf of and in the name of Legion Insurance Company (in Liquidation) ("Legion"), an insurance company organized and existing under the laws of the Commonwealth of Pennsylvania, and the company listed in Schedule 1 hereto (the "Mutual Indemnity Reinsurer"). Legion is referred to herein as the "Legion Companies" and individually as a "Legion Company." References to the Liquidator as a party to this Agreement and any Ancillary Agreement (as defined below) shall also be deemed to include the Legion Companies in Liquidation.

WHEREAS, Legion has issued guaranteed cost insurance policies (the "GC Policies") pursuant to which insureds paid to the applicable Legion Company, and the applicable Legion Company accepted from the insureds, insurance premiums as more fully described in such policies;

WHEREAS, in connection with the GC Policies, the Legion Companies and the Mutual Indemnity Reinsurer have entered into reinsurance agreements identified in Schedule 2 hereto (the "GC Reinsurance Agreements"), pursuant to which the Legion Companies ceded to the Mutual Indemnity Reinsurer, and the Mutual Indemnity Reinsurer accepted from the Legion Companies, a certain share of the Legion Companies' liabilities under the GC Policies, as more fully reflected in the percentages of participation of each respective GC Reinsurance Agreement and each respective period of coverage under the GC Reinsurance Agreements;

WHEREAS, the Liquidator, on behalf of the Legion Companies, and the Mutual Indemnity Reinsurer have agreed to, among other things, settle and commute all actual or potential past, present or future claims arising under the GC Reinsurance Agreements issued under the IPC Programs identified in Schedule 3 hereto (the "Terminated GC Programs") and for the Settlement Amount identified in Schedule 4 (the "Settlement Amount");

WHEREAS, this Agreement shall not be effective unless and until it is approved in its entirety by order (the "Commutation Order") of the Commonwealth Court of Pennsylvania (the "Court");

WHEREAS, the parties intend to be legally bound hereby;

NOW THEREFORE, the Liquidator, on behalf of the Legion Companies, and the Mutual Indemnity Reinsurer agree as follows:

ARTICLE I – COMMUTATION, SETTLEMENT, AND PAYMENT

1. This Agreement shall, subject to its terms and conditions, operate as a full and final settlement, commutation, and release of the respective rights, obligations, and liabilities of the Mutual Indemnity Releasees and Legion Releasees (as defined below) with respect to the GC Reinsurance Agreements.

2. Within ten days after the date of the Commutation Order, the Settlement Amount shall be paid by way of deduction from the trust accounts created by the April 23, 2003 Funds-Withheld Trust Agreements (the "Legion Trust Agreement," and, collectively, the "Trust Agreements") entered into between the Liquidator and the Mutual Indemnity Reinsurer with regard to Legion (the "Legion Trust Account")(collectively, the "Trust Accounts") in the amount and allocation set forth in Schedule 4; provided; however, that should there be insufficient funds in the Legion Trust Account to satisfy the portion of the Settlement Amount attributable to each,

the Mutual Indemnity Reinsurer shall within the same time period pay the difference by wire transfer.

3. The Settlement Amount paid to the Liquidator, on behalf of the Legion Companies, by the Mutual Indemnity Reinsurer pursuant to this Agreement shall be the sole payment by the Mutual Indemnity Reinsurer or any other person or entity to the Liquidator or any other person or entity for the Mutual Indemnity Reinsurer's reinsurance or other obligations under or relating in any way to the GC Reinsurance Agreements.

ARTICLE II – RELEASES

1. Subject to the terms and conditions of this Agreement and entry of the Commutation Order, the Liquidator, on behalf of the Legion Companies, hereby releases, indemnifies, acquits, and forever discharges the Mutual Indemnity Reinsurer and its current, past and future officers, directors, and employees and its current, past and future parent and related companies (collectively, the “**Mutual Indemnity Releasees**”) from any and all payment obligations, adjustments, obligations, offsets, actions, causes of action, suits, debts, dues, sums of money, premiums, returned premiums, unearned premiums, liabilities, losses, salvage, commissions, accounts, reckonings, bonds, bills, covenants, contracts, controversies, agreements, promises, variances, damages, judgments, expenses, acts, omissions, executions, claims and demands whatsoever, all whether known or unknown, in law or equity, in contract or in tort, which the Liquidator, or the Legion Companies ever had, now have, or hereafter may have against the Mutual Indemnity Releasees, for amounts due under the GC Reinsurance Agreements, it being the intent of the parties hereto that the commutation and settlement shall operate as a full and final settlement of the Mutual Indemnity Releasees' past, present and future obligations to the Liquidator, and/or the Legion Companies, and/or anyone else under the above.

2. Subject to the terms and conditions of this Agreement and entry of the Commutation Order, the Mutual Indemnity Reinsurer, hereby releases, indemnifies, acquits, and forever discharges the Liquidator on behalf of the Legion Companies and the Legion Companies and their current, past and future officers, directors, and employees (collectively, the "**Legion Releasees**") from any and all payment obligations, adjustments, obligations, offsets, actions, causes of action, suits, debts, dues, sums of money, premiums, returned premiums, unearned premiums, liabilities, losses, salvage, commissions, accounts, reckonings, bonds, bills, covenants, contracts, controversies, agreements, promises, variances, damages, judgments, expenses, acts, omissions, executions, claims and demands whatsoever, all whether known or unknown, in law or equity, in contract or in tort, which the Mutual Indemnity Reinsurer ever had, now have, or hereafter may have against the Legion Releasees, for amounts due under the GC Reinsurance Agreements, it being the intent of the parties hereto that the commutation and settlement shall operate as a full and final settlement of each of the Legion Releasees' past, present and future obligations to the Mutual Indemnity Reinsurer under the above.

3. Neither the Liquidator on behalf of the Legion Companies, nor the Legion Companies will demand, claim, file suit or institute arbitration proceedings against the Mutual Indemnity Reinsurer or any of the past and present officers, directors and employees of the Mutual Indemnity Reinsurer relating to the payment of any reinsurance obligation under the GC Reinsurance Agreements and/or that is being settled or commuted pursuant to this Agreement.

4. Except as specifically provided herein, neither the releases provided in this Agreement nor the payment of the Settlement Amount shall have any effect on any obligation of the Mutual Indemnity Reinsurer under any other agreement or contract, including but not limited to any obligations of the Mutual Indemnity Reinsurer in connection with Large Loss Deductible

Policies ("LD Policies") provided by the Legion companies and/or Deductible Reimbursement Policies provided by the Mutual Indemnity Reinsurer in connection with the LD Policies.

ARTICLE III – APPROVALS

1. Within seven days of the date hereof, the Liquidator, shall apply to the Court for the Commutation Order approving the terms of this Agreement ("Court Approval").
2. The Mutual Indemnity Reinsurer shall cooperate fully with the Liquidator, and will use its best efforts to aid the Liquidator in obtaining Court Approval.
3. Each party hereto may give notice of proposed Court Approval to any person or entity in each such party's discretion.

ARTICLE IV – FURTHER COVENANTS AND AGREEMENTS

1. To the extent funds remain in the Legion Trust Account after deduction of the Settlement Amount, the Liquidator shall direct the trustee of the Legion Trust Account to wire transfer the remaining funds to the Mutual Indemnity Reinsurer within ten days of the date of the Commutation Order. Within ten days of final distribution of the funds from the Legion Trust Account, the parties hereto shall jointly notify the trustee that the Trust Accounts and Trust Agreements are to be terminated ten days after the date of the notification. Thereafter, the parties to the Trust Agreements shall have no further rights or obligations under the Trust Agreements.
2. In instances where losses arise from both guaranteed cost and large deductible policies on the same program year and erode a common annual aggregate, the Mutual Indemnity Reinsurer and the Legion Companies will use the gross losses (before discount) commuted and paid under this agreement in determining any future liability under that aggregate.
3. The Mutual Indemnity Reinsurer confirms that the terms of this Agreement are in accordance with Barbados law. Each of the parties hereto agrees that by entering into this

Agreement, such party is affirming the validity of the reinsurance obligations commuted and settled by this Agreement.

4. This Agreement shall be binding upon any permitted successors to the parties hereto, including, without limitation, any liquidator, should the Mutual Indemnity Reinsurer be placed into liquidation or become subject to "winding-up" or other insolvency proceedings. The Mutual Indemnity Reinsurer shall exercise its best efforts to maintain the effectiveness of this Agreement in the event that such Mutual Indemnity Reinsurer becomes subject to "winding up" or other insolvency proceedings.

5. Any time that a consent or approval of a party to this Agreement is required under this Agreement, such consent or approval shall not be unreasonably withheld or delayed.

ARTICLE V – REPRESENTATIONS AND WARRANTIES

1. Each of the parties hereto expressly represents and warrants that: (i) this Agreement has been duly authorized, executed and delivered by and on behalf of it and constitutes its legal, valid and binding agreement, subject to Court Approval; (ii) no authorization, consent or approval of any third party other than the Court is required in connection with the execution, delivery or performance by it of this Agreement; and (iii) the execution, delivery or performance by it of this Agreement does not and will not conflict with, or result in any material breach or violation of, its organization documents or any agreements to which it is a party or by which it or any of its assets are bound.

ARTICLE VI – DELIVERY OF NOTICE

1. All notices required hereunder shall be in writing and shall be given by personal delivery or registered or certified mail, return receipt requested, postage prepaid to the addresses set forth in paragraph 2 of this Article VI, and shall be deemed given upon receipt. In addition,

notice may be given by facsimile transmission and shall be deemed given upon sending of the transmission (with confirmed receipt) with the mailing of a copy of such transmission. Notices under this Article VI shall include service of process.

2. Notices to the parties shall be addressed as follows:

Notice to the Liquidator:

Insurance Commissioner of the Commonwealth of
Pennsylvania as Liquidator of Legion Insurance Company
Pennsylvania Insurance Department
901 N. 7th Street
Harrisburg, PA 17102
Attention: Amy L. Weber, Esquire
Telephone: (215) 963-7588
Facsimile: (215) 963-1220

With a concurrent copy to:

Liquidation General Counsel
Legion Insurance Company
(in Liquidation)
One Logan Square
Suite 1400
Philadelphia, PA 19103
Attention: Laura M. Spear, Esquire

And

Miller, Alfano & Raspanti, P.C.
1818 Market Street, Suite 3402
Philadelphia, PA 19103
Attention: Gaetan J. Alfano, Esquire
Telephone: (215) 972-6400
Facsimile: (215) 981-0082

Notice to the Mutual Indemnity Reinsurer:

Mutual Indemnity (Barbados) Ltd.
P.O. Box HM 2064
44 Church Street
Hamilton HM HX Bermuda

Attention: David Alexander
Telephone: (441) 295-5688
Facsimile: (441) 295-6052

With a concurrent copy to:

Ballard Spahr Andrews & Ingersoll, LLP
1735 Market St
Philadelphia, PA 19103
Attention: Douglas Y. Christian
Telephone: (215) 864-8404
Facsimile: (215) 864-9206

and

Conyers Dill & Pearman
PO Box HM 666
Hamilton HM CX, Bermuda
Attention: Paul Smith
Telephone: +1 (441) 295 1422
Facsimile: +1 (441) 292 4720

3. The parties hereto further agree that service of process for any dispute in Article VII, is effective upon delivery to the persons identified in paragraph 2 above.

ARTICLE VII – GENERAL

1. This Agreement is the final, complete, and entire agreement between the parties hereto and is the product of each party's own due diligence and independent investigation, legal advice and analysis of the Settlement Amount and each party's rights and obligations thereunder, and not on the basis of any representations, warranties or statements by any other party hereto and thereto. This Agreement shall supersede all other prior negotiations, commitments, agreements, and understandings, both oral and written, between the parties hereto and thereto with respect to the subject matter hereof and thereof but expressly limited only to the subject matter thereto. No other representations, understandings, or agreements have been made or

relied upon in the making of this Agreement other than those specifically set forth or referred to in this Agreement.

2. This Agreement may only be modified or amended by a written agreement, entered into subsequent to the date of this Agreement and duly executed by the parties hereto and approved by the Court.

3. This Agreement and any of the rights and/or obligations herein may not be assigned in whole or in part by any of the parties hereto without prior written approval of the parties hereto.

4. The parties to this Agreement do not intend to confer any rights on any person or entity not a party to this Agreement. No third party rights or obligations are created hereby.

5. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns, including, without limitation, any liquidator, rehabilitator, receiver or conservator or any successor merged or consolidated entity.

6. Waiver by any of the parties hereto of any term, provision, or condition of this Agreement shall not be construed to be a waiver of any other term, provision, or condition hereof, nor shall such waiver be deemed a waiver of any subsequent breach of the same term, provision, or condition. Except as expressly set forth in this Agreement, the terms of the Non Commutation Settlement Agreement and the Insurance and Reinsurance Partial Settlement and Commutation Agreement and Limited Release, dated April 23, 2003, as approved by the Court (collectively, "the 2003 Agreements") shall remain in full force and effect and shall govern the respective rights and obligations of the parties thereunder under the applicable IPC Program. Nothing in this Agreement is intended to constitute a waiver of any rights under the 2003

Agreements except to the extent, if any, expressly set forth herein and, to the extent that any matter is expressly addressed in any term, provision or condition of this Agreement.

7. The failure of any party hereto to enforce at any time any of the provisions of this Agreement shall in no way be construed to be a waiver of these provisions, nor in any way to affect the validity of this Agreement, or any part of it, or the rights of any party to thereafter enforce each and every provision.

8. Each of the parties hereto shall use its best efforts to cooperate with the other parties hereto in performing all acts necessary for carrying out this Agreement. The parties hereto hereby agree to execute promptly any and all supplemental agreements, releases, affidavits, waivers and other documents of any nature or kind which another party may reasonably require in order to implement the provisions or objectives of this Agreement.

9. The parties hereto are entering into this Agreement in good faith, at arm's-length and in the regular course of business, and are in agreement that this Agreement is and will be valid and enforceable only upon Court approval.

10. This Agreement is subject to Court Approval. In the event the Court does not approve this Agreement in its entirety as executed, the Agreement shall be void ab initio. The parties hereto may seek to renegotiate its terms and, if they reach agreement, subsequently request Court approval of the renegotiated agreement.

11. This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without giving effect to conflict of law principles).

12. In the event any differences or disputes arise between the Liquidator, on behalf of the Legion Companies, and the Mutual Indemnity Reinsurer with reference to this Agreement or

the terms hereof, the same shall be referred to and determined by the Court. The Court shall have sole and exclusive jurisdiction over all disputes between the parties to this Agreement under this Agreement.

13. Neither the entry into this Agreement by the Mutual Indemnity Reinsurer nor any of the provisions of this Agreement, including but not limited to the requirement of Court approval and dispute resolution and the choice of law provision, are intended by the parties to support any claim that the Court has personal jurisdiction over the Mutual Indemnity Reinsurer regarding any right or obligation other than those set forth herein.

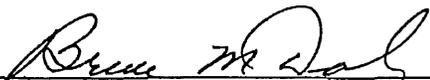
14. This Agreement may be executed in one or more counterparts, each of which, when so executed and delivered shall be deemed an original and all such counterparts shall together constitute one and the same instrument and agreement.

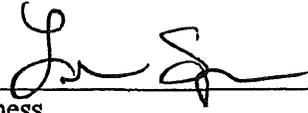
15. The headings in this Agreement are descriptive only and shall not affect the interpretation or construction of this Agreement. The recitals to this Agreement, including the "Whereas" clauses, shall form a part hereof.

16. None of the parties to this Agreement shall be considered to be the drafter of this Agreement or any provisions thereof, and it shall not be interpreted or construed more or less favorably for any party because of its status as a drafter of the Agreement or any provision thereof.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed as of the date first written above.

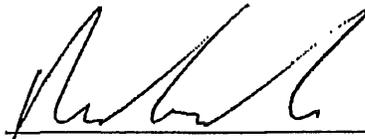
JOEL S. ARIO,
Insurance Commissioner of the Commonwealth
of Pennsylvania as Liquidator of Legion Insurance
Company (in Liquidation)

By: 
Name: BRUCE M DALEY
Title: CHIEF, TAKEOVER MGMT DIV.
Date: 11/21/08
Executed in Philadelphia, Pennsylvania


Witness

MUTUAL INDEMNITY (BARBADOS) LTD.

By: 
Name: DAVID ALEXANDER
Title: PRESIDENT
Date: 12/11/08
Executed in Hamilton, Bermuda


Witness

Schedule 1

Mutual Indemnity Reinsurer

Mutual Indemnity (Barbados), Ltd.

Schedule 2

GC Reinsurance Agreements

REINSURANCE AGREEMENT

Effective

January 1, 1988

REINSURANCE AGREEMENT

REINSURANCE CONTRACT between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania (hereinafter called the "Company") on the one part and Mutual Indemnity Ltd. of Hamilton, Bermuda, and Mutual Indemnity (Barbados) Ltd. of Bridgetown, Barbados (hereinafter called the "Reinsurer") of the other part.

The Reinsurer being constituted of more than one corporation, whose names are set forth above, this Agreement shall apply severally as between the Company and each such corporation with respect to the policy or policies reinsured by each such corporation as specified in each of the Exhibits attached to this Agreement. The rights and obligations provided for herein of any one corporation constituting the Reinsurer will not be as held, assumed or guaranteed by any other corporation constituting the Reinsurer.

BY THIS AGREEMENT the COMPANY agrees to cede and the REINSURER agrees to accept, a portion of the COMPANY'S Liability provided by the COMPANY'S policies as specified in the Exhibits attached to this Agreement, subject to the following terms and conditions:

ARTICLE I - Term

This Agreement shall take effect as of 12:01 a.m. Standard Time on January 1, 1988 at the place of the issuance of the policies, and shall remain in force thereafter until terminated as provided in Article IX.

ARTICLE II - Definitions

For the purposes of this Agreement, the following terms shall have these meanings:

1. "Policy" - Company policy(ies) number(s) as set forth in the various Exhibits attached to this Agreement, and any binder extension or renewal thereof and endorsement or alteration thereto issued to those named insureds designated in each of the Exhibits attached to this Agreement.
2. "Incurred Losses" - All Paid Losses, plus case reserves for unpaid losses and a reserve for losses incurred but not reported ("IBNR") under the Policy as estimated by the Company.
3. "Paid Losses" - Claims under the Policy paid by the Company; plus all Allocated Claims Expense paid by the Company in connection with the Policy, whether or not related to claims paid.
4. "Allocated Claims Expense" - Such claims expenses that the Company, under its accounting practices, directly allocated to a particular claim. Such expenses include, but are not limited to attorney's fees for claims in suit, court costs, and related costs such as filing fees, and the costs of medical examination, expert medical or other testimony, laboratory services and x-rays, autopsies, stenographic services, witnesses and summonses and copies of documents; but shall not include the salaries and traveling expenses of the Company's employees and the Company's overhead.

5. "Net Premium Paid" - The premium paid to the Reinsurer after all deductions by the Company plus the amount of additional premium paid to the Reinsurer (after all deductions) minus the return premium paid by the Reinsurer to the Company.
6. Other terms used in this agreement shall have the definition first appearing in the Insurance Code of the Commonwealth of Pennsylvania, the NAIC Examiners Handbook, NAIC Accounting Practices and Procedures Manual for Fire and Casualty Insurance Companies or the Reinsurance and the Reinsurance Association of America, Glossary of Reinsurance Terms.

ARTICLE III - Loss Settlements

1. While the Reinsurer does not undertake to investigate or defend claims or suits under the Policy, it shall where permitted by law, have the right and opportunity to associate at its own expense, with the Company and its representatives in the defense of any claim, suit or proceeding involving this reinsurance. Except as otherwise specifically provided for herein, the Reinsurer's liability shall follow that of the Company under the Policy. All settlements by the Company of claims involving this reinsurance, including voluntary Compromise and Release, when made by the Company, shall be unconditionally binding on the Reinsurer.
2. The Company shall furnish the Reinsurer a copy of the Policy and all endorsements thereto which in any manner affect this Agreement and shall make available for inspection to the Reinsurer, at reasonable times, any of its records relating to this reinsurance or claims in connection therewith.
3. The Company will pay or credit the Reinsurer up to the amount of the Reinsurer's interest for amounts attributable to salvage, reimbursement obtained or recovery made by the Company relating to the Policy, after deducting the actual cost (excluding Company salaries and office expenses) of obtaining such salvage or reimbursement or making such recovery, and after the Company has been reimbursed up to the amount of its interest.

ARTICLE IV - Loss Deposit Fund

1. The Company will, with funds to be provided by the Reinsurer, establish and maintain a Paid Loss Deposit Fund, the purpose of which is to provide a source of funds for payment of Reinsurer's liability under this Agreement. The initially required level of the Paid Loss Deposit Fund shall be the amount specified in each Exhibit attached to this Agreement. The Company and Reinsurer agree, if necessary, to adjust the required level of the Paid Loss Deposit Fund monthly in order to maintain the Paid Loss Deposit Fund at a level equal to two (2) months' average Paid Losses. Average Paid Losses shall be mutually agreed upon by the parties.

2. If, following the effective date appearing on an Exhibit attached to this agreement, the Company becomes obligated to pay amounts representing the Reinsurer's liability under this Agreement that exceed the then-current initially required or adjusted required level of the Paid Loss Deposit Fund, the Reinsurer shall immediately, after receipt of a written demand by the Company, forward funds to the Company sufficient to cover such amounts greater than the Paid Loss Deposit Fund balance. The Reinsurer will be credited for the forwarding of such funds (less any interest paid) in a subsequent Reconciliation Statement.

ARTICLE V - Premium

1. The premium for this reinsurance shall be equal to the defined term "Reinsurer Premium", as set forth in the Exhibits attached to this Agreement.
2. Reinsurance premium shall be payable to the Reinsurer within the time specified in ARTICLE VI. The amounts owed by the parties to each other shall be reconciled as provided in paragraph 3 immediately below.
3. The reinsurance premium payable to the Reinsurer shall be reconciled against the following items to the extent that such items were not previously reconciled under this Agreement:
 - (a) the amount of the initially required level of the Paid Loss Deposit Fund;
 - (b) the amount necessary to establish or maintain any adjusted required level of the Paid Loss Deposit Fund; and
 - (c) that portion of the Reinsurer's liability under each Exhibit attached to this Agreement represented by Paid Losses.
4. The Company shall withhold and pay the applicable United States Federal Excise Tax, if any. It is further understood that the Company shall not be liable to the Reinsurer for any unrecoverable amounts of Federal Excise Tax paid on such premiums and subsequently determined not to have been payable thereon and that the Reinsurer shall indemnify the Company for any Federal Excise Tax liability in excess of the allowance provided herein. The Company shall make a good faith effort to recover any excise tax erroneously withheld or paid over and shall return any amount so recovered to the Reinsurer.

5. It is understood that from time to time the Reinsurer may but shall not be obligated to make premium refunds to the Company based upon the Reinsurer's experience under each Exhibit. Any such premium refunds paid to the Company will be applied by the Company to the use and benefit of the named insured stated in the Exhibits as participating in the insurance program subject to this Agreement.

ARTICLE VI - Reconciliation

1. Within sixty (60) days after each payment of premium is received by the Company in accordance with the terms and conditions of the Policy, the Company will issue to the Reinsurer a Reconciliation Statement reflecting items a, b, and c described in ARTICLE V, paragraph 3. If the result of any such reconciliation is that the Reinsurer owes money to the Company, the Reinsurer will pay the amount so owed within the time required by this Agreement, or if not otherwise specified, within 20 days after the receipt of the Reconciliation Statement. If the result of any such reconciliation is that the Company owes money to the Reinsurer the Company will pay the amount so owed at the time the Reconciliation Statement is issued. All payments hereunder shall be made in United States currency.
2. The parties hereto recognize and agree that the Reinsurer's liability hereunder will probably extend beyond the time that the Company is receiving premiums under the Policy, and possibly beyond the expiration date of the Policy and this Agreement; and that in such an event the reconciliations may involve only a computation of the Reinsurer's liability to the Company, if any.
3. Within 60 days after the end of each calendar month the Company shall provide monthly loss statements to the Reinsurer for settlement of losses paid during that reporting period. The Reinsurer will pay the amount so owed within 20 days after receipt of the statement.

ARTICLE VII - Letter of Credit

1. In connection with each of the Exhibits hereto, the Reinsurer will furnish to the Company a clean irrevocable Letter of Credit from a U.S. Bank which is a member of the Federal Reserve System or other deposits or guarantees acceptable to the Company, in an amount equal to the Company's reserve for outstanding losses, IBNR, Allocated Loss Adjustment Expense ("ALAE"), and unearned premiums. The Letter of Credit shall be in a form acceptable to the Company and in compliance with the statutes and regulations of the Commonwealth of Pennsylvania, for the purpose of securing the obligations of the Reinsurer hereunder, providing that at no time shall the Reinsurer be obligated to provide a Letter of Credit in connection with any of the Exhibits hereto which exceeds the Reinsurer's maximum liability, at any point, to the Company. During the term of this Agreement, the amount of such security may be adjusted by the Company to secure the obligations of the Reinsurer hereunder. If the Company deems

such an adjustment necessary, the Reinsurer will, within thirty (30) days of receipt of written request by the Company, obtain and deliver an amendment to such Letter of Credit or will obtain an excess Letter of Credit to cover the increased amount of such Letter of Credit. If the said Letter of Credit terminates or expires for any reason, other than the termination of this Agreement, Reinsurer will, thirty (30) days prior to termination or expiration, deliver to the Company a substitute in an amount and form acceptable to the Company which will become effective immediately upon the termination or expiration of the prior irrevocable Letter of Credit.

2. Upon the termination of this Agreement, any security furnished by Reinsurer to the Company shall expire concurrently with such termination; provided, however, as of such termination date Reinsurer shall furnish to the Company, in lieu of such prior security, a clean irrevocable Letter of Credit in a form acceptable to Company, in an amount equal to the outstanding losses subject to this Agreement and the amount of such security shall be adjusted each November 30 to reflect the outstanding claims.

ARTICLE VIII - Arbitration

1. As a condition precedent to any right of action hereunder, any dispute arising out of this Agreement shall be submitted to the decision of a Board of Arbitration composed of two (2) arbitrators and an umpire, meeting in Philadelphia, Pennsylvania unless otherwise agreed by the Company and the Reinsurer.
2. The members of the Board of Arbitration shall be active or retired disinterested officials of insurance or reinsurance companies. Each party shall appoint its arbitrator and the two arbitrators shall choose an umpire before instituting the hearing. If the respondent fails to appoint its arbitrator within sixty (60) days after being requested to do so by the claimant, the latter shall also appoint the second arbitrator. If the two arbitrators fail to agree upon the appointment of an umpire within four (4) weeks after their nominations, each of them shall name three (3), of whom the other shall decline two (2). The two remaining names shall be submitted to the then current President of the Reinsurance Association of America, who shall pick the umpire from those names.
3. The claimant shall submit its initial brief within twenty (20) days from appointment of the umpire. The respondent shall submit its brief within twenty (20) days thereafter and the claimant may submit a reply brief within ten (10) days after filing of the respondent's brief.
4. The board shall make an award with regard to the custom and usage of the insurance business. The board shall issue its award in writing based upon a hearing in which evidence may be introduced without following strict rules of evidence but in which cross examination and rebuttal shall be allowed. The board shall make its award within sixty (60) days following the termination of the hearing unless the parties consent to an extension. A decision by the majority of the members of the board shall become the award of the board and shall be final and binding upon all parties to the proceeding.

5. If more than one (1) reinsurer is involved in the same dispute all such reinsurers shall constitute and act as one (1) party for purposes of this clause and communications shall be made by Company to each of the reinsurers constituting the one (1) party; provided, however, that nothing therein shall impair the rights of such reinsurers to assert several, rather than joint, defenses or claims, nor be construed as changing the liability of the reinsurers under the terms of this Agreement from several to joint.
6. Each party shall bear the expense of its own arbitrator and shall jointly and equally bear with the other party the expense of the umpire. The remaining costs of the arbitration proceedings shall be allocated by the board.

ARTICLE IX - Termination

1. This Agreement as to any Exhibit, may be cancelled in whole or in part by the Company by giving ninety (90) days prior written notice to the Reinsurer. The Reinsurer shall have the right to cancel this Agreement as to any Exhibit by giving a number of days prior written notice to the Company which shall be not less than thirty (30) days more than the longest prior notice of cancellation required by any Named Insured or Insureds under the Policy specified in the Exhibit which is the subject of the cancellation.
2. In the event a Policy reinsured under this Agreement is cancelled, this Agreement shall automatically be cancelled with respect to that Policy as of the effective date of the cancellation of the Policy.
3. In either such event, the Reinsurer will be paid a pro rata portion of the reinsurance premium to which it would have been entitled had this Agreement or any Exhibit to this Agreement not been cancelled.
4. In the event of cancellation or termination of this Agreement in whole or in respect to specific policies, the Reinsurer's liability with respect to losses incurred prior to date of cancellation shall continue. However, the Reinsurer's maximum aggregate liability set forth in each Exhibit shall be prorated in the event of cancellation of the Policy(ies) underlying the Exhibit unless otherwise specified in the Exhibit. The Reinsurer recognizes that the Company's obligations which accrue during the term of the Policy will correspondingly survive the termination of the Policy and the termination of this Agreement. If any Exhibit to this Agreement terminates, the Reinsurer's liability under each terminated Exhibit will continue with respect to losses incurred prior to the effective date of termination of the Exhibit, and the Reinsurer will pay the Company for Paid Losses, and short term cancellation penalty if applicable, and allocated claims expense until there are not more Incurred Losses outstanding; unless the Company and Reinsurer agree at mutual terms to discontinue any liability hereunder.

ARTICLE X - Errors and Omissions

1. Inadvertent delays, errors or omissions made by the Company or Reinsurer in connection with this Agreement or any transaction hereunder shall not relieve the other party from any liability which would have attached, had such delay, error or omission not occurred, provided that such error or omission will be rectified as soon as possible after discovery.
2. In the event of the failure of Reinsurer hereon to pay any amount claimed to be due hereunder, Reinsurer hereon, at the request of the Reassured, will submit to the jurisdiction of any court of competent jurisdiction within the United States and will comply with all requirements necessary to give such Court jurisdiction; and all matters arising hereunder shall be determined in accordance with the law and practice of such Court.

Service of process in such suit may be made upon Dunnington, Bartholomew and Miller, 666 Third Avenue, New York, New York 10017 and in any suit instituted against the Reinsurer upon this Contract. Reinsurer will abide by the final decision of such Court or of any Appellate Court in the event of an appeal. The above-named are authorized and directed to accept service of process on behalf of Reinsurer in any such suit and/or upon the request of the Reassured to give a written undertaking to the Reassured that they will enter a general appearance upon Reinsurers' behalf in the event such suit shall be instituted. Further, pursuant to any statute of any State, Territory, or District of the United States which makes provision therefore, Reinsurers hereon hereby designate the Superintendent, Commissioner, or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Reassured or any beneficiary hereunder arising out of this Contract and hereby designate the above-named Dunnington, Bartholomew and Miller, as the firm to whom the said officer is authorized to mail such process or a true copy thereof.

ARTICLE XI - Insolvency

The Reinsurer hereby agrees that, as to all reinsurance made, ceded, renewed or otherwise becoming effective hereunder, the reinsurance shall be payable by the Reinsurer on the basis of the liability of Company under the Policy without diminution because of the insolvency of Company.

It is further agreed and understood that in the event of insolvency of Company, the liquidator or receiver or statutory successor of Company shall give written notice to the Reinsurer of the pendency of any claim against the insolvent Company under the Policy within a reasonable time after such claim is filed in the insolvency proceeding; that during the pendency of any such claim the Reinsurer may investigate and interpose, at its own expense, in the proceeding where any such claim is to be adjudicated any defense or defenses

which it may deem available to the Company or its liquidator or receiver of statutory successor; that the expense thus incurred by the Reinsurer as the assuming insurer shall be chargeable subject to court approval against the insolvent Company as part of the expense of liquidation to the extent of a proportionate share of the benefit which may accrue to Company solely as a result of the defense undertaken by the Reinsurer as the assuming insurer.

It is further agreed and understood that as to all reinsurance made, ceded, renewed or otherwise becoming effective hereunder, the reinsurance shall be payable by the Reinsurer to Company or to its liquidator or receiver or statutory successor, except (a) where the contract specifically provides another payee of such reinsurance in the event of the insolvency of Company or (b) where the Reinsurer with the consent of the direct insured or insureds have assumed the obligations of the Company to the payees under the Policy and in substitution for the obligations of Company to such payees.

ARTICLE XII - Conditions

1. This Agreement shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.
2. This Agreement may not be released, discharged, changed or modified except by an instrument in writing by a duly authorized representative of both of the Parties.
3. Any notices, requests or other communications hereunder will be in writing and addressed as follows:

If to the Reinsurer, then to:

Mutual Indemnity Ltd.
Fifth Floor, The Emporium Building
69 Front Street
Hamilton, Bermuda

If to the Company, then to:

Legion Insurance Company
Three Mellon Center, Suite 800
15th Street and South Penn Square
Philadelphia, PA 19102

IN WITNESS WHEREOF the parties have set their hand,

At Hamilton, Bermuda

on the 1st day of September, 1988

MUTUAL INDEMNITY LTD.

By: [Signature]
President

MUTUAL INDEMNITY (BARBADOS) LTD.

By: [Signature]
President

At Philadelphia, Pennsylvania

on the 1st day of September, 1988

LEGION INSURANCE COMPANY

By: Glenn K. Partridge
Senior Vice President

ADDENDUM TO REINSURANCE AGREEMENT

This Addendum is to a Reinsurance Agreement (the "Reinsurance Agreement") dated effective January 1, 1988 by and among Legion Insurance Company ("Legion"), Mutual Indemnity, Ltd. and Mutual Indemnity (Barbados) Ltd. (the "Mutual Indemnity Companies").

WHEREAS, Mutual Indemnity (US) Ltd., a reinsurance company domiciled in Bermuda, became an affiliate of the Mutual Indemnity Companies on January 1, 1989; and

WHEREAS, Mutual Indemnity (US) Ltd. has agreed to participate in the Reinsurance Agreement as of January 1, 1989.

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the parties hereto agree as follows:

1. HML agrees to participate in the Reinsurance Agreement on all the terms and conditions of the Reinsurance Agreement, effective January 1, 1989.
2. Legion agrees to the participation of Mutual Indemnity (US) Ltd. in the Reinsurance Agreement.

IN WITNESS WHEREOF, Mutual Indemnity (US) Ltd. and Legion Insurance Company have caused this Addendum to be executed by their duly authorized representative as of January 1, 1989.

LEGION INSURANCE COMPANY

BY: *Glenn H. Pardo*
TITLE: SPICE PRESIDENT

MUTUAL INDEMNITY (US) LTD.

BY: *AM*
TITLE: President

AMENDMENT

This Amendment is made to a reinsurance agreement (the "Agreement") dated as of January 1, 1988, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follows:

1. A new paragraph is added to the end of Article XII and shall read as follows:

The portion of any risk or obligation, assumed by the reinsurer, when such portion is ascertained, shall be payable on demand of the ceding insurer at the same time as the ceding insurer shall pay its net retained portion of such risk or obligation with reasonable provision for verification before payment.

2. Effective Date - As respects Legion Insurance Company, Mutual Indemnity, Ltd. and Mutual Indemnity (Barbados), Ltd., this Amendment shall be effective as of January 1, 1988, and as respects Mutual Indemnity (US) Ltd., this Amendment shall be effective as of January 1, 1989.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date set forth above.

At Philadelphia, Pennsylvania
on the day of , 1990

LEGION INSURANCE COMPANY

By: _____
Glenn R. Partridge
Senior Vice President

At Hamilton, Bermuda
on the day of , 1990

MUTUAL INDEMNITY, LTD.

By: _____
Robert A. Mulderig
President

At Bridgetown, Barbados
on the day of , 1990

MUTUAL INDEMNITY
(BARBADOS), LTD.

By: _____
Robert A. Mulderig
President

At Hamilton, Bermuda
on the day of , 1990

MUTUAL INDEMNITY (US), LTD.

By: _____
Robert A. Mulderig
President

AMENDMENT

This Amendment is made to a reinsurance agreement (the "Agreement") dated as of January 1, 1988, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follows:

1. A new Article II, Section 7 is added and shall read as follows:

7. "Ultimate Net Loss" - The actual loss paid by the Company, or for which the Company becomes liable to pay, not exceeding \$250,000 any net loss (or such higher or lower loss limit as may be set forth in the Limits of Liability section of each Exhibit to this Agreement) plus all Allocated Claims Expense paid by the company in connection with the Policies subject to such Exhibit, whether related or not to claims actually paid.

2. A new Article V-A is added and shall read as follows:

Article V-A - Cover/Limits of Liability

- a. With respect to all losses for each Policy reinsured hereunder, the Reinsurer will be liable for losses as set forth in the Limits of Liability section of each Exhibit to this Agreement.
- b. Notwithstanding the maximum aggregate limit of liability set forth in each of the Exhibits to this Agreement, with respect to all losses occurring (Ultimate Net Loss) for each program set forth in each Exhibit to this Agreement, the Reinsurer will be liable for the amount by which the Ultimate Net Loss exceeds:
 1. The maximum aggregate limit of liability set forth in each Exhibit;
plus
 2. \$5,000,000.
- c. The Reinsurer's Liability shall not exceed \$10,000,000 Ultimate Net Loss in the aggregate for all Ultimate Net Loss ascribed to all programs, any one underwriting year.

2. Article IX, Section 3 of the Agreement is deleted in its entirety and replaced with a new Section 3 which shall read as follows:

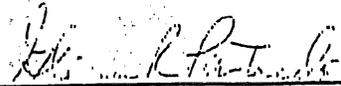
3. In either such event, the Reinsurer will return the unearned premium (on a pro-rata basis) less the unearned ceding commission.

4. Effective Date - As respects Legion Insurance Company, Mutual Indemnity, Ltd. and Mutual Indemnity (Barbados), Ltd., this Amendment shall be effective as of January 1, 1988, and as respects Mutual Indemnity (US) Ltd., this Amendment shall be effective as of January 1, 1989.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date set forth above.

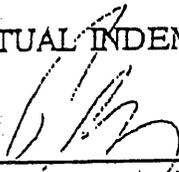
At Philadelphia, Pennsylvania
on the 5th day of August, 1990

LEGION INSURANCE COMPANY

By: 
Glenn R. Partridge
Senior Vice President

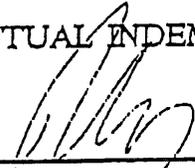
At Hamilton, Bermuda
on the 7th day of August, 1990
(145)

MUTUAL INDEMNITY, LTD.

By: 
Robert A. Mulderig
President

At Hamilton, Bermuda
on the 7th day of August, 1990

MUTUAL INDEMNITY, LTD.

By: 
Robert A. Mulderig
President

At Bridgetown, Barbados
on the 15th day of August, 1990

MUTUAL INDEMNITY
(BARBADOS), LTD.

By: 
Robert A. Mulderig
President

AMENDMENT

This Amendment is made to a reinsurance agreement (the "Agreement") dated as of January 1, 1988, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follow:

1. Article V-A, paragraph (b) is amended and replaced by the following:
 - b. In addition to the maximum aggregate limit of liability set forth in each of the Exhibits to this Agreement, with respect to all losses occurring (Ultimate Net Loss) for each program set forth in each Exhibit to this Agreement, the Reinsurer will also be liable for Reinsurer's Additional Liability, which for any program shall be the amount by which the Ultimate Net Loss exceeds:
 1. The maximum aggregate limit of liability set forth in each Exhibit; plus
 2. \$5,000,000.
2. Article V-A, paragraph (c) is amended and replaced by the following:
 - c. The Reinsurer's Additional Liability shall not exceed \$5,000,000 Ultimate Net Loss any one program, \$10,000,000 Ultimate Net Loss in the aggregate for all programs, any one underwriting year.
3. Effective Date - As respects Legion Insurance Company, Mutual Indemnity Ltd. and Mutual Indemnity (Barbados) Ltd., this Amendment shall be effective as of January 1, 1988, and as respects Mutual Indemnity (US) Ltd., this Amendment shall be effective as of January 1, 1989.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

At Philadelphia, Pennsylvania
on the 5th day of August, 1991

LEGION INSURANCE COMPANY

By: Glenn R. Partridge
Glenn R. Partridge
Senior Vice President

At Hamilton, Bermuda
on the 20th day of August, 1991

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson
Executive Vice President

At Hamilton, Bermuda
on the 20th day of August, 1991

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson
Executive Vice President

At Hamilton, Bermuda
on the 20th day of August, 1991

MUTUAL INDEMNITY (BARBADOS) LTD.

By: Paul Watson
Paul Watson
Executive Vice President

AMENDMENT

This Amendment is made to a reinsurance agreement (the "Agreement") dated as of January 1, 1988, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follow:

1. Article V-A, paragraph (c) is amended and replaced by the following:
 - c. The Reinsurer's Additional Liability combined under this Agreement and the reinsurance agreement between the parties dated January 1, 1991, as amended, shall not exceed \$5,000,000 Ultimate Net Loss any one program, \$10,000,000 Ultimate Net Loss in the aggregate for all programs, any one underwriting year.
2. Effective Date - As respects Legion Insurance Company, Mutual Indemnity Ltd. and Mutual Indemnity (Barbados) Ltd., this Amendment shall be effective as of January 1, 1988, and as respects Mutual Indemnity (US) Ltd., this Amendment shall be effective as of January 1, 1989.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

At Philadelphia, Pennsylvania
on the 26TH day of JANUARY, 1993

LEGION INSURANCE COMPANY

By: Glenn R. Partridge
Glenn R. Partridge
Senior Vice President

At Hamilton, Bermuda
on the 4 day of Feb, 1993

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson
President

At Hamilton, Bermuda
on the 4 day of Feb, 1993

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson
President

At Hamilton, Bermuda
on the 4 day of Feb, 1993

MUTUAL INDEMNITY (BARBADOS) LTD.

By: Paul Watson
Paul Watson
President

REINSURANCE TREATY NO. 103

LEGION INSURANCE COMPANY
("COMPANY")
and

MUTUAL INDEMNITY LTD.,
MUTUAL INDEMNITY (BARBADOS) LTD. AND
MUTUAL INDEMNITY (US) LTD.
("REINSURER")

AGGREGATE EXCESS OF LOSS

REINSURANCE AGREEMENT

EFFECTIVE: January 1, 1991

LEGION INSURANCE COMPANY and
MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD. AND
MUTUAL INDEMNITY (US) LTD.

AGGREGATE EXCESS OF LOSS REINSURANCE AGREEMENT

EFFECTIVE: January 1, 1991

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AGGREGATE EXCESS OF LOSS REINSURANCE AGREEMENT.

This Agreement is made and entered into by and between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania (hereinafter called the "Company") on the one part and MUTUAL INDEMNITY LTD., Hamilton, Bermuda, MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados and MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda (hereinafter severally and not jointly called the "Reinsurer") of the other part.

The Reinsurer, being constituted of more than one corporation, whose names are set forth above, this Agreement shall apply severally as between the Company and each such corporation with respect to each Program (as defined below) as set forth in each of the Exhibits signed by such corporation and attached to this Agreement. The rights and obligations provided for herein of any one such corporation will not be as held, assumed or guaranteed by any other corporation constituting the Reinsurer.

ARTICLE 1

BUSINESS REINSURED

- A. By this Agreement, and subject to the limitations set forth herein, Reinsurer agrees to reinsure the Company in respect of the excess aggregate liability which may accrue to the Company under its policies, contracts and binders of insurance (hereinafter called "Policies") issued or renewed on or after the effective date hereof, and classified by the Company and Reinsurer as part of a Program (the "Program"), as defined below, and subject to the terms, conditions, and limitations set forth herein and in the Exhibits attached hereto.

ARTICLE 2

COMMENCEMENT AND TERMINATION

- A. This Agreement shall become effective at 12:01 a.m., Eastern Standard Time, January 1, 1991, with respect to losses arising out of occurrences commencing on or after that date on Policies issued or renewed under Programs on or after that date, and shall continue in force thereafter until terminated as provided in the following paragraph.

- B. Either the Company or the Reinsurer shall have the right to terminate this Agreement as of 12:01 a.m., Eastern Standard Time, any January 1, by giving 90 days' prior notice in writing via either Certified or Registered Mail, return receipt requested.
- C. This Agreement as to any Program may be canceled in whole or in part by the Company by giving ninety (90) days prior written notice to the Reinsurer. The Reinsurer shall have the right to cancel this Agreement as to any Program by giving a number of days prior written notice to the Company which shall be not less than thirty (30) days more than the longest prior notice of cancellation required by any named insured or insureds under policies issued under the Program.
- D. In the event of termination of this Agreement the Reinsurer will continue to cover all Policies coming within the scope of this Agreement, including those written or renewed during the period of notice, until the natural expiration or anniversary of such Policies plus odd time, whichever occurs first, but in no event longer than 15 months from the date of termination.
- E. The Reinsurer shall also remain liable for all losses and allocated loss adjustment and claim expense incurred against the reinsured policies covered by this agreement, whether or not such losses and expenses are reported after the termination of the Agreement or the termination date of such reinsured policies. However, for any terminated program, the Reinsurer's maximum aggregate liability set forth in each Exhibit shall be based only on the earned premium under the Program, unless otherwise set forth in such Exhibit, provided, however, that such maximum aggregate liability shall not be less than the dollar minimum set forth in each such Exhibit.
- F. Alternatively, at the option of the Company, coverage hereunder may be terminated as respects policies in force as of the date of termination and Reinsurers will return all unearned premium.

ARTICLE 3

RETENTION/LIMITS

As respects any Program, the Company and the Reinsurer shall determine an annual aggregate retention ("Annual Aggregate Retention") applicable to the aggregate of Net Losses in any one account year to Net losses from Workers' Compensation and Employer Liability for such Program for any one account year, which Annual Aggregate Retention shall be set forth in an exhibit for that Program, attached to this Agreement and made a part hereof (an "Exhibit").

The Company's losses subject to the Annual Aggregate Retention for each Program shall be limited to losses not exceeding the Loss Limit as set forth in the Exhibit for such Program.

As respects the Company's Net Losses subject to the aggregate retention within any Program, the Company shall retain an amount of Ultimate Net Loss which in the aggregate in any one Account Year is equal to the Annual Aggregate Retention as set forth in that Program's Exhibit.

For any Program, the Reinsurer shall indemnify the Company for the amount by which such aggregate Ultimate Net Losses in any one account year exceed the Annual Aggregate Retention set forth in that Program's Exhibit up to but not to exceed the maximum limit of liability as respects Ultimate Net Loss any one Account Year for the aggregate retention within such Program, as set forth in that Program's Exhibit.

ARTICLE 4

TERRITORY

This Agreement shall apply to losses covered by the Policies wherever occurring.

ARTICLE 5

DEFINITIONS

- A. The Term "Workers' Compensation and Employers' Liability Business" as used in the Agreement shall mean all insurance or reinsurance written by the Company and classified by the Company as workers' compensation and employers' liability, including death, dismemberment, permanent and total disability, permanent partial disability, temporary total disability and medical expenses as a result of an occupational accident; such benefits forming part of the Company's portfolio in respect of statutory and voluntary workers' compensation including United States Longshoremen and Harborworkers, employers' liability, admiralty and Jones act, and maritime endorsement. Coverage is extended to business relating to U.S. aviation and aerospace industry including any parent and/or subsidiary.
- B. The terms "Net Loss" or "Ultimate Net Loss" as used in this Agreement shall mean the actual loss paid by the Company, or for which the Company becomes liable to pay not exceeding the "Loss Limit" set for any Program as set forth in the Exhibit for such Program, plus a pro rata share (for Minnesota losses a 100% share) of all interest and adjustment expenses including cost of litigation, in proportion that the amount not exceeding the said Loss Limit bears to the total amount of the loss, but

salvages and all recoveries, including recoveries under all reinsurance which inure to the benefit of this Agreement (whether recovered or not), shall be first deducted from such loss to arrive at the amount of liability attaching hereunder.

All salvages, recoveries or payments recovered or received subsequent to loss settlements hereunder shall be applied as if recovered or received prior to the aforesaid settlement and all necessary adjustments shall be made by the parties hereto.

Nothing in this clause shall be construed to mean that losses are not recoverable hereunder until the Company's Ultimate Net Loss has been ascertained.

- C. The term "Policy" as used in this Agreement shall mean any binder, policy, or contract of insurance or reinsurance issued, accepted or held covered provisionally or otherwise, by or on behalf of the Company.
- D. The term "Program" as used in this Agreement shall mean a policy or group of Policies for one insured or a group of insureds separately identified by the Company as a Program. The Company will be the sole judge of what constitutes one insured or one group of insureds, and will have the prerogative of including in one program only policies which are ascribed to the same underwriting year.
- E. The term "Account Year" as used in this Agreement shall mean the period (not exceeding one year in duration, plus odd time, not to exceed 18 months in all) of the policy or policies issued by the Company in respect of any one Insured Program.
- F. Other terms used in this agreement shall have the definition first appearing in the Insurance Code of the Commonwealth of Pennsylvania, or the NAIC Examiners Handbook, or the NAIC Accounting Practices and Procedures Manual for Fire and Casualty Insurance Companies or the Reinsurance Association of America, Glossary of Reinsurance Terms.

ARTICLE 6

PREMIUM

1. The premium for each Program shall be as set forth in the Exhibit for such Program (hereinafter the "Reinsurer's Premium").
2. The Reinsurer's Premium shall be payable within the time specified in Article 7. The amounts owed by the parties to each other shall be reconciled as provided in paragraph 3 of this Article 6.

3. The Reinsurer's Premium payable shall be reconciled against (i) the amount necessary to establish or maintain any required level of Paid Loss Deposit Funds and (ii) that portion of the Reinsurer's liability under each of the Exhibits attached to this Agreement represented by Paid Losses to the extent that such item was not previously reconciled under this Agreement.
4. The Company shall withhold and pay the applicable United States Federal Excise Tax, if any. It is further understood that the Company shall not be liable to the Reinsurer for any unrecoverable amounts of Federal Excise Tax paid on such premiums and subsequently determined not to have been payable thereon and that the Reinsurer shall indemnify the Company for any Federal Excise Tax liability in excess of the amount set forth in each Exhibit. The Company shall make a good faith effort to recover any Federal Excise Tax erroneously withheld or paid over and shall return any amount so recovered to the Reinsurer.
5. The Reinsurer shall allow the Company a ceding commission as set forth in each Exhibit. The Reinsurer understands and agrees that the ceding commission set forth in each Exhibit is based in part on an estimate of certain expenses incurred by the Company, and agrees to allow such additional ceding commission to pay the actual expenses incurred by Company in excess of such estimate. In return for accepting 100% of the liability for such excess expenses, if the actual expenses are determined by the Company to be less than the estimate, the Reinsurer shall receive as an experience credit an amount equal to 100% of the difference between the actual and estimated expenses.

ARTICLE 7

RECONCILIATION/PAID LOSS DEPOSIT FUND

1. Within thirty (30) days after each payment of premium is received by the Company in accordance with the terms of the Policy; the Company will issue to the Reinsurer a reconciliation statement (the "Reconciliation Statement") setting forth the reinsurance payable as reconciled against the items described in ARTICLE 6 paragraph 3. If the result of the reconciliation is that one party owes money to the other, the responsible party shall pay the amount so owed within the time required by this Agreement, or if not otherwise specified, within 20 days after the receipt of the Reconciliation Statement. All payments hereunder shall be made in United States currency.
2. The parties hereto recognize and agree that each party's liability hereunder shall extend beyond the time that each party is receiving premiums under their respective Policy, and possibly beyond the expiration date of the Policies and this Agreement;

and that in such an event the reconciliations may involve only a computation of the Reinsurer's liability to the Company for losses, if any.

3. Within 60 days after the end of each calendar month Legion shall provide monthly loss statements to the Reinsurer for the settlement of losses paid during that reporting period. The Reinsurer will pay the amount so owed within 20 days after receipt of the statement, provided, however, that when as a result of any one loss the total amount due from the Reinsurer exceeds \$10,000, the Reinsurer will upon demand and receipt of satisfactory proof of loss, remit its proportion forthwith.
4. Legion will, with funds (i) to be withheld from premium cessions due to the Reinsurer or (ii) provided by the Reinsurer, establish and maintain a Paid Loss Deposit Fund, the purpose of which is to provide a source of funds for payment of Reinsurer's liability under this Agreement. This paid loss deposit fund shall be established for each Program once losses incurred exceed Legion's retention as set forth in each Exhibit to this Agreement, and shall be adjusted on a monthly basis to the average of two months paid losses based on the most recent three months paid losses.

ARTICLE 8

LETTER OF CREDIT

1. In connection with each Program, the Reinsurer will furnish to the Company a clean, irrevocable, evergreen Letter of Credit from a U.S. Bank (which is a member of the Federal Reserve System) acceptable to Legion in its sole discretion (hereinafter the "Issuing Bank"), or other deposits or guarantees acceptable to the Company, in an amount equal to the Company's ceded reserve for outstanding losses, losses incurred but not yet reported, allocated loss adjustment expense, and unearned premium. The Letter of Credit, or any replacement or renewal thereof, shall be in a form acceptable to the Company and in compliance with the statutes and regulations of the Commonwealth of Pennsylvania, for the purpose of securing the obligations of the Reinsurer under this Agreement, provided that at no time shall the Reinsurer be obligated to provide a Letter of Credit in connection with any of the Programs which exceed the Reinsurer's maximum liability, at any point, to the Company for such Program, unless otherwise required by state regulatory authorities. During the term of this Agreement, the amount of such security may be adjusted by the Company to secure the obligations of the Reinsurer hereunder. If the Company deems such an adjustment necessary, the Reinsurer will, within thirty (30) days of receipt of written request by the Company, obtain and deliver an amendment to such Letter of Credit or will obtain an excess Letter of Credit to cover the increased amount of such security. If the Letter of Credit terminates or expires for any reason, while the

Reinsurer remains liable for losses under this Agreement, the Reinsurer shall, thirty (30) days prior to termination or expiration, deliver to the Company a substitute in an amount and form acceptable to the Company which shall become effective immediately upon the termination or expiration of the prior irrevocable Letter of Credit.

ARTICLE 9

CURRENCY

All of the provisions of this Agreement involving dollar amounts are expressed in terms of United States dollars and are premium and loss payments hereunder shall be made in United States dollars.

ARTICLE 10

TAXES

The Company will be liable for state and local premium taxes on premiums reported to the Reinsurer hereunder.

ARTICLE 11

REPORTS

It is understood and agreed that the Company will report to the Reinsurer any information which the Reinsurer may require to prepare its Annual Statement and other regulatory filings which is reasonably available to the Company.

ARTICLE 12

NOTICE OF LOSS AND LOSS SETTLEMENTS

The Company will advise the Reinsurer promptly of all claims which in the opinion of the Company may involve the Reinsurer, and of all subsequent developments on these claims which may materially affect the position of the Reinsurer.

The Reinsurer agrees to abide by the loss settlements of the Company, it being understood, however, that when so requested the Company will afford the Reinsurer an opportunity to be associated with the Company, at the expense of the Reinsurer, in the defense of any claim or suit or proceeding involving this reinsurance and that the Company will cooperate in every respect in the defense or control of such claim, suit or proceeding. All settlements by the Company of claims involving this reinsurance, including voluntary Compromise and Release, when made by the Company, shall be unconditionally binding on the Reinsurer.

The Reinsurer will pay its share of loss settlements in accordance with Article 7(3) of this Agreement.

This Agreement shall protect the Company, subject to the Loss Limit set forth in each Exhibit, where the loss includes any Extra Contractual Obligations for 100% of such Extra Contractual Obligations. "Extra Contractual Obligations" are defined as those liabilities not covered under any other provision of this Agreement and which arise from handling of any claim on business covered hereunder, such liabilities arising because of, but not limited to, the following: failure by the Company to settle within the Policy limit, or by reason of alleged or actual negligence, fraud or bad faith in rejecting an offer of settlement or in the preparation of the defense or in the trial of any action against its insured or in the preparation or prosecution of any appeal consequent upon such action.

The date on which any Extra Contractual Obligation is incurred by the Company shall be deemed, in all circumstances, to be the date of the original Loss Occurrence, and the Reinsurer's Loss Limit referred to in the preceding paragraph shall separately apply to Extra Contractual Obligations and any other covered loss of the Company relating thereto.

However, this Article shall not apply where the loss has been incurred due to the fraud of a member of the Board of Directors or a corporate officer of the Company acting individually or collectively or in collusion with any individual or corporation or any other organization or party involved in the presentation, defense or settlement of any claim covered hereunder.

One Hundred percent of expenses attributable to any portion of loss designated as an Extra Contractual Obligation will be subject to proration in accordance with the other terms of this Article.

ARTICLE 13

SALVAGE AND SUBROGATION

Should the Company effect subrogation or salvage recovery or receive reimbursement of loss subject to this Agreement, then such recovery, less all expenses incurred in effecting the recovery (excluding salaries and expenses of officials and employees of the Company not

classified as loss adjusters) will be applied between the parties having interest in the loss in the order inverse to that in which their respective liability attached.

Should a recovery effect be unsuccessful, or should the expense of making a recovery exceed the recovery, then the Company and the Reinsurer shall share such expense in proportion to their interest in the loss.

ARTICLE 14

ERRORS AND OMISSIONS/SERVICE OF SUIT

1. Any inadvertent delay, omission or error shall not be held to relieve either party hereto from any liability which would attach to it hereunder if such delay, omission or error had not been made, providing such delay, omission or error is rectified upon discovery.
2. In the event of the failure of the Reinsurer to pay any amount claimed to be due hereunder or to provide any Letter of Credit required under Article 8, the Reinsurer shall, at the request of Company, submit to the jurisdiction of any court of competent jurisdiction within the United States and shall comply with all requirements necessary to give such Court jurisdiction; and all matters arising hereunder shall be determined in accordance with the law and practice of such Court.
3. Service of process in such suit(s) against the Reinsurer may be made upon Dunnington, Bartholow & Miller, 666 Third Avenue, New York, New York 10017, Attention: Richard E. O'Brien, Esq. and that in any suit instituted against the Reinsurer upon this Contract, Reinsurer shall abide by the final decision of such Court or of any Appellate Court in the event of an appeal. The above-named are authorized and directed to accept service of process on behalf of Reinsurer in any such suit and/or upon the request of the Company to give a written undertaking to the Company that they shall enter a general appearance upon Reinsurer's behalf in the event such suit shall be instituted. Further, pursuant to any statute of any State, Territory, or District of the United States which makes provision therefore, Reinsurer herein hereby designate the Superintendent, Commissioner, or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Company or any beneficiary hereunder arising out of this Contract and hereby designate the above-named Dunnington, Bartholow & Miller as the firm to whom the said officer is authorized to mail such process or a true copy thereof.

ARTICLE 15

INSPECTION

The Company shall place at the disposal of the Reinsurer at all reasonable times, and the Reinsurer shall have the right to inspect, through its authorized representatives, all books, records and papers of the Company in connection with any reinsurance hereunder, or claims in connection herewith.

ARTICLE 16

INSOLVENCY

In the event of the insolvency of the Company, reinsurance under this Agreement shall be payable by the Reinsurer on the basis of the liability of the Company under Policy or Policies reinsured without diminution because of the insolvency of the Company to the Company or its liquidator, receiver, or statutory successor, except as provided by Section 4118(a) of the New York Insurance Law or except where the Agreement specifically provides another payee of such reinsurance in the event of the insolvency of the Company, and where the Reinsurer with the consent of the direct insured or insureds has assumed such Policy obligations of the Company as direct obligations of the Reinsurer to the payee under such Policies and in substitution for the obligations of the Company to such payees.

It is agreed, however, that the liquidator or receiver or statutory successor of the insolvent Company shall give written notice to the Reinsurer of the pendency of a claim against the insolvent Company on the Policy or Policies reinsured within a reasonable time after such claim is filed in the insolvency proceeding and that during the pendency of such claim the Reinsurer may investigate such claim and interpose, at its own expense, in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator or receiver or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to court approval, against the insolvent Company as part of the expense of liquidation to the extent of a proportionate share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

Where two or more Reinsurers are involved in the same claim and a majority in interest elect to interpose defense to such claim the expense shall be apportioned in accordance with the terms of this Agreement as though such expense had been incurred by the insolvent Company.

Should the Company go into liquidation or should a receiver be appointed the Reinsurer shall be entitled to deduct from any sums which may be due or may become due to the Company under this Reinsurance Agreement, any sums which are due to the Reinsurer by the Company under this Reinsurance Agreement and which are payable at a fixed or stated date, as well as any other sums due the Reinsurer which are permitted to be offset under applicable law.

ARTICLE 17

ARBITRATION

As a condition precedent to any right of action hereunder, any irreconcilable dispute between the parties to this Agreement will be submitted for decision to a board of arbitration composed of two arbitrators and an umpire.

Arbitration shall be initiated by the delivery of a written notice of demand for arbitration by one party to the other within a reasonable time after the dispute has arisen.

The members of the board of arbitration shall be active or retired disinterested officers of insurance or reinsurance companies or Underwriters at Lloyd's London, not under control of or a former officer of either party to this Agreement. Each party shall appoint its arbitrator and the two arbitrators shall choose an umpire before instituting the hearing. If the respondent fails to appoint its arbitrator within four weeks after being requested to do so by the claimant, the latter shall also appoint the second arbitrator. If the two arbitrators fail to agree upon the appointment of an umpire within four weeks after their nominations, each of them shall name three, of whom the other shall decline two, and the decision shall be made by the then current President of the Reinsurance Association of America.

The claimant shall submit its pre-hearing brief within 45 days from appointment of the umpire. The respondent shall submit its brief within 45 days thereafter and the claimant may submit a reply brief within 30 days after filing of the respondent's brief.

The board shall make its decision with regard to the custom and usage of the insurance and reinsurance business. The board shall issue its decision in writing based upon a hearing in which evidence may be introduced without following strict rules of evidence but in which cross-examinations and rebuttal shall be allowed. The board shall make its decision within 60 days following the termination of the hearing unless the parties consent to an extension. The majority decision of the board shall be final and binding upon all parties to the proceeding. Judgement may be entered upon the award of the board in any court having jurisdiction.

If more than one Reinsurer is involved in the same dispute, all such reinsurers shall constitute and act as one party for the purpose of this clause, and communications shall be made by the Company to each of the Reinsurers constituting the one party, provided, however, that nothing therein shall impair the rights of such Reinsurers to assert several, rather than joint, defenses or claims, nor be construed as changing the liability of the Reinsurers under the terms of this Agreement from several to joint. If more than one Reinsurer is involved in the arbitration as respondent, the time for appointing the arbitrators will be extended to six weeks.

Each party shall bear the expense of its own arbitrator and shall jointly and equally bear with the other party the expense of the umpire. The remaining costs of the arbitration proceedings shall be allocated by the board.

ARTICLE 18

CONDITIONS

1. This Agreement shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.
2. This Agreement may not be released, discharged, changed or modified except by an instrument in writing by a duly authorized representative of all of the Parties.
3. All notices, requests, demands or other communications made hereunder shall be in writing and shall be deemed duly given on the date of receipt when personally delivered or sent by telex, facsimile transmission, overnight courier or registered or certified mail, postage pre-paid and return receipt requested, to the persons and addresses set forth below, or to such other address or person as either party may hereafter designate by notice to the other party:

If to the Company, then to:

Legion Insurance Company
One Liberty Place, Suite 2200
1650 Market Street
Philadelphia, PA 19103
Attention: Andrew S. Walsh

If to the Reinsurers:

Mutual Indemnity Ltd.
Mutual Indemnity (US) Ltd.
Mutual Indemnity (Barbados) Ltd.
44 Church Street
P.O. Box 2064
Hamilton, Bermuda
Attention: Paul Watson

IN WITNESS WHEREOF, the parties hereto have signed this Reinsurance Agreement as of the dates set forth below.

In Hamilton, Bermuda,
this 16th day of December 1991.

MUTUAL INDEMNITY LTD.

By: Paul Watson

In Philadelphia, Pennsylvania,
this 18th day of December, 1991.

LEGION INSURANCE COMPANY

By: Glen Harshbarger

In Hamilton, Bermuda,
this 16th day of December 1991.

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson

In Hamilton, Bermuda,
this 16th day of December 1991.

MUTUAL INDEMNITY
(BARBADOS) LTD.

By: Paul Watson

EXHIBIT XXX-XXX-95
TO REINSURANCE TREATY NO. 103.

BETWEEN
LEGION INSURANCE COMPANY ("COMPANY")

AND
MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD.
MUTUAL INDEMNITY (BERMUDA) LTD.
AND
MUTUAL INDEMNITY (US) LTD.
("REINSURER")

This Exhibit shall be between Legion Insurance Company and Mutual Indemnity (Bermuda) Ltd., to be effective _____ and shall be subject to all terms and conditions of the Reinsurance Agreement (the "Agreement") to which it is attached.

The Reinsurer shall be liable to the Company under terms and conditions of this Agreement for the following:

| | |
|-----------------|--|
| COVERAGES: | Workers' Compensation and Employer's Liability |
| POLICY NUMBERS: | WC1 XXX XXX |
| PROGRAM: | XXXXXXXXXXXXXXXXXXXXXXXXXXXX |
| TERM: | X/XX/XX to X/XX/XX |

LOSS LIMIT

| | |
|-------------------------------|--|
| All states except Minnesota - | \$250,000 per occurrence plus proportional allocated loss adjustment expense |
| Minnesota - | \$250,000 per occurrence plus 100% of allocated loss adjustment expense+ |

+ The loss limit for losses occurring in Minnesota shall be adjusted effective January 1, 1996 for losses occurring after that date to the retention chosen by the Company under its reinsurance agreement with the Minnesota Workers' Compensation Reinsurance Association.

ANNUAL AGGREGATE RETENTION

The Annual Aggregate Retention referred to in Article 3 of the Agreement shall be XX.X% of Gross Written Premium.

REINSURER'S MAXIMUM LIMIT OF LIABILITY

The Reinsurer's maximum aggregate liability for the term for all items including but not limited to Net losses or Ultimate Net Losses, Allocated Claims Expense and punitive or exemplary damages is limited to an amount equal to XX.XX% of the Gross Written Premium of the Program.

REINSURER'S PREMIUM

Reinsurer's Premium shall equal XX.XXX% of Gross Written Premium to the Program.

CEDING COMMISSION

The Reinsurer shall allow the Company a commission equal to XX.XXX% of Gross Written Premium. This ceding commission includes an estimated percentage of taxes, licenses, fees, assessments, guaranty funds, assigned risk pool charges, and unallocated claims expenses not paid by Insured which shall be adjusted pursuant to Article 6(5) of the Agreement to cover actual expenses by the Company for such items.

IN WITNESS WHEREOF, the parties have set their hand:

At Hamilton, Bermuda,

At Philadelphia, Pennsylvania

On the _____ day of _____,
1995

On the _____ day of _____,
1995

MUTUAL INDEMNITY (BERMUDA)
LTD.

LEGION INSURANCE COMPANY

By: _____
Paul Watson
President

By: _____
Allen G. Barry, III
Vice President

AMENDMENT

This Amendment is made to an aggregate excess of loss reinsurance agreement (the "Agreement") dated as of January 1, 1991, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follow:

1. Article 8, Reconciliation/Paid Loss Deposit Fund is amended as follows:
 - a. The first sentence of the section shall read: "Within 30 days after the end of each calendar month Legion shall provide monthly loss statements to the Reinsurer for the settlement of losses paid during that reporting period."

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

At Philadelphia, Pennsylvania
on the 7th day of November, 1992.

At Hamilton, Bermuda
on the 7 day of Dec, 1992

LEGION INSURANCE COMPANY

MUTUAL INDEMNITY (US) LTD.

By: Glenn R. Partridge
Glenn R. Partridge
Senior Vice President

By: Paul Watson
Paul Watson
President

At Hamilton, Bermuda
on the 7 day of Dec, 1992

At Hamilton, Bermuda
on the 7 day of Dec, 1992

MUTUAL INDEMNITY LTD.

MUTUAL INDEMNITY
(BARBADOS) LTD.

By: Paul Watson
Paul Watson
President

By: Paul Watson
Paul Watson
President

AMENDMENT

This Amendment is made to a reinsurance agreement (the "Agreement") dated as of January 1, 1991, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follow:

1. A new ARTICLE 3-A is added and shall read as follows:

ADDITIONAL LIMITS OF LIABILITY

A. In addition to the amount by which the aggregate Ultimate Net Losses in any one Account Year exceed the Annual Aggregate Retention set forth in each of the Program Exhibits to this Agreement, up to but not exceeding the maximum limit of liability as respects Ultimate Net Loss any one Account Year for the aggregate retention within each program, as set forth in the Program's Exhibit, the Reinsurers will also be liable for Reinsurers' Additional Liability, which for any program shall be the amount by which the Ultimate Net Loss exceeds:

1. The maximum aggregate limit of liability set forth in each Exhibit, plus
2. \$5,000,000.

B. The Reinsurer's Additional Liability combined under this Agreement and the reinsurance agreement between the parties dated January 1, 1988, as amended, shall not exceed \$5,000,000 Ultimate Net Loss any one program, \$10,000,000 Ultimate Net Loss in the aggregate for all programs, any one underwriting year.

2. Effective Date - As respects Legion Insurance Company, Mutual Indemnity Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd., this Amendment shall be effective as of January 1, 1991.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

At Philadelphia, Pennsylvania
on the 26th day of February, 1993

LEGION INSURANCE COMPANY

By: _____
Glenn R. Partridge
Senior Vice President

At Hamilton, Bermuda
on the 1st day of February, 1993

MUTUAL INDEMNITY LTD.

By: _____
Paul Watson
President

At Hamilton, Bermuda
on the 12 day of Dec, 1993

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson
President

At Hamilton, Bermuda
on the 12 day of Dec, 1993

MUTUAL INDEMNITY (BARBADOS) LTD.

By: Paul Watson
Paul Watson
President

AMENDMENT

This Amendment is made to Reinsurance Agreement No. 103 dated as of January 1, 1991, as amended (the "Agreement"), by and between Legion Insurance Company ("Legion") on the one part and Mutual Indemnity Ltd., Mutual Indemnity (US) Ltd., Mutual Indemnity (Barbados) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In consideration of the mutual promises contained herein and intending to be legally bound hereby, the parties agree to amend the Agreement as follows:

1. The first paragraph of Article 16 - Insolvency is deleted in its entirety and replaced with the following:

"The portion of any risk or obligation assumed by the Reinsurer, when such portion is ascertained, shall be payable on demand of the Company at the same time as the Company shall pay its net retained portion of such risk or obligation, with reasonable provision for verification before payment, and the reinsurance shall be payable by the Reinsurer, on the basis of the liability of the Company under the contract or contracts reinsured without diminution because of the insolvency of the Company. In the event of insolvency and the appointment of a conservator, liquidator or statutory successor of the ceding company, such portion shall be payable to such conservator, liquidator, or statutory successor immediately upon demand, with reasonable provision for verification, on the basis of claims allowed against the insolvent company by any court of competent jurisdiction or by any conservator, liquidator or statutory successor of the company having authority to allow such claims, without diminution because of such insolvency or because such conservator, liquidator or statutory successor of the company has failed to pay all or a portion of any claims. Payments by the reinsurer as above set forth shall be made directly to the Company or to its conservator, liquidator or statutory successor, except where the contract of insurance or reinsurance specifically provides another payee of such reinsurance in the event of the insolvency of the Company."

2. The last paragraph of Article 16 - Insolvency is deleted in its entirety.
3. A new Article 19 is added as follows:

OFFSET

Legion and the Reinsurers shall have the right to offset any balance or amount due from one party to the other under this Agreement or any other agreement heretofore or hereafter entered into between the parties or their assignees, provided that the parties stand in the same capacity as herein. The party asserting the right of offset may exercise such right at any time whether the balance(s) due are on account of premiums or losses or otherwise. In the event of the insolvency of a party hereto, offsets shall only be allowed in accordance with the provisions of applicable insurance law and regulation.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

At Philadelphia, Pennsylvania
this ___ day of December, 1994

LEGION INSURANCE COMPANY

By: [Signature]
Title:

At Hamilton, Bermuda
this 29 day of December, 1994

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: [Signature]
Title: VICE PRESIDENT,

At Hamilton, Bermuda
this 29 day of December, 1994

MUTUAL INDEMNITY LTD.

By: [Signature]
Title: VICE PRESIDENT

At Hamilton, Bermuda
this 29 day of December, 1994

MUTUAL INDEMNITY (US) LTD.

By: [Signature]
Title: VICE PRESIDENT

At Hamilton, Bermuda
this 29 day of December, 1994

MUTUAL INDEMNITY (BERMUDA)
LTD.

By: [Signature]
Title: VICE PRESIDENT

AMENDMENT 4 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY (the "Reinsurer") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BARBADOS) LTD., AND MUTUAL INDEMNITY (US) LTD. (collectively the "Company") dated as of January 1, 1991.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

1. EFFECTIVE DATE. This amendment shall be effective as of April 1, 1993.
2. Paragraph 1 of Introduction is amended to read as follows:

The Agreement is made and entered into by and between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania (hereinafter called the "Reinsurer") on the one part and MUTUAL INDEMNITY LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados; MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda; and MUTUAL INDEMNITY (BERMUDA) LTD. of Hamilton, Bermuda (hereinafter severally and not jointly called the "Company") on the other part.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this 3 day of Oct, 1996

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 3 day of Oct, 1996

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 3 day of Oct, 1996

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson

at Philadelphia, Pennsylvania
this 24th day of Sept., 1996

LEGION INSURANCE COMPANY

By: Allen G. Barry, III
Allen G. Barry, III
Vice President

AMENDMENT 5 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY (the "Reinsurer") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BERMUDA), MUTUAL INDEMNITY (BARBADOS) LTD., AND MUTUAL INDEMNITY (US) LTD. (collectively the "Company") dated as of January 1, 1991 as amended.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

1. EFFECTIVE DATE. This amendment shall be effective as of November 1, 1996.
2. Paragraph 1 of Introduction is amended to read as follows:

The Agreement is made and entered into by and between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania (hereinafter called the "Reinsurer") on the one part and MUTUAL INDEMNITY LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados; MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BERMUDA) LTD. of Hamilton, Bermuda and MUTUAL INDEMNITY (DUBLIN) LTD. of Dublin, Ireland (hereinafter severally and not jointly called the "Company") on the other part.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this 20 day of Nov, 1996

MUTUAL INDEMNITY LTD.

By: [Signature]
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1996

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: [Signature]
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1996

MUTUAL INDEMNITY (US) LTD.

By: [Signature]
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1996

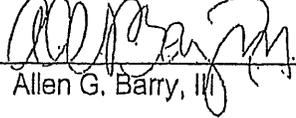
MUTUAL INDEMNITY (BERMUDA) LTD.

By: [Signature]
Paul Watson

[Handwritten notes and stamps]
m1103am.ra

at Philadelphia, Pennsylvania
this 7th day of NOV., 1996

LEGION INSURANCE COMPANY

By: 
Allen G. Barry, III

AMENDMENT 6 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY (the "Reinsurer") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BERMUDA), MUTUAL INDEMNITY (BARBADOS) LTD., MUTUAL INDEMNITY (US) LTD. and MUTUAL INDEMNITY (DUBLIN) LTD. (collectively the "Company") dated as of January 1, 1991 as amended.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

1. EFFECTIVE DATE. This amendment shall be effective as of May 15, 1996.
2. Paragraph 1 of Introduction is amended to read as follows:

The Agreement is made and entered into by and between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania and LEGION INDEMNITY COMPANY of Philadelphia, Pennsylvania (hereinafter severally and not jointly called the "Reinsurer") on the one part and MUTUAL INDEMNITY LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados; MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BERMUDA) LTD. of Hamilton, Bermuda and MUTUAL INDEMNITY (DUBLIN) LTD. of Dublin, Ireland (hereinafter severally and not jointly called the "Company") on the other part.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this _____ day of _____, 1997

MUTUAL INDEMNITY LTD.

By: _____
Paul Watson

at Hamilton, Bermuda ;
this _____ day of _____, 1997

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: _____
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1997

MUTUAL INDEMNITY (US) LTD.

By: _____
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1997

MUTUAL INDEMNITY (BERMUDA) LTD.

By: _____
Paul Watson

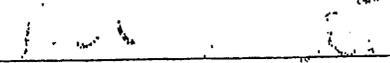
at Philadelphia, Pennsylvania
this 9th day of January, 1997

LEGION INSURANCE COMPANY

By: 
Allen G. Barry, III

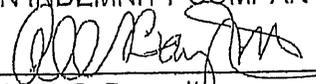
at Hamilton, Bermuda
this 9th day of January, 1997

MUTUAL INDEMNITY (DUBLIN) LTD.

By: 
Paul Watson

at Philadelphia, Pennsylvania
this 9th day of January, 1997

LEGION INDEMNITY COMPANY

By: 
Allen G. Barry, III

AMENDMENT 7 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY, and LEGION INDEMNITY COMPANY (collectively the "Company") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BERMUDA), MUTUAL INDEMNITY (BARBADOS) LTD., MUTUAL INDEMNITY (US) LTD. and MUTUAL INDEMNITY (DUBLIN) LTD. (collectively the "Reinsurer") dated as of January 1, 1991 as amended.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

ARTICLE 8 is amended to add the following language:

1. (Continued) The Company and the Reinsurer agree that the letter of credit provided by the Reinsurer may be drawn upon at any time and be used by the Company or its successors in interest only for one or more of the following reasons:
 - a. To reimburse the Company for the Reinsurer's share of premlums returned to the owners of policies reinsured under the Reinsurance Agreement due to the cancellation of such policies;
 - b. To reimburse the Company for the Reinsurer's share of surrenders and benefits or losses paid by the Company under the terms and provisions of the policies reinsured under the Reinsurance Agreement;
 - c. To fund an account with the Company in an amount at least equal to the deduction, for reinsurance ceded from the Company's liabilities for policies ceded under the Reinsurance Agreement.
 - d. To pay any other amounts the Company claims are due under the Reinsurance Agreement
 - e. To pay existing liabilities between the Company and the Reinsurer upon commutation of one or more reinsurance contracts.
 - f. The above provisions (sections a. through e.) shall be applied without diminution because of insolvency on the part of the Company or Reinsurer.
2. The parties also agree to provide for:
 - a. an interest payment, at a rate not in excess of the prime rate of interest, on the amounts held pursuant to section c. above, and/or

- b. the return of any amounts drawn down on the letters of credit in excess of the actual amounts required for the above or, in the case of section d., above, any amounts that are subsequently determined not to be due.

ARTICLE 18 CONDITIONS is amended to include the following Section:

- 4 This Agreement represents the entire agreement and understanding among the parties. No other oral or written agreements or contracts relating to the risks reinsured hereunder currently exist and/or are contemplated between the parties.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this 15 day of Nov, 1997

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson

at Philadelphia, Pennsylvania
this 19th day of Nov., 1997

LEGION INSURANCE COMPANY

By: Allen G. Barry, III
Allen G. Barry, III

at Hamilton, Bermuda
this 25 day of Nov, 1997

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 15 day of Nov, 1997

MUTUAL INDEMNITY (DUBLIN) LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 25 day of Nov, 1997

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: Paul Watson
Paul Watson

at Philadelphia, Pennsylvania
this 19th day of Nov., 1997

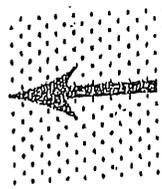
LEGION INDEMNITY COMPANY

By: Allen G. Barry, III
Allen G. Barry, III

at Hamilton, Bermuda
this 25 day of Nov, 1997

MUTUAL INDEMNITY (BERMUDA) LTD.

By: Paul Watson
Paul Watson



AMENDMENT 8 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY (the "Company") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BERMUDA), MUTUAL INDEMNITY (BARBADOS) LTD., MUTUAL INDEMNITY (US) LTD. and MUTUAL INDEMNITY (DUBLIN) LTD. (collectively the "Reinsurer") dated as of January 1, 1991 as amended.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

1. EFFECTIVE DATE. This amendment shall be effective as of July 15, 1997.
2. Paragraph 1 of Introduction is amended to read as follows:

The Agreement is made and entered into by and between LEGION INSURANCE COMPANY of Philadelphia, Pennsylvania, LEGION INDEMNITY COMPANY of Philadelphia, Pennsylvania and Villanova Insurance Company of Philadelphia, Pennsylvania (hereinafter severally and not jointly called the "Company") on the one part and MUTUAL INDEMNITY LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados; MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BERMUDA) LTD. of Hamilton, Bermuda and MUTUAL INDEMNITY (DUBLIN) LTD. of Dublin, Ireland (hereinafter severally and not jointly called the "Reinsurer") on the other part.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this 20 day of Feb, 1998

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 20 day of Feb, 1998

MUTUAL INDEMNITY (BARBADOS) LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 20 day of Feb, 1998

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 20 day of Feb, 1998

MUTUAL INDEMNITY (BERMUDA) LTD.

By: Paul Watson
Paul Watson

at Philadelphia, Pennsylvania
this 3rd day of Feb., 1998

LEGION INSURANCE COMPANY

By: 
Allen G. Barry, III

at Hamilton, Bermuda
this 2nd day of Feb., 1998

MUTUAL INDEMNITY (DUBLIN) LTD.

By: 
Paul Watson

at Philadelphia, Pennsylvania
this 3rd day of Feb., 1998

LEGION INDEMNITY COMPANY

By: 
Allen G. Barry, III

at Philadelphia, Pennsylvania
this 3rd day of Feb., 1998

VILLANOVA INSURANCE COMPANY

By: 
Allen G. Barry, III

REINSURANCE AGREEMENT

No. 301

This Agreement is made and entered into by and between Legion Insurance Company, Philadelphia, PA and Legion Indemnity Company, Chicago, IL (hereinafter the "Company") on the one part and Mutual Indemnity Ltd., Hamilton, Bermuda, Mutual Indemnity (Barbados) Ltd. of Bridgetown, Barbados, Mutual Indemnity (Bermuda) Ltd., Mutual Indemnity (Dublin) Ltd., and Mutual Indemnity (US) Ltd., of Hamilton, Bermuda (hereinafter severally and not jointly called the "Reinsurer") of the other part.

Article 1 - Business Reinsured

By this Agreement and subject to the limitations set forth herein, the Reinsurer agrees to indemnify the Company in respect of the liability which may accrue to the Company as a result of Loss under Policies set forth in the Exhibits attached hereto.

Article 2 - Cover

The Company shall cede and the Reinsurer shall accept by way of reinsurance a 100% quota share of all Loss in respect of Policies coming within the scope of this Agreement. Loss shall include loss, loss adjustment expense and punitive damages.

Article 3 - Term

This Agreement shall be effective on the effective date and time as provided in the Exhibit(s) to this Agreement and shall continue in force until all liabilities under Policy(ies) set forth in the Exhibits are extinguished or terminated.

Article 4 - Collateral

The Reinsurer agrees that it will furnish at its option to the Company cash and/or a Letter of Credit (or Letters of Credit) drawn upon a bank approved by the Company and in an amount as set forth in the Exhibits attached hereto. Such Letter of Credit shall be existing and valid so long as the Company shall be exposed to any liability under its Policies and upon the notice of termination of any Letter of Credit, unless the Reinsurer substitutes a new and valid Letter or Credit in the amount required to be maintained hereunder or any other satisfactory security, the Company may draw down the funds under such Letter of Credit.

The Reinsurer and the Company agree that the Letter of Credit may be drawn upon at any time, notwithstanding any other provision of this Agreement, and be utilized by the Company or any successor, by operation of law, of the Company including, without limitation, any liquidator, rehabilitator, receiver or conservator of the Company only to reimburse the Company for the Reinsurer's obligations, the payment of which is due under the terms of this Agreement and which has not been otherwise paid after ten (10) days notice thereof from the Company to the Reinsurer.

In the event the amount drawn by the Company on any Letter of Credit is in excess of the actual amount that the Company is permitted to withdraw hereunder, the Company shall promptly return to the Reinsurer the excess amount so drawn. All of the foregoing shall be applied without diminution because of the insolvency on the part of the Company or the Reinsurer.

The issuing bank shall have no responsibility whatsoever in connection with the propriety of withdrawals made by the Company or the disposition of funds withdrawn, except to ensure that withdrawals are made only upon the order of properly authorized representatives of the Company.

The Company agrees that prior to the withdrawal of any funds under the Letter of Credit or any other collateral provided by the Reinsurer it shall deliver to the Reinsurer ten (10) days advance notice specifying the amount and reason thereafter.

At the request of the Reinsurer, the Letter of Credit will be adjusted quarterly by any amounts paid by the Reinsurer during the quarter by notice from the Company to the issuing bank of the amount thereof. In connection with all payments of losses for which the Company has an indemnity obligation under the Policy and Loss Adjustment Expenses (as defined in the Policy) and provided the Company is in compliance with this Agreement, the Company may make such payments and call upon the Reinsurer to reimburse the Company and in the event of failure of the Reinsurer to make reimbursement within thirty (30) days after demand the Company may draw upon a Letter of Credit or use other security held by it. In the event that any bank issuing any Letter of Credit furnishes notice of the termination of a Letter of Credit, the Reinsurer agrees to provide a substitute Letter of Credit or other security satisfactory to the Company immediately and failure to do so shall entitle the Company to draw upon such Letter of Credit.

In the event that the Company shall hold funds of the Reinsurer either as a result of direct payment or by reason of drawing down a part of or all of a Letter of Credit the Company agrees to pay to the Reinsurer the earning rate on the funds held. Such earning rate shall be computed by multiplying the average rate of U.S. 6 month Treasury Bills during the quarter by the average funds held by the Company.

Article 6 - Access to Records

The Company and the Reinsurer each agree that the other will have access to the books and records of the other at reasonable times for the purpose of obtaining information such as shall be required under this Agreement, the Policy or the subject matter thereof.

Article 7 - Follow the Fortunes

The Reinsurer agrees to follow the fortunes of the Company and indemnify the Company in all respects in connection with the Policies herein reinsured, including, but not limited to, any award and/or settlement of punitive damages, judgments in excess of the limits of the liability, the holding by any court of any portion of the Policy invalid (for example, the invalidation of the requirement that coverage is limited to occurrences reported during the policy period), costs associated with disputes between the Company and the Insured, and any other similar happening. In all such cases the Reinsurer accepts, without limitation of any kind, its liability as provided herein.

Article 8 - Arbitration

- A. As a condition precedent to any right of action hereunder, any dispute or difference between the Company and the Reinsurer relating to the interpretation or performance of this Agreement, including its formation or its validity, or any transaction under this Agreement, whether arising before or after termination, shall be submitted to binding arbitration.
- B. Upon written request of any party, each party shall choose an arbitrator and the two chosen shall select a third arbitrator. If either party refuses or neglects to appoint an arbitrator within thirty (30) days after receipt of the written request for arbitration, the requesting party may appoint a second arbitrator. If the two arbitrators fail to agree on the selection of the third arbitrator within thirty (30) days of their appointment, each of them shall name three individuals, the other shall decline two, and the selection of the third arbitrator from those remaining shall be made by the Federal District Court for the Eastern District of Pennsylvania. All arbitrators shall be disinterested active or retired executive officials of insurance or reinsurance companies or underwriters at Lloyd's, London. Each party shall submit its case to the arbitrators within thirty (30) days of the appointment of the third arbitrator.
- C. The parties hereby waive all objections to the method of selection of the arbitrators, it being the intention of both sides that all the arbitrators be chosen from those submitted by the parties.
- D. The arbitrators shall have the power to determine all procedural rules for the holding of the arbitration including but not limited to inspection of documents, examinations of witnesses and any other matter relating to the conduct of the arbitration. The arbitrators shall interpret this Agreement as an honorable engagement and not as merely a legal obligation; they are relieved of all judicial formalities and may abstain from following the strict rules of law. The arbitrators may award interest and costs, but in no event shall punitive or exemplary damages be awarded. Each party shall bear the expense of its own arbitrator and shall share equally with the other party in the expense of the third arbitrator and of the arbitration.

Arbitration hereunder shall take place in Philadelphia, Pennsylvania unless both parties otherwise agree. Except as provided above, the arbitration shall be in accordance with the rules and procedures established by the Uniform Arbitration Act as enacted in Pennsylvania

Article 9 - Service of Suit

It is agreed that in the event of the failure of the Reinsurer hereon to pay any amount claimed to be due hereunder, the Reinsurer hereon, at the request of the Company, will, subject to Article 8, submit to the jurisdiction of a Court of competent jurisdiction with the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of Reinsurer's rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon Mendes & Mount, 750 Seventh Avenue, New York, NY 10019-6829 and that in any suit instituted against any one of them upon this Agreement, Reinsurer will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Reinsurer in any such suit and/or upon the request of the Company to give a written undertaking to the Company that they will enter a general appearance upon Reinsurer's behalf in the event such a suit shall be instituted. Nothing shall prevent Reinsurer from changing counsel or engaging any party it chooses to represent its interests.

Further, pursuant to any Statute of any state, territory or district of the United States which makes provision therefore, Reinsurer hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Company or any beneficiary hereunder arising out of this Agreement of reinsurance, and hereby designate the above-named Mendes & Mount as the person to whom the said officer is authorized to mail such process or a true copy thereof.

Article 10 - Premium and Commission

The Company shall pay to the Reinsurer premium as set forth in the Exhibits attached to this Agreement.

The Reinsurer shall allow the Company a ceding commission as set forth in the Exhibits attached to this Agreement.

Article 11 - Notice of Loss and Loss Settlements

The Reinsurer agrees to abide by the loss settlements of the Company, it being understood, however, that when so requested the Company will afford the Reinsurer an opportunity to be

associated with the Company, at the expense of the Reinsurer, in the defense of any claim or suit or proceeding involving this reinsurance and that the Company will cooperate in every respect in the defense or control of such claim, suit or proceeding. All settlements by the Company of claims involving this reinsurance, including voluntary Compromise and Release, when made by the Company shall be unconditionally binding on the Reinsurer.

Article 12 - Currency

Whenever the word "Dollars" or the "\$" sign appears in this Agreement, they shall be construed to mean United States Dollars and all transactions under this Agreement shall be in the United States Dollars. Amounts paid or received by the Company in any other currency shall be converted to United States Dollars at the rate of exchange at the date such transaction is entered on the books of the Company.

Article 13 - Insolvency

In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim or except (a) where the Agreement specifically provides another payee of such reinsurance in the event of insolvency of the Company, and (b) where the Reinsurer with the consent of the direct insured or insureds have voluntarily assumed such policy obligations of the Company as direct obligation of the Reinsurer to the payees under such policies and in substitution for the obligations of the Company to the payees. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company indicating the policy insured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservation or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at their own expense, in the proceeding where such claim is to be adjudicated, any defense or defenses that it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

Article 14 - Errors & Omissions

Any inadvertent delay, omission or error shall not relieve either party hereto from any liability which would attach to it hereunder if such delay, omission or error had not been made, provided such delay, omission or error is rectified immediately upon discovery.

Article 15 - Federal Excise Tax

(Federal Excise Tax applies only to those Reinsurers, excepting Underwriters at Lloyds and other Reinsurers exempt from Federal Excise Tax, who are domiciled outside the United States of America.)

- A. The Reinsurer has agreed to allow for the purpose of paying the Federal Excise Tax 1% of the premium payable hereon to the extent that such premium is subject to Federal Excise Tax.
- B. In the event of any return of premium becoming due hereunder the Reinsurer will deduct 1% from the return premium payable hereon and the Company or its agent should take steps to recover the Tax from the United States Government.

Article 16 - Tax

In consideration of the terms under which this Agreement is issued, the Company undertakes not to claim any deduction of the premium hereon when making Canadian tax or when making tax returns, other than income or profits tax returns, to any state or territory of the United States of America or to the District of Columbia.

Article 17 - Miscellaneous

- A. This Agreement represents the sole and exclusive agreement among the parties concerning the subject matter hereof and shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.
- B. This Agreement may not be released, discharged, changed or modified except by an instrument in writing signed by a duly authorized representative of all of the Parties.
- C. All notices, requests, demands or other communications made hereunder shall be in writing and shall be deemed duly given on the date of receipt when personally delivered or sent by telex, facsimile transmission, overnight courier or registered or certified mail, postage pre-paid and return receipt requested, to the persons and addresses set forth below, or to such other address or person as either party may hereafter designate by notice to the other party:
- D.

If to the Company, then to:

LEGION INSURANCE COMPANY
One Logan Square, suite 1400
Philadelphia, PA 19103

Attention: Andrew S. Walsh,
General Counsel

If to the Reinsurer, then to:

MUTUAL INDEMNITY LIMITED
44 Church Street
PO Box 2064
Hamilton, HM, HX, Bermuda

Attention: David Alexander, President

In Witness Whereof to the Parties have executed this Agreement

on the ____ day of _____, 2002, in Philadelphia., PA

LEGION INSURANCE COMPANY
LEGION INDEMNITY COMPANY
VILLANOVA INSURANCE COMPANY
("Company")

By: _____

In Witness Whereof to the Parties have executed this Agreement

on the ____ day of _____, 2002 in Hamilton, Bermuda

MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD.
MUTUAL INDEMNITY (BERMUDA) LTD.
MUTUAL INDEMNITY (DUBLIN) LTD.
MUTUAL INDEMNITY (US) LTD
("Reinsurer")

By: _____

EXHIBIT ____

TO REINSURANCE AGREEMENT NO. 301

BETWEEN

LEGION INSURANCE COMPANY
LEGION INDEMNITY INSURANCE COMPANY
VILLANOVA INSURANCE COMPANY
("COMPANY")

AND

MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD.
MUTUAL INDEMNITY (BERMUDA) LTD.
MUTUAL INDEMNITY (DUBLIN) LTD.
MUTUAL INDEMNITY (US) LTD
("Reinsurer")

This Exhibit shall be effective XXXXXXXXXXXX and shall be subject to all terms and conditions of the Reinsurance Agreement (the "Agreement") to which it is attached.

The Reinsurer shall be liable to the Company under terms and conditions of this Agreement for the following Policy:

POLICY NUMBER(S): XXXXXXXXXXXX

NAME INSURED: XXXXXXXXXXXX

COVERAGES: XXXXXXXXXXXX

POLICY PERIOD: XXXXXXXXXXXX

POLICY PREMIUM: The Company shall pay to the Reinsurer \$XXXXXXX less a ceding commission provided herein.

CEDING COMMISSION

The Reinsurer shall allow the Company a flat commission equal to \$XXXXXXXX. The Reinsurer understands and agrees that the ceding commission is based in part on an estimate of certain expenses incurred by the Company, including but not limited to, taxes (including Federal Excise Tax), licenses, assigned risk assessments, boards, bureau, (which represent an amount equal to \$ XXXXXXXX and unallocated claims expenses not paid by insured and agrees to allow such additional ceding commission to pay the actual expenses incurred by Company in excess of such estimate. In return for accepting 100% of the liability for such excess expenses, if the actual expenses are determined by the Company to be less than the estimate, the Reinsurer shall receive an amount equal to 100% of the difference between the actual and estimated expenses.

COLLATERAL

The initial collateral shall be in the amount of \$XXXXXXXXXX and shall be posted prior to the inception of the Policy. The collateral shall be subject to quarterly adjustments in accordance with Article 4.

INFORMATION

Policy Limits at Inception Date of the Policy:

IN WITNESS WHEREOF, the parties hereto have signed this Reinsurance Agreement as of the dates set forth below.

In Philadelphia, PA

In _____, _____

On the _____ day of _____, 2002

On the _____ day of _____, 2002

LEGION INSURANCE COMPANY
LEGION INDEMNITY
VILLANOVA INSURANCE COMPANY

MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD.
MUTUAL INDEMNITY (BERMUDA) LTD.
MUTUAL INDEMNITY (DUBLIN) LTD.
MUTUAL INDEMNITY (US) LTD

By: _____

By: _____

Title: _____

Title: _____

Schedule 3

Terminated GC Programs

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|-------------------|--------------|-----------------------|----------------|
| 428189 | AG AGENCY | S | Guaranteed Cost Only | Legion |
| 428290 | AG AGENCY | S | Guaranteed Cost Only | Legion |
| 428321 | AG AGENCY | S | Guaranteed Cost Only | Legion |
| 536132 | CASCADE DIAMONDS | B2 | Guaranteed Cost Only | Legion |
| 536243 | CASCADE DIAMONDS | B2 | Guaranteed Cost Only | Legion |
| 536354 | CASCADE DIAMONDS | B2 | Guaranteed Cost Only | Legion |
| 536465 | CASCADE DIAMONDS | B2 | Guaranteed Cost Only | Legion |
| 536576 | CASCADE DIAMONDS | B2 | Guaranteed Cost Only | Legion |
| 536687 | CASCADE DIAMONDS | B2 | Guaranteed Cost Only | Legion |
| 536798 | CASCADE DIAMONDS | B2 | Guaranteed Cost Only | Legion |
| 536809 | CASCADE DIAMONDS | B2 | Guaranteed Cost Only | Legion |
| 432189 | CENEX | V | Guaranteed Cost Only | Legion |
| 432290 | CENEX | V | Guaranteed Cost Only | Legion |
| 405188 | DAVEY ROOFING | O | Guaranteed Cost Only | Legion |
| 405289 | DAVEY ROOFING | O | Guaranteed Cost Only | Legion |
| 405390 | DAVEY ROOFING | O | Guaranteed Cost Only | Legion |
| 405421 | DAVEY ROOFING | O | Guaranteed Cost Only | Legion |
| 481121 | DENVER BRONCOS | Z | Guaranteed Cost Only | Legion |
| 481232 | DENVER BRONCOS | Z | Guar Cost & Large Ded | Legion |
| 481343 | DENVER BRONCOS | Z | Guar Cost & Large Ded | Legion |
| 481454 | DENVER BRONCOS | Z | Guar Cost & Large Ded | Legion |
| 481565 | DENVER BRONCOS | Z | Guar Cost & Large Ded | Legion |
| 481676 | DENVER BRONCOS | Z | Guar Cost & Large Ded | Legion |
| 481787 | DENVER BRONCOS | Z | Guar Cost & Large Ded | Legion |
| 481898 | DENVER BRONCOS | Z | Guar Cost & Large Ded | Legion |
| 481909 | DENVER BRONCOS | Z | Guar Cost & Large Ded | Legion |
| 407188 | IU TRUCK/LANDSTAR | N | Guaranteed Cost Only | Legion |
| 407289 | IU TRUCK/LANDSTAR | N | Guaranteed Cost Only | Legion |
| 451190 | TENDERCARE OF MI | X | Guaranteed Cost Only | Legion |
| 661154 | WESTBURNE SUPPLY | C2 | Guar Cost & Large Ded | Legion |

Schedule 4

Settlement Amount

\$253,864.00

SETTLEMENT AND COMMUTATION AGREEMENT AND RELEASE

by and among

**Joel S. Ario, Insurance Commissioner
of the Commonwealth of Pennsylvania
as Liquidator of
Legion Insurance Company and
Villanova Insurance Company,**

and

MUTUAL INDEMNITY (BERMUDA) LTD.

INDEX OF SCHEDULES AND EXHIBITS

| | |
|-------------------|-----------------------------------|
| Schedule 1 | Mutual Indemnity Reinsurer |
| Schedule 2 | GC Reinsurance Agreement |
| Schedule 3 | Terminated GC Programs |
| Schedule 4 | Settlement Amount |

This **SETTLEMENT AND COMMUTATION AGREEMENT AND RELEASE** (the “**Agreement**”), is entered into by JOEL S. ARIO, Insurance Commissioner of the Commonwealth of Pennsylvania (the “**Commissioner**”), in his capacity as Liquidator (the “**Liquidator**”) of and acting on behalf of and in the name of each of Legion Insurance Company (in Liquidation) (“**Legion**”) and Villanova Insurance Company (in Liquidation (“**Villanova**”), each of Legion and Villanova being an insurance company organized and existing under the laws of the Commonwealth of Pennsylvania, and the company listed in Schedule 1 hereto (the “**Mutual Indemnity Reinsurer**”). Legion and Villanova are referred to herein collectively as the “**Legion Companies**” and individually as a “**Legion Company.**” References to the Liquidator as a party to this Agreement and any Ancillary Agreement (as defined below) shall also be deemed to include the Legion Companies in Liquidation.

WHEREAS, Legion and Villanova have issued guaranteed cost insurance policies (the “**GC Policies**”) pursuant to which insureds paid to the applicable Legion Company, and the applicable Legion Company accepted from the insureds, insurance premiums as more fully described in such policies;

WHEREAS, in connection with the GC Policies, the Legion Companies and the Mutual Indemnity Reinsurer have entered into a reinsurance agreement identified in Schedule 2 hereto (the “**GC Reinsurance Agreement**”), pursuant to which the Legion Companies ceded to the Mutual Indemnity Reinsurer, and the Mutual Indemnity Reinsurer accepted from the Legion Companies, a certain share of the Legion Companies’ liabilities under the GC Policies, as more fully reflected in the percentages of participation of each respective GC Reinsurance Agreement and each respective period of coverage under the GC Reinsurance Agreements;

WHEREAS, the Liquidator, on behalf of the Legion Companies, and the Mutual Indemnity Reinsurer have agreed to, among other things, settle and commute all actual or potential past, present or future claims arising under the GC Reinsurance Agreements issued under the IPC Programs identified in Schedule 3 hereto (the “**Terminated GC Programs**”) and for the Settlement Amount identified in Schedule 4 (the “**Settlement Amount**”);

WHEREAS, this Agreement shall not be effective unless and until it is approved in its entirety by order (the “**Commutation Order**”) of the Commonwealth Court of Pennsylvania (the “**Court**”));

WHEREAS, the parties intend to be legally bound hereby;

NOW THEREFORE, the Liquidator, on behalf of the Legion Companies, and the Mutual Indemnity Reinsurer agree as follows:

ARTICLE I – COMMUTATION, SETTLEMENT, AND PAYMENT

1. This Agreement shall, subject to its terms and conditions, operate as a full and final settlement, commutation, and release of the respective rights, obligations, and liabilities of the Mutual Indemnity Releasees and Legion Releasees (as defined below) with respect to the GC Reinsurance Agreements. The parties wish to expressly exclude from this Agreement four agency codes for Student Administration and Management Services (SAMS): nos. 104704 - Effective 03/01/99 - 03/01/00, 104705 - Effective 03/01/00 - 03/01/01, 115404 - Effective 03/01/99 - 03/01/00, and 115405 - Effective 03/01/00 - 03/01/01.

2. Within ten days after the date of the Commutation Order, the Settlement Amount shall be paid by way of deduction from the trust accounts created by the April 23, 2003 Funds-Withheld Trust Agreements (the “Legion Trust Agreement,” and, collectively, the “Trust

Agreements”) entered into between the Liquidator and the Mutual Indemnity Reinsurer with regard to Legion (the “Legion Trust Account”)(collectively, the “Trust Accounts”) in the amount and allocation set forth in Schedule 4; provided; however, that should there be insufficient funds in the Legion Trust Account to satisfy the portion of the Settlement Amount attributable to each, the Mutual Indemnity Reinsurer shall within the same time period pay the difference by wire transfer.

3. The Settlement Amount paid to the Liquidator, on behalf of the Legion Companies, by the Mutual Indemnity Reinsurer pursuant to this Agreement shall be the sole payment by the Mutual Indemnity Reinsurer or any other person or entity to the Liquidator or any other person or entity for the Mutual Indemnity Reinsurer’s reinsurance or other obligations under or relating in any way to the GC Reinsurance Agreements.

ARTICLE II – RELEASES

1. Subject to the terms and conditions of this Agreement and entry of the Commutation Order, the Liquidator, on behalf of the Legion Companies, hereby releases, indemnifies, acquits, and forever discharges the Mutual Indemnity Reinsurer and its current, past and future officers, directors, and employees and its current, past and future parent and related companies (collectively, the “**Mutual Indemnity Releasees**”) from any and all payment obligations, adjustments, obligations, offsets, actions, causes of action, suits, debts, dues, sums of money, premiums, returned premiums, unearned premiums, liabilities, losses, salvage, commissions, accounts, reckonings, bonds, bills, covenants, contracts, controversies, agreements, promises, variances, damages, judgments, expenses, acts, omissions, executions, claims and demands whatsoever, all whether known or unknown, in law or equity, in contract or in tort, which the Liquidator, or the Legion Companies ever had, now have, or hereafter may have

against the Mutual Indemnity Releasees, for amounts due under the GC Reinsurance Agreements, it being the intent of the parties hereto that the commutation and settlement shall operate as a full and final settlement of the Mutual Indemnity Releasees' past, present and future obligations to the Liquidator, and/or the Legion Companies, and/or anyone else under the above.

2. Subject to the terms and conditions of this Agreement and entry of the Commutation Order, the Mutual Indemnity Reinsurer, hereby releases, indemnifies, acquits, and forever discharges the Liquidator on behalf of the Legion Companies and the Legion Companies and their current, past and future officers, directors, and employees (collectively, the "**Legion Releasees**") from any and all payment obligations, adjustments, obligations, offsets, actions, causes of action, suits, debts, dues, sums of money, premiums, returned premiums, unearned premiums, liabilities, losses, salvage, commissions, accounts, reckonings, bonds, bills, covenants, contracts, controversies, agreements, promises, variances, damages, judgments, expenses, acts, omissions, executions, claims and demands whatsoever, all whether known or unknown, in law or equity, in contract or in tort, which the Mutual Indemnity Reinsurer ever had, now have, or hereafter may have against the Legion Releasees, for amounts due under the GC Reinsurance Agreements, it being the intent of the parties hereto that the commutation and settlement shall operate as a full and final settlement of each of the Legion Releasees' past, present and future obligations to the Mutual Indemnity Reinsurer under the above.

3. Neither the Liquidator on behalf of the Legion Companies, nor the Legion Companies will demand, claim, file suit or institute arbitration proceedings against the Mutual Indemnity Reinsurer or any of the past and present officers, directors and employees of the Mutual Indemnity Reinsurer relating to the payment of any reinsurance obligation under the GC Reinsurance Agreements and/or that is being settled or commuted pursuant to this Agreement.

4. Except as specifically provided herein, neither the releases provided in this Agreement nor the payment of the Settlement Amount shall have any effect on any obligation of the Mutual Indemnity Reinsurer under any other agreement or contract, including but not limited to any obligations of the Mutual Indemnity Reinsurer in connection with Large Loss Deductible Policies ("LD Policies") provided by the Legion companies and/or Deductible Reimbursement Policies provided by the Mutual Indemnity Reinsurer in connection with the LD Policies.

ARTICLE III – APPROVALS

1. Within seven days of the date hereof, the Liquidator, shall apply to the Court for the Commutation Order approving the terms of this Agreement ("**Court Approval**").

2. The Mutual Indemnity Reinsurer shall cooperate fully with the Liquidator, and will use its best efforts to aid the Liquidator in obtaining Court Approval.

3. Each party hereto may give notice of proposed Court Approval to any person or entity in each such party's discretion.

ARTICLE IV – FURTHER COVENANTS AND AGREEMENTS

1. To the extent funds remain in the Legion Trust Account after deduction of the Settlement Amount, the Liquidator shall direct the trustee of the Legion Trust Account to wire transfer the remaining funds to the Mutual Indemnity Reinsurer within ten days of the date of the Commutation Order. Within ten days of final distribution of the funds from the Legion Trust Account, the parties hereto shall jointly notify the trustee that the Trust Accounts and Trust Agreements are to be terminated ten days after the date of the notification. Thereafter, the parties to the Trust Agreements shall have no further rights or obligations under the Trust Agreements.

2. In instances where losses arise from both guaranteed cost and large deductible policies on the same program year and erode a common annual aggregate, the Mutual Indemnity Reinsurer and the Legion Companies will use the gross losses (before discount) commuted and paid under this agreement in determining any future liability under that aggregate.

3. The Mutual Indemnity Reinsurer confirms that the terms of this Agreement are in accordance with Bermuda law. Each of the parties hereto agrees that by entering into this Agreement, such party is affirming the validity of the reinsurance obligations commuted and settled by this Agreement.

4. This Agreement shall be binding upon any permitted successors to the parties hereto, including, without limitation, any liquidator, should the Mutual Indemnity Reinsurer be placed into liquidation or become subject to "winding-up" or other insolvency proceedings. The Mutual Indemnity Reinsurer shall exercise its best efforts to maintain the effectiveness of this Agreement in the event that such Mutual Indemnity Reinsurer becomes subject to "winding up" or other insolvency proceedings.

5. Any time that a consent or approval of a party to this Agreement is required under this Agreement, such consent or approval shall not be unreasonably withheld or delayed.

ARTICLE V – REPRESENTATIONS AND WARRANTIES

1. Each of the parties hereto expressly represents and warrants that: (i) this Agreement has been duly authorized, executed and delivered by and on behalf of it and constitutes its legal, valid and binding agreement, subject to Court Approval; (ii) no authorization, consent or approval of any third party other than the Court is required in connection with the execution, delivery or performance by it of this Agreement; and (iii) the execution, delivery or performance by it of this Agreement does not and will not conflict with,

or result in any material breach or violation of, its organization documents or any agreements to which it is a party or by which it or any of its assets are bound.

ARTICLE VI – DELIVERY OF NOTICE

1. All notices required hereunder shall be in writing and shall be given by personal delivery or registered or certified mail, return receipt requested, postage prepaid to the addresses set forth in paragraph 2 of this Article VI, and shall be deemed given upon receipt. In addition, notice may be given by facsimile transmission and shall be deemed given upon sending of the transmission (with confirmed receipt) with the mailing of a copy of such transmission. Notices under this Article VI shall include service of process.

2. Notices to the parties shall be addressed as follows:

Notice to the Liquidator:

Insurance Commissioner of the Commonwealth of
Pennsylvania as Liquidator of Legion Insurance Company
and Villanova Insurance Company
Pennsylvania Insurance Department
901 N. 7th Street
Harrisburg, PA 17102
Attention: Amy L. Weber, Esquire
Telephone: (215) 963-7588
Facsimile: (215) 963-1220

With a concurrent copy to:

Liquidation General Counsel
Legion Insurance Company
(in Liquidation)
One Logan Square
Suite 1400
Philadelphia, PA 19103
Attention: Laura M. Spear, Esquire

And

Pietro Gallo, Gordon, Alfano & Raspanti, P.C.
1818 Market Street, Suite 3402

Philadelphia, PA 19103
Attention: Gaetan J. Alfano, Esquire
Telephone: (215) 972-6400
Facsimile: (215) 981-0082

Notice to the Mutual Indemnity Reinsurer:

Mutual Indemnity Bermuda
P.O. Box HM 2064
44 Church Street
Hamilton HM HX Bermuda
Attention: David Alexander
Telephone: (441) 295-5688
Facsimile: (441) 295-6052

With a concurrent copy to:

Ballard Spahr Andrews & Ingersoll, LLP
1735 Market St
Philadelphia, PA 19103
Attention: Douglas Y. Christian
Telephone: (215) 864-8404
Facsimile: (215) 864-9206

and

Conyers Dill & Pearman
PO Box HM 666
Hamilton HM CX, Bermuda
Attention: Paul Smith
Telephone: +1 (441) 295 1422
Facsimile: +1 (441) 292 4720

3. The parties hereto further agree that service of process for any dispute in Article VII, is effective upon delivery to the persons identified in paragraph 2 above.

ARTICLE VII – GENERAL

1. This Agreement is the final, complete, and entire agreement between the parties hereto and is the product of each party's own due diligence and independent investigation, legal advice and analysis of the Settlement Amount and each party's rights and obligations thereunder,

and not on the basis of any representations, warranties or statements by any other party hereto and thereto. This Agreement shall supersede all other prior negotiations, commitments, agreements, and understandings, both oral and written, between the parties hereto and thereto with respect to the subject matter hereof and thereof but expressly limited only to the subject matter thereto. No other representations, understandings, or agreements have been made or relied upon in the making of this Agreement other than those specifically set forth or referred to in this Agreement.

2. This Agreement may only be modified or amended by a written agreement, entered into subsequent to the date of this Agreement and duly executed by the parties hereto and approved by the Court.

3. This Agreement and any of the rights and/or obligations herein may not be assigned in whole or in part by any of the parties hereto without prior written approval of the parties hereto.

4. The parties to this Agreement do not intend to confer any rights on any person or entity not a party to this Agreement. No third party rights or obligations are created hereby.

5. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns, including, without limitation, any liquidator, rehabilitator, receiver or conservator or any successor merged or consolidated entity.

6. Waiver by any of the parties hereto of any term, provision, or condition of this Agreement shall not be construed to be a waiver of any other term, provision, or condition hereof, nor shall such waiver be deemed a waiver of any subsequent breach of the same term, provision, or condition. Except as expressly set forth in this Agreement, the terms of the Non Commutation Settlement Agreement and the Insurance and Reinsurance Partial Settlement and

Commutation Agreement and Limited Release, dated April 23, 2003, as approved by the Court (collectively, "the 2003 Agreements") shall remain in full force and effect and shall govern the respective rights and obligations of the parties thereunder under the applicable IPC Program. Nothing in this Agreement is intended to constitute a waiver of any rights under the 2003 Agreements except to the extent, if any, expressly set forth herein and, to the extent that any matter is expressly addressed in any term, provision or condition of this Agreement.

7. The failure of any party hereto to enforce at any time any of the provisions of this Agreement shall in no way be construed to be a waiver of these provisions, nor in any way to affect the validity of this Agreement, or any part of it, or the rights of any party to thereafter enforce each and every provision.

8. Each of the parties hereto shall use its best efforts to cooperate with the other parties hereto in performing all acts necessary for carrying out this Agreement. The parties hereto hereby agree to execute promptly any and all supplemental agreements, releases, affidavits, waivers and other documents of any nature or kind which another party may reasonably require in order to implement the provisions or objectives of this Agreement.

9. The parties hereto are entering into this Agreement in good faith, at arm's-length and in the regular course of business, and are in agreement that this Agreement is and will be valid and enforceable only upon Court approval.

10. This Agreement is subject to Court Approval. In the event the Court does not approve this Agreement in its entirety as executed, the Agreement shall be void ab initio. The parties hereto may seek to renegotiate its terms and, if they reach agreement, subsequently request Court approval of the renegotiated agreement

11. This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without giving effect to conflict of law principles).

12. In the event any differences or disputes arise between the Liquidator, on behalf of the Legion Companies, and the Mutual Indemnity Reinsurer with reference to this Agreement or the terms hereof, the same shall be referred to and determined by the Court. The Court shall have sole and exclusive jurisdiction over all disputes between the parties to this Agreement under this Agreement.

13. Neither the entry into this Agreement by the Mutual Indemnity Reinsurer nor any of the provisions of this Agreement, including but not limited to the requirement of Court approval and dispute resolution and the choice of law provision, are intended by the parties to support any claim that the Court has personal jurisdiction over the Mutual Indemnity Reinsurer regarding any right or obligation other than those set forth herein.

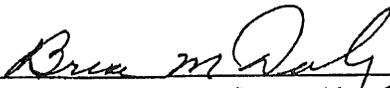
14. This Agreement may be executed in one or more counterparts, each of which, when so executed and delivered shall be deemed an original and all such counterparts shall together constitute one and the same instrument and agreement.

15. The headings in this Agreement are descriptive only and shall not affect the interpretation or construction of this Agreement. The recitals to this Agreement, including the "Whereas" clauses, shall form a part hereof.

16. None of the parties to this Agreement shall be considered to be the drafter of this Agreement or any provisions thereof, and it shall not be interpreted or construed more or less favorably for any party because of its status as a drafter of the Agreement or any provision thereof.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed as of the date first written above.

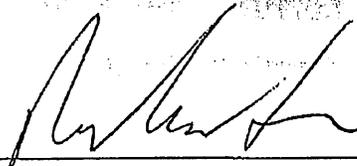
JOEL S. ARIO,
Insurance Commissioner of the Commonwealth
of Pennsylvania as Liquidator of Legion Insurance
Company (in Liquidation) and Villanova Insurance
Company (in Liquidation)

By: 
Name: BRUCE M DALEY
Title: CHIEF, TAKEOVER MGMT DIV.
Date: 11/21/08
Executed in Philadelphia, Pennsylvania


Witness

MUTUAL INDEMNITY (BERMUDA) LTD.

By: 
Name: DAVID ALEXANDER
Title: PRESIDENT
Date: 12/11/08
Executed in Hamilton, Bermuda


Witness

Schedule 1

Mutual Indemnity Reinsurer

Mutual Indemnity (Bermuda) Ltd.

Schedule 2

GC Reinsurance Agreements

REINSURANCE TREATY NO. 103

LEGION INSURANCE COMPANY
("COMPANY")
and

MUTUAL INDEMNITY LTD.,
MUTUAL INDEMNITY (BARBADOS) LTD. AND
MUTUAL INDEMNITY (US) LTD.
("REINSURER")

AGGREGATE EXCESS OF LOSS
REINSURANCE AGREEMENT

EFFECTIVE: January 1, 1991

LEGION INSURANCE COMPANY and
MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD. AND
MUTUAL INDEMNITY (US) LTD.

AGGREGATE EXCESS OF LOSS REINSURANCE AGREEMENT

EFFECTIVE: January 1, 1991

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AGGREGATE EXCESS OF LOSS REINSURANCE AGREEMENT

This Agreement is made and entered into by and between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania (hereinafter called the "Company") on the one part and MUTUAL INDEMNITY LTD., Hamilton, Bermuda, MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados and MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda (hereinafter severally and not jointly called the "Reinsurer") of the other part.

The Reinsurer, being constituted of more than one corporation, whose names are set forth above, this Agreement shall apply severally as between the Company and each such corporation with respect to each Program (as defined below) as set forth in each of the Exhibits signed by such corporation and attached to this Agreement. The rights and obligations provided for herein of any one such corporation will not be as held, assumed or guaranteed by any other corporation constituting the Reinsurer.

ARTICLE 1

BUSINESS REINSURED

- A. By this Agreement, and subject to the limitations set forth herein, Reinsurer agrees to reinsure the Company in respect of the excess aggregate liability which may accrue to the Company under its policies, contracts and binders of insurance (hereinafter called "Policies") issued or renewed on or after the effective date hereof, and classified by the Company and Reinsurer as part of a Program (the "Program"), as defined below, and subject to the terms, conditions, and limitations set forth herein and in the Exhibits attached hereto.

ARTICLE 2

COMMENCEMENT AND TERMINATION

- A. This Agreement shall become effective at 12:01 a.m., Eastern Standard Time, January 1, 1991, with respect to losses arising out of occurrences commencing on or after that date on Policies issued or renewed under Programs on or after that date, and shall continue in force thereafter until terminated as provided in the following paragraph.

- B. Either the Company or the Reinsurer shall have the right to terminate this Agreement as of 12:01 a.m., Eastern Standard Time, any January 1, by giving 90 days' prior notice in writing via either Certified or Registered Mail, return receipt requested.
- C. This Agreement as to any Program may be canceled in whole or in part by the Company by giving ninety (90) days prior written notice to the Reinsurer. The Reinsurer shall have the right to cancel this Agreement as to any Program by giving a number of days prior written notice to the Company which shall be not less than thirty (30) days more than the longest prior notice of cancellation required by any named insured or insureds under policies issued under the Program.
- D. In the event of termination of this Agreement the Reinsurer will continue to cover all Policies coming within the scope of this Agreement, including those written or renewed during the period of notice, until the natural expiration or anniversary of such Policies plus odd time, whichever occurs first, but in no event longer than 15 months from the date of termination.
- E. The Reinsurer shall also remain liable for all losses and allocated loss adjustment and claim expense incurred against the reinsured policies covered by this agreement, whether or not such losses and expenses are reported after the termination of the Agreement or the termination date of such reinsured policies. However, for any terminated program, the Reinsurer's maximum aggregate liability set forth in each Exhibit shall be based only on the earned premium under the Program, unless otherwise set forth in such Exhibit, provided, however, that such maximum aggregate liability shall not be less than the dollar minimum set forth in each such Exhibit.
- F. Alternatively, at the option of the Company, coverage hereunder may be terminated as respects policies in force as of the date of termination and Reinsurers will return all unearned premium.

ARTICLE 3

RETENTION/LIMITS

As respects any Program, the Company and the Reinsurer shall determine an annual aggregate retention ("Annual Aggregate Retention") applicable to the aggregate of Net Losses in any one account year to Net losses from Workers' Compensation and Employer Liability for such Program for any one account year, which Annual Aggregate Retention shall be set forth in an exhibit for that Program, attached to this Agreement and made a part hereof (an "Exhibit").

The Company's losses subject to the Annual Aggregate Retention for each Program shall be limited to losses not exceeding the Loss Limit as set forth in the Exhibit for such Program.

As respects the Company's Net Losses subject to the aggregate retention within any Program, the Company shall retain an amount of Ultimate Net Loss which in the aggregate in any one Account Year is equal to the Annual Aggregate Retention as set forth in that Program's Exhibit.

For any Program, the Reinsurer shall indemnify the Company for the amount by which such aggregate Ultimate Net Losses in any one account year exceed the Annual Aggregate Retention set forth in that Program's Exhibit up to but not to exceed the maximum limit of liability as respects Ultimate Net Loss any one Account Year for the aggregate retention within such Program, as set forth in that Program's Exhibit.

ARTICLE 4

TERRITORY

This Agreement shall apply to losses covered by the Policies wherever occurring.

ARTICLE 5

DEFINITIONS

- A. The Term "Workers' Compensation and Employers' Liability Business" as used in the Agreement shall mean all insurance or reinsurance written by the Company and classified by the Company as workers' compensation and employers' liability, including death, dismemberment, permanent and total disability, permanent partial disability, temporary total disability and medical expenses as a result of an occupational accident; such benefits forming part of the Company's portfolio in respect of statutory and voluntary workers' compensation including United States Longshoremen and Harborworkers, employers' liability, admiralty and Jones act, and maritime endorsement. Coverage is extended to business relating to U.S. aviation and aerospace industry including any parent and/or subsidiary.
- B. The terms "Net Loss" or "Ultimate Net Loss" as used in this Agreement shall mean the actual loss paid by the Company, or for which the Company becomes liable to pay not exceeding the "Loss Limit" set for any Program as set forth in the Exhibit for such Program, plus a pro rata share (for Minnesota losses a 100% share) of all interest and adjustment expenses including cost of litigation, in proportion that the amount not exceeding the said Loss Limit bears to the total amount of the loss, but

salvages and all recoveries, including recoveries under all reinsurance which inure to the benefit of this Agreement (whether recovered or not), shall be first deducted from such loss to arrive at the amount of liability attaching hereunder.

All salvages, recoveries or payments recovered or received subsequent to loss settlements hereunder shall be applied as if recovered or received prior to the aforesaid settlement and all necessary adjustments shall be made by the parties hereto.

Nothing in this clause shall be construed to mean that losses are not recoverable hereunder until the Company's Ultimate Net Loss has been ascertained.

- C. The term "Policy" as used in this Agreement shall mean any binder, policy, or contract of insurance or reinsurance issued, accepted or held covered provisionally or otherwise, by or on behalf of the Company.
- D. The term "Program" as used in this Agreement shall mean a policy or group of Policies for one insured or a group of insureds separately identified by the Company as a Program. The Company will be the sole judge of what constitutes one insured or one group of insureds, and will have the prerogative of including in one program only policies which are ascribed to the same underwriting year.
- E. The term "Account Year" as used in this Agreement shall mean the period (not exceeding one year in duration, plus odd time, not to exceed 18 months in all) of the policy or policies issued by the Company in respect of any one Insured Program.
- F. Other terms used in this agreement shall have the definition first appearing in the Insurance Code of the Commonwealth of Pennsylvania, or the NAIC Examiners Handbook, or the NAIC Accounting Practices and Procedures Manual for Fire and Casualty Insurance Companies or the Reinsurance Association of America, Glossary of Reinsurance Terms.

ARTICLE 6

PREMIUM

1. The premium for each Program shall be as set forth in the Exhibit for such Program (hereinafter the "Reinsurer's Premium").
2. The Reinsurer's Premium shall be payable within the time specified in Article 7. The amounts owed by the parties to each other shall be reconciled as provided in paragraph 3 of this Article 6.

3. The Reinsurer's Premium payable shall be reconciled against (i) the amount necessary to establish or maintain any required level of Paid Loss Deposit Funds and (ii) that portion of the Reinsurer's liability under each of the Exhibits attached to this Agreement represented by Paid Losses to the extent that such item was not previously reconciled under this Agreement.
4. The Company shall withhold and pay the applicable United States Federal Excise Tax, if any. It is further understood that the Company shall not be liable to the Reinsurer for any unrecoverable amounts of Federal Excise Tax paid on such premiums and subsequently determined not to have been payable thereon and that the Reinsurer shall indemnify the Company for any Federal Excise Tax liability in excess of the amount set forth in each Exhibit. The Company shall make a good faith effort to recover any Federal Excise Tax erroneously withheld or paid over and shall return any amount so recovered to the Reinsurer.
5. The Reinsurer shall allow the Company a ceding commission as set forth in each Exhibit. The Reinsurer understands and agrees that the ceding commission set forth in each Exhibit is based in part on an estimate of certain expenses incurred by the Company, and agrees to allow such additional ceding commission to pay the actual expenses incurred by Company in excess of such estimate. In return for accepting 100% of the liability for such excess expenses, if the actual expenses are determined by the Company to be less than the estimate, the Reinsurer shall receive as an experience credit an amount equal to 100% of the difference between the actual and estimated expenses.

ARTICLE 7

RECONCILIATION/PAID LOSS DEPOSIT FUND

1. Within thirty (30) days after each payment of premium is received by the Company in accordance with the terms of the Policy, the Company will issue to the Reinsurer a reconciliation statement (the "Reconciliation Statement") setting forth the reinsurance payable as reconciled against the items described in ARTICLE 6 paragraph 3. If the result of the reconciliation is that one party owes money to the other, the responsible party shall pay the amount so owed within the time required by this Agreement, or if not otherwise specified, within 20 days after the receipt of the Reconciliation Statement. All payments hereunder shall be made in United States currency.
2. The parties hereto recognize and agree that each party's liability hereunder shall extend beyond the time that each party is receiving premiums under their respective Policy, and possibly beyond the expiration date of the Policies and this Agreement;

and that in such an event the reconciliations may involve only a computation of the Reinsurer's liability to the Company for losses, if any.

3. Within 60 days after the end of each calendar month Legion shall provide monthly loss statements to the Reinsurer for the settlement of losses paid during that reporting period. The Reinsurer will pay the amount so owed within 20 days after receipt of the statement, provided, however, that when as a result of any one loss the total amount due from the Reinsurer exceeds \$10,000, the Reinsurer will upon demand and receipt of satisfactory proof of loss, remit its proportion forthwith.
4. Legion will, with funds (i) to be withheld from premium cessions due to the Reinsurer or (ii) provided by the Reinsurer, establish and maintain a Paid Loss Deposit Fund, the purpose of which is to provide a source of funds for payment of Reinsurer's liability under this Agreement. This paid loss deposit fund shall be established for each Program once losses incurred exceed Legion's retention as set forth in each Exhibit to this Agreement, and shall be adjusted on a monthly basis to the average of two months paid losses based on the most recent three months paid losses.

ARTICLE 8

LETTER OF CREDIT

1. In connection with each Program, the Reinsurer will furnish to the Company a clean, irrevocable, evergreen Letter of Credit from a U.S. Bank (which is a member of the Federal Reserve System) acceptable to Legion in its sole discretion (hereinafter the "Issuing Bank"), or other deposits or guarantees acceptable to the Company, in an amount equal to the Company's ceded reserve for outstanding losses, losses incurred but not yet reported, allocated loss adjustment expense, and unearned premium. The Letter of Credit, or any replacement or renewal thereof, shall be in a form acceptable to the Company and in compliance with the statutes and regulations of the Commonwealth of Pennsylvania, for the purpose of securing the obligations of the Reinsurer under this Agreement, provided that at no time shall the Reinsurer be obligated to provide a Letter of Credit in connection with any of the Programs which exceed the Reinsurer's maximum liability, at any point, to the Company for such Program, unless otherwise required by state regulatory authorities. During the term of this Agreement, the amount of such security may be adjusted by the Company to secure the obligations of the Reinsurer hereunder. If the Company deems such an adjustment necessary, the Reinsurer will, within thirty (30) days of receipt of written request by the Company, obtain and deliver an amendment to such Letter of Credit or will obtain an excess Letter of Credit to cover the increased amount of such security. If the Letter of Credit terminates or expires for any reason, while the

Reinsurer remains liable for losses under this Agreement, the Reinsurer shall, thirty (30) days prior to termination or expiration, deliver to the Company a substitute in an amount and form acceptable to the Company which shall become effective immediately upon the termination or expiration of the prior irrevocable Letter of Credit.

ARTICLE 9

CURRENCY

All of the provisions of this Agreement involving dollar amounts are expressed in terms of United States dollars and are premium and loss payments hereunder shall be made in United States dollars.

ARTICLE 10

TAXES

The Company will be liable for state and local premium taxes on premiums reported to the Reinsurer hereunder.

ARTICLE 11

REPORTS

It is understood and agreed that the Company will report to the Reinsurer any information which the Reinsurer may require to prepare its Annual Statement and other regulatory filings which is reasonably available to the Company.

ARTICLE 12

NOTICE OF LOSS AND LOSS SETTLEMENTS

The Company will advise the Reinsurer promptly of all claims which in the opinion of the Company may involve the Reinsurer, and of all subsequent developments on these claims which may materially affect the position of the Reinsurer.

The Reinsurer agrees to abide by the loss settlements of the Company, it being understood, however, that when so requested the Company will afford the Reinsurer an opportunity to be associated with the Company, at the expense of the Reinsurer, in the defense of any claim or suit or proceeding involving this reinsurance and that the Company will cooperate in every respect in the defense or control of such claim, suit or proceeding. All settlements by the Company of claims involving this reinsurance, including voluntary Compromise and Release, when made by the Company, shall be unconditionally binding on the Reinsurer.

The Reinsurer will pay its share of loss settlements in accordance with Article 7(3) of this Agreement.

This Agreement shall protect the Company, subject to the Loss Limit set forth in each Exhibit, where the loss includes any Extra Contractual Obligations for 100% of such Extra Contractual Obligations. "Extra Contractual Obligations" are defined as those liabilities not covered under any other provision of this Agreement and which arise from handling of any claim on business covered hereunder, such liabilities arising because of, but not limited to, the following: failure by the Company to settle within the Policy limit, or by reason of alleged or actual negligence, fraud or bad faith in rejecting an offer of settlement or in the preparation of the defense or in the trial of any action against its insured or in the preparation or prosecution of any appeal consequent upon such action.

The date on which any Extra Contractual Obligation is incurred by the Company shall be deemed, in all circumstances, to be the date of the original Loss Occurrence, and the Reinsurer's Loss Limit referred to in the preceding paragraph shall separately apply to Extra Contractual Obligations and any other covered loss of the Company relating thereto.

However, this Article shall not apply where the loss has been incurred due to the fraud of a member of the Board of Directors or a corporate officer of the Company acting individually or collectively or in collusion with any individual or corporation or any other organization or party involved in the presentation, defense or settlement of any claim covered hereunder.

One Hundred percent of expenses attributable to any portion of loss designated as an Extra Contractual Obligation will be subject to proration in accordance with the other terms of this Article.

ARTICLE 13

SALVAGE AND SUBROGATION

Should the Company effect subrogation or salvage recovery or receive reimbursement of loss subject to this Agreement, then such recovery, less all expenses incurred in effecting the recovery (excluding salaries and expenses of officials and employees of the Company not

classified as loss adjusters) will be applied between the parties having interest in the loss in the order inverse to that in which their respective liability attached.

Should a recovery effect be unsuccessful, or should the expense of making a recovery exceed the recovery, then the Company and the Reinsurer shall share such expense in proportion to their interest in the loss.

ARTICLE 14

ERRORS AND OMISSIONS/SERVICE OF SUIT

1. Any inadvertent delay, omission or error shall not be held to relieve either party hereto from any liability which would attach to it hereunder if such delay, omission or error had not been made, providing such delay, omission or error is rectified upon discovery.
2. In the event of the failure of the Reinsurer to pay any amount claimed to be due hereunder or to provide any Letter of Credit required under Article 8, the Reinsurer shall, at the request of Company, submit to the jurisdiction of any court of competent jurisdiction within the United States and shall comply with all requirements necessary to give such Court jurisdiction; and all matters arising hereunder shall be determined in accordance with the law and practice of such Court.
3. Service of process in such suit(s) against the Reinsurer may be made upon Dunnington, Bartholow & Miller, 666 Third Avenue, New York, New York 10017, Attention: Richard E. O'Brien, Esq. and that in any suit instituted against the Reinsurer upon this Contract, Reinsurer shall abide by the final decision of such Court or of any Appellate Court in the event of an appeal. The above-named are authorized and directed to accept service of process on behalf of Reinsurer in any such suit and/or upon the request of the Company to give a written undertaking to the Company that they shall enter a general appearance upon Reinsurer's behalf in the event such suit shall be instituted. Further, pursuant to any statute of any State, Territory, or District of the United States which makes provision therefore, Reinsurer herein hereby designate the Superintendent, Commissioner, or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Company or any beneficiary hereunder arising out of this Contract and hereby designate the above-named Dunnington, Bartholow & Miller as the firm to whom the said officer is authorized to mail such process or a true copy thereof.

ARTICLE 15

INSPECTION

The Company shall place at the disposal of the Reinsurer at all reasonable times, and the Reinsurer shall have the right to inspect, through its authorized representatives, all books, records and papers of the Company in connection with any reinsurance hereunder, or claims in connection herewith.

ARTICLE 16

INSOLVENCY

In the event of the insolvency of the Company, reinsurance under this Agreement shall be payable by the Reinsurer on the basis of the liability of the Company under Policy or Policies reinsured without diminution because of the insolvency of the Company to the Company or its liquidator, receiver, or statutory successor, except as provided by Section 4118(a) of the New York Insurance Law or except where the Agreement specifically provides another payee of such reinsurance in the event of the insolvency of the Company, and where the Reinsurer with the consent of the direct insured or insureds has assumed such Policy obligations of the Company as direct obligations of the Reinsurer to the payee under such Policies and in substitution for the obligations of the Company to such payees.

It is agreed, however, that the liquidator or receiver or statutory successor of the insolvent Company shall give written notice to the Reinsurer of the pendency of a claim against the insolvent Company on the Policy or Policies reinsured within a reasonable time after such claim is filed in the insolvency proceeding and that during the pendency of such claim the Reinsurer may investigate such claim and interpose, at its own expense, in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator or receiver or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to court approval, against the insolvent Company as part of the expense of liquidation to the extent of a proportionate share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

Where two or more Reinsurers are involved in the same claim and a majority in interest elect to interpose defense to such claim the expense shall be apportioned in accordance with the terms of this Agreement as though such expense had been incurred by the insolvent Company.

Should the Company go into liquidation or should a receiver be appointed the Reinsurer shall be entitled to deduct from any sums which may be due or may become due to the Company under this Reinsurance Agreement, any sums which are due to the Reinsurer by the Company under this Reinsurance Agreement and which are payable at a fixed or stated date, as well as any other sums due the Reinsurer which are permitted to be offset under applicable law.

ARTICLE 17

ARBITRATION

As a condition precedent to any right of action hereunder, any irreconcilable dispute between the parties to this Agreement will be submitted for decision to a board of arbitration composed of two arbitrators and an umpire.

Arbitration shall be initiated by the delivery of a written notice of demand for arbitration by one party to the other within a reasonable time after the dispute has arisen.

The members of the board of arbitration shall be active or retired disinterested officers of insurance or reinsurance companies or Underwriters at Lloyd's London, not under control of or a former officer of either party to this Agreement. Each party shall appoint its arbitrator and the two arbitrators shall choose an umpire before instituting the hearing. If the respondent fails to appoint its arbitrator within four weeks after being requested to do so by the claimant, the latter shall also appoint the second arbitrator. If the two arbitrators fail to agree upon the appointment of an umpire within four weeks after their nominations, each of them shall name three, of whom the other shall decline two, and the decision shall be made by the then current President of the Reinsurance Association of America.

The claimant shall submit its pre-hearing brief within 45 days from appointment of the umpire. The respondent shall submit its brief within 45 days thereafter and the claimant may submit a reply brief within 30 days after filing of the respondent's brief.

The board shall make its decision with regard to the custom and usage of the insurance and reinsurance business. The board shall issue its decision in writing based upon a hearing in which evidence may be introduced without following strict rules of evidence but in which cross-examinations and rebuttal shall be allowed. The board shall make its decision within 60 days following the termination of the hearing unless the parties consent to an extension. The majority decision of the board shall be final and binding upon all parties to the proceeding. Judgement may be entered upon the award of the board in any court having jurisdiction.

If more than one Reinsurer is involved in the same dispute, all such reinsurers shall constitute and act as one party for the purpose of this clause, and communications shall be made by the Company to each of the Reinsurers constituting the one party, provided, however; that nothing therein shall impair the rights of such Reinsurers to assert several, rather than joint, defenses or claims; nor be construed as changing the liability of the Reinsurers under the terms of this Agreement from several to joint. If more than one Reinsurer is involved in the arbitration as respondent, the time for appointing the arbitrators will be extended to six weeks.

Each party shall bear the expense of its own arbitrator and shall jointly and equally bear with the other party the expense of the umpire. The remaining costs of the arbitration proceedings shall be allocated by the board.

ARTICLE 18

CONDITIONS

1. This Agreement shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.
2. This Agreement may not be released, discharged, changed or modified except by an instrument in writing by a duly authorized representative of all of the Parties.
3. All notices, requests, demands or other communications made hereunder shall be in writing and shall be deemed duly given on the date of receipt when personally delivered or sent by telex, facsimile transmission, overnight courier or registered or certified mail, postage pre-paid and return receipt requested, to the persons and addresses set forth below, or to such other address or person as either party may hereafter designate by notice to the other party:

If to the Company, then to:

Legion Insurance Company
One Liberty Place, Suite 2200
1650 Market Street
Philadelphia, PA 19103
Attention: Andrew S. Walsh

If to the Reinsurers:

Mutual Indemnity Ltd.
Mutual Indemnity (US) Ltd.
Mutual Indemnity (Barbados) Ltd.
44 Church Street
P.O. Box 2064
Hamilton, Bermuda
Attention: Paul Watson

IN WITNESS WHEREOF, the parties hereto have signed this Reinsurance Agreement as of the dates set forth below.

In Hamilton, Bermuda,
this 16th day of December 1991.

MUTUAL INDEMNITY LTD.

By: Paul Watson

In Philadelphia, Pennsylvania,
this 18th day of December, 1991.

LEGION INSURANCE COMPANY

By: Glen Harshbarger

In Hamilton, Bermuda,
this 16th day of December 1991.

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson

In Hamilton, Bermuda,
this 16th day of December 1991.

MUTUAL INDEMNITY
(BARBADOS) LTD.

By: Paul Watson

EXHIBIT XXX-XXX-95

TO REINSURANCE TREATY NO. 103.

BETWEEN

LEGION INSURANCE COMPANY ("COMPANY")

AND

MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD.
MUTUAL INDEMNITY (BERMUDA) LTD.

AND

MUTUAL INDEMNITY (US) LTD.
("REINSURER")

This Exhibit shall be between Legion Insurance Company and Mutual Indemnity (Bermuda) Ltd., to be effective _____ and shall be subject to all terms and conditions of the Reinsurance Agreement (the "Agreement") to which it is attached.

The Reinsurer shall be liable to the Company under terms and conditions of this Agreement for the following:

| | |
|-----------------|--|
| COVERAGES: | Workers' Compensation and Employer's Liability |
| POLICY NUMBERS: | WC1 XXX XXX |
| PROGRAM: | XXXXXXXXXXXXXXXXXXXXXXXXXXXX |
| TERM: | X/XX/XX to X/XX/XX |

LOSS LIMIT

| | |
|-------------------------------|--|
| All states except Minnesota - | \$250,000 per occurrence plus proportional allocated loss adjustment expense |
| Minnesota - | \$250,000 per occurrence plus 100% of allocated loss adjustment expense + |

+ The loss limit for losses occurring in Minnesota shall be adjusted effective January 1, 1996 for losses occurring after that date to the retention chosen by the Company under its reinsurance agreement with the Minnesota Workers' Compensation Reinsurance Association.

ANNUAL AGGREGATE RETENTION

The Annual Aggregate Retention referred to in Article 3 of the Agreement shall be XX.X% of Gross Written Premium.

REINSURER'S MAXIMUM LIMIT OF LIABILITY

The Reinsurer's maximum aggregate liability for the term for all items including but not limited to Net losses or Ultimate Net Losses, Allocated Claims Expense and punitive or exemplary damages is limited to an amount equal to XX.XX% of the Gross Written Premium of the Program.

REINSURER'S PREMIUM

Reinsurer's Premium shall equal XX.XXX% of Gross Written Premium to the Program.

CEDING COMMISSION

The Reinsurer shall allow the Company a commission equal to XX.XXX% of Gross Written Premium. This ceding commission includes an estimated percentage of taxes, licenses, fees, assessments, guaranty funds, assigned risk pool charges, and unallocated claims expenses not paid by Insured which shall be adjusted pursuant to Article 6(5) of the Agreement to cover actual expenses by the Company for such items.

IN WITNESS WHEREOF, the parties have set their hand:

At Hamilton, Bermuda,

At Philadelphia, Pennsylvania

On the _____ day of _____,
1995

On the _____ day of _____,
1995

MUTUAL INDEMNITY (BERMUDA)
LTD.

LEGION INSURANCE COMPANY

By: _____
Paul Watson
President

By: _____
Allen G. Barry, III
Vice President

AMENDMENT

This Amendment is made to an aggregate excess of loss reinsurance agreement (the "Agreement") dated as of January 1, 1991, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follow:

1. Article 8, Reconciliation/Paid Loss Deposit Fund is amended as follows:
 - a. The first sentence of the section shall read: "Within 30 days after the end of each calendar month Legion shall provide monthly loss statements to the Reinsurer for the settlement of losses paid during that reporting period."

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

At Philadelphia, Pennsylvania
on the 7th day of December, 1992

LEGION INSURANCE COMPANY

By: Glenn R. Partridge
Glenn R. Partridge
Senior Vice President

At Hamilton, Bermuda
on the 7 day of Dec, 1992

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson
President

At Hamilton, Bermuda
on the 7 day of Dec, 1992

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson
President

At Hamilton, Bermuda
on the 7 day of Dec, 1992

MUTUAL INDEMNITY
(BARBADOS) LTD.

By: Paul Watson
Paul Watson
President

AMENDMENT

This Amendment is made to a reinsurance agreement (the "Agreement") dated as of January 1, 1991, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follow:

1. A new ARTICLE 3-A is added and shall read as follows:

ADDITIONAL LIMITS OF LIABILITY

A. In addition to the amount by which the aggregate Ultimate Net Losses in any one Account Year exceed the Annual Aggregate Retention set forth in each of the Program Exhibits to this Agreement, up to but not exceeding the maximum limit of liability as respects Ultimate Net Loss any one Account Year for the aggregate retention within each program, as set forth in the Program's Exhibit, the Reinsurers will also be liable for Reinsurers' Additional Liability, which for any program shall be the amount by which the Ultimate Net Loss exceeds:

1. The maximum aggregate limit of liability set forth in each Exhibit, plus
2. \$5,000,000.

B. The Reinsurer's Additional Liability combined under this Agreement and the reinsurance agreement between the parties dated January 1, 1988, as amended, shall not exceed \$5,000,000 Ultimate Net Loss any one program, \$10,000,000 Ultimate Net Loss in the aggregate for all programs, any one underwriting year.

2. Effective Date - As respects Legion Insurance Company, Mutual Indemnity Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd., this Amendment shall be effective as of January 1, 1991.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

At Philadelphia, Pennsylvania
on the 26th day of February, 1993

LEGION INSURANCE COMPANY

By: _____
Glenn R. Partridge
Senior Vice President

At Hamilton, Bermuda
on the 1 day of Feb, 1993

MUTUAL INDEMNITY LTD.

By: _____
Paul Watson
President

At Hamilton, Bermuda
on the 11 day of July, 1993

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson

Paul Watson
President

At Hamilton, Bermuda
on the 11 day of July, 1993

MUTUAL INDEMNITY (BARBADOS) LTD.

By: Paul Watson

Paul Watson
President

AMENDMENT

This Amendment is made to Reinsurance Agreement No. 103 dated as of January 1, 1991, as amended (the "Agreement"), by and between Legion Insurance Company ("Legion") on the one part and Mutual Indemnity Ltd., Mutual Indemnity (US) Ltd., Mutual Indemnity (Barbados) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In consideration of the mutual promises contained herein and intending to be legally bound hereby, the parties agree to amend the Agreement as follows:

1. The first paragraph of Article 15 - Insolvency is deleted in its entirety and replaced with the following:

"The portion of any risk or obligation assumed by the Reinsurer, when such portion is ascertained, shall be payable on demand of the Company at the same time as the Company shall pay its net retained portion of such risk or obligation, with reasonable provision for verification before payment, and the reinsurance shall be payable by the Reinsurer, on the basis of the liability of the Company under the contract or contracts reinsured without diminution because of the insolvency of the Company. In the event of insolvency and the appointment of a conservator, liquidator or statutory successor of the ceding company, such portion shall be payable to such conservator, liquidator, or statutory successor immediately upon demand, with reasonable provision for verification, on the basis of claims allowed against the insolvent company by any court of competent jurisdiction or by any conservator, liquidator or statutory successor of the company having authority to allow such claims, without diminution because of such insolvency or because such conservator, liquidator or statutory successor of the company has failed to pay all or a portion of any claims. Payments by the reinsurer as above set forth shall be made directly to the Company or to its conservator, liquidator or statutory successor, except where the contract of insurance or reinsurance specifically provides another payee of such reinsurance in the event of the insolvency of the Company."

2. The last paragraph of Article 16 - Insolvency is deleted in its entirety.
3. A new Article 19 is added as follows:

OFFSET

Legion and the Reinsurers shall have the right to offset any balance or amount due from one party to the other under this Agreement or any other agreement heretofore or hereafter entered into between the parties or their assignees, provided that the parties stand in the same capacity as herein. The party asserting the right of offset may exercise such right at any time whether the balance(s) due are on account of premiums or losses or otherwise. In the event of the insolvency of a party hereto, offsets shall only be allowed in accordance with the provisions of applicable insurance law and regulation.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

At Philadelphia, Pennsylvania
this ___ day of December, 1994

LEGION INSURANCE COMPANY

By: [Signature]
Title:

At Hamilton, Bermuda
this 29 day of December, 1994

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: [Signature]
Title: VICE PRESIDENT.

At Hamilton, Bermuda
this 29 day of December, 1994

MUTUAL INDEMNITY LTD.

By: [Signature]
Title: VICE PRESIDENT

At Hamilton, Bermuda
this 29 day of December, 1994

MUTUAL INDEMNITY (US) LTD.

By: [Signature]
Title: VICE PRESIDENT

At Hamilton, Bermuda
this 29 day of December, 1994

MUTUAL INDEMNITY (BERMUDA)
LTD.

By: [Signature]
Title: VICE PRESIDENT

AMENDMENT 4 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY (the "Reinsurer") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BARBADOS) LTD., AND MUTUAL INDEMNITY (US) LTD. (collectively the "Company") dated as of January 1, 1991.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

1. EFFECTIVE DATE. This amendment shall be effective as of April 1, 1993.
2. Paragraph 1 of Introduction is amended to read as follows:

The Agreement is made and entered into by and between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania (hereinafter called the "Reinsurer") on the one part and MUTUAL INDEMNITY LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados; MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda; and MUTUAL INDEMNITY (BERMUDA) LTD. of Hamilton, Bermuda (hereinafter severally and not jointly called the "Company") on the other part.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this 3 day of Oct, 1996

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 3 day of Oct, 1996

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 3 day of Oct, 1996

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson

at Philadelphia, Pennsylvania
this 21st day of Sept, 1996

LEGION INSURANCE COMPANY

By: Allen G. Barry, III
Allen G. Barry, III
Vice President

AMENDMENT 5 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY (the "Reinsurer") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BERMUDA), MUTUAL INDEMNITY (BARBADOS) LTD., AND MUTUAL INDEMNITY (US) LTD. (collectively the "Company") dated as of January 1, 1991 as amended.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

1. EFFECTIVE DATE. This amendment shall be effective as of November 1, 1996.
2. Paragraph 1 of Introduction is amended to read as follows:

The Agreement is made and entered into by and between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania (hereinafter called the "Reinsurer") on the one part and MUTUAL INDEMNITY LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados; MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BERMUDA) LTD. of Hamilton, Bermuda and MUTUAL INDEMNITY (DUBLIN) LTD. of Dublin, Ireland (hereinafter severally and not jointly called the "Company") on the other part.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this 20 day of Nov, 1996

MUTUAL INDEMNITY LTD.

By: [Signature]
Paul Watson

at Hamilton, Bermuda
this 20 day of Nov, 1996

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: [Signature]
Paul Watson

at Hamilton, Bermuda
this 20 day of Nov, 1996

MUTUAL INDEMNITY (US) LTD.

By: [Signature]
Paul Watson

at Hamilton, Bermuda
this 20 day of Nov, 1996

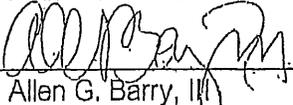
MUTUAL INDEMNITY (BERMUDA) LTD.

By: [Signature]
Paul Watson

Handwritten notes and stamps at the bottom left of the page, including a date stamp "11/20/96" and a reference to "ml103am.ra".

at Philadelphia, Pennsylvania
this 7th day of Nov., 1996

LEGION INSURANCE COMPANY

By: 
Allen G. Barry, II

AMENDMENT 6 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY (the "Reinsurer") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BERMUDA), MUTUAL INDEMNITY (BARBADOS) LTD., MUTUAL INDEMNITY (US) LTD. and MUTUAL INDEMNITY (DUBLIN) LTD. (collectively the "Company") dated as of January 1, 1991 as amended.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

1. EFFECTIVE DATE. This amendment shall be effective as of May 15, 1996.
2. Paragraph 1 of Introduction is amended to read as follows:

The Agreement is made and entered into by and between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania and LEGION INDEMNITY COMPANY of Philadelphia, Pennsylvania (hereinafter severally and not jointly called the "Reinsurer") on the one part and MUTUAL INDEMNITY LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados; MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BERMUDA) LTD. of Hamilton, Bermuda and MUTUAL INDEMNITY (DUBLIN) LTD. of Dublin, Ireland (hereinafter severally and not jointly called the "Company") on the other part.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this _____ day of _____, 1997

MUTUAL INDEMNITY LTD.

By: _____
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1997

MUTUAL INDEMNITY (US) LTD.

By: _____
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1997

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: _____
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1997

MUTUAL INDEMNITY (BERMUDA) LTD.

By: _____
Paul Watson

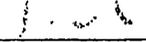
at Philadelphia, Pennsylvania
this 9th day of November, 1997

LEGION INSURANCE COMPANY

By: 
Allen G. Barry, III

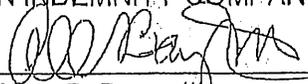
at Hamilton, Bermuda
this 9th day of November, 1997

MUTUAL INDEMNITY (DUBLIN) LTD.

By: 
Paul Watson

at Philadelphia, Pennsylvania
this 9th day of January, 1997

LEGION INDEMNITY COMPANY

By: 
Allen G. Barry, III

AMENDMENT 7 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY, and LEGION INDEMNITY COMPANY (collectively the "Company") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BERMUDA), MUTUAL INDEMNITY (BARBADOS) LTD., MUTUAL INDEMNITY (US) LTD. and MUTUAL INDEMNITY (DUBLIN) LTD. (collectively the "Reinsurer") dated as of January 1, 1991 as amended.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

ARTICLE 8 is amended to add the following language:

1. (Continued) The Company and the Reinsurer agree that the letter of credit provided by the Reinsurer may be drawn upon at any time and be used by the Company or its successors in interest only for one or more of the following reasons:
 - a. To reimburse the Company for the Reinsurer's share of premiums returned to the owners of policies reinsured under the Reinsurance Agreement due to the cancellation of such policies;
 - b. To reimburse the Company for the Reinsurer's share of surrenders and benefits or losses paid by the Company under the terms and provisions of the policies reinsured under the Reinsurance Agreement;
 - c. To fund an account with the Company in an amount at least equal to the deduction, for reinsurance ceded from the Company's liabilities for policies ceded under the Reinsurance Agreement.
 - d. To pay any other amounts the Company claims are due under the Reinsurance Agreement
 - e. To pay existing liabilities between the Company and the Reinsurer upon commutation of one or more reinsurance contracts.
 - f. The above provisions (sections a. through e.) shall be applied without diminution because of insolvency on the part of the Company or Reinsurer.
2. The parties also agree to provide for:
 - a. an interest payment, at a rate not in excess of the prime rate of interest, on the amounts held pursuant to section c. above, and/or

- b. the return of any amounts drawn down on the letters of credit in excess of the actual amounts required for the above or, in the case of section d., above, any amounts that are subsequently determined not to be due.

ARTICLE 18 CONDITIONS is amended to include the following Section:

- 4 This Agreement represents the entire agreement and understanding among the parties. No other oral or written agreements or contracts relating to the risks reinsured hereunder currently exist and/or are contemplated between the parties.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this 15 day of Nov, 1997

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson

at Philadelphia, Pennsylvania
this 19th day of Nov., 1997

LEGION INSURANCE COMPANY

By: Allen G. Barry, III
Allen G. Barry, III

at Hamilton, Bermuda
this 25 day of Nov, 1997

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 15 day of Nov, 1997

MUTUAL INDEMNITY (DUBLIN) LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 25 day of Nov, 1997

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: Paul Watson
Paul Watson

at Philadelphia, Pennsylvania
this 19th day of Nov., 1997

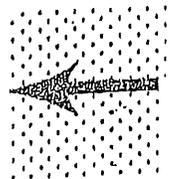
LEGION INDEMNITY COMPANY

By: Allen G. Barry, III
Allen G. Barry, III

at Hamilton, Bermuda
this 25 day of Nov, 1997

MUTUAL INDEMNITY (BERMUDA) LTD.

By: Paul Watson
Paul Watson



AMENDMENT 8 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY (the "Company") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BERMUDA), MUTUAL INDEMNITY (BARBADOS) LTD., MUTUAL INDEMNITY (US) LTD. and MUTUAL INDEMNITY (DUBLIN) LTD. (collectively the "Reinsurer") dated as of January 1, 1991 as amended.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

1. EFFECTIVE DATE. This amendment shall be effective as of July 15, 1997.
2. Paragraph 1 of Introduction is amended to read as follows:

The Agreement is made and entered into by and between LEGION INSURANCE COMPANY of Philadelphia, Pennsylvania, LEGION INDEMNITY COMPANY of Philadelphia, Pennsylvania and Villanova Insurance Company of Philadelphia, Pennsylvania (hereinafter severally and not jointly called the "Company") on the one part and MUTUAL INDEMNITY LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados; MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BERMUDA) LTD. of Hamilton, Bermuda and MUTUAL INDEMNITY (DUBLIN) LTD. of Dublin, Ireland (hereinafter severally and not jointly called the "Reinsurer") on the other part.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this 20 day of Feb, 1998

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 20 day of Feb, 1998

MUTUAL INDEMNITY (BARBADOS) LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 20 day of Feb, 1998

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 20 day of Feb, 1998

MUTUAL INDEMNITY (BERMUDA) LTD.

By: Paul Watson
Paul Watson

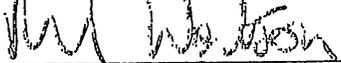
at Philadelphia, Pennsylvania
this 3rd day of Feb., 1998

LEGION INSURANCE COMPANY

By: 
Allen G. Barry III

at Hamilton, Bermuda
this 3rd day of Feb., 1998

MUTUAL INDEMNITY (DUBLIN) LTD.

By: 
Paul Watson

at Philadelphia, Pennsylvania
this 3rd day of Feb., 1998

LEGION INDEMNITY COMPANY

By: 
Allen G. Barry III

at Philadelphia, Pennsylvania
this 3rd day of Feb., 1998

VILLANOVA INSURANCE COMPANY

By: 
Allen G. Barry III

TREATY NO. 104

LEGION INSURANCE COMPANY
("COMPANY")
and

MUTUAL INDEMNITY(BERMUDA), LTD
("REINSURER")

AGGREGATE EXCESS OF LOSS

REINSURANCE AGREEMENT

EFFECTIVE: November 1, 1994

LEGION INSURANCE COMPANY

and

MUTUAL INDEMNITY(BERMUDA), LTD

AGGREGATE EXCESS OF LOSS REINSURANCE AGREEMENT

EFFECTIVE: November 1, 1994

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AGGREGATE EXCESS OF LOSS REINSURANCE AGREEMENT

This Agreement is made and entered into by and between LEGION INSURANCE COMPANY, a Pennsylvania insurance company with principal offices located in Philadelphia, Pennsylvania (hereinafter called the "Company") and MUTUAL INDEMNITY (Bermuda), Ltd, a Bermuda captive insurance company with principal offices located in Hamilton, Bermuda (hereinafter called the "Reinsurer").

ARTICLE 1

BUSINESS' REINSURED

- A. By this Agreement, and subject to the limitations set forth herein, Reinsurer agrees to reinsure the Company in respect to the excess aggregate liability which may accrue to the Company under its policies, contracts and binders of insurance (hereinafter called "Policies") issued or renewed on or after the effective date hereof, and classified by the Company and Reinsurer as part of the NABS-STAR program, as defined below (the "Program"), and subject to the terms, conditions, and limitations set forth herein

ARTICLE 2

COMMENCEMENT AND TERMINATION

- A. This Agreement shall become effective at 12:01 a.m., Eastern Standard Time, November 1, 1994, with respect to losses arising out of occurrences commencing on or after that date on Policies issued or renewed under the Program on or after that date, and shall continue in force thereafter until terminated as provided in the following paragraph.
- B. Either the Company or the Reinsurer shall have the right to terminate this Agreement effective as of 12:01 a.m., Eastern Standard Time, any September 27, by giving 90 days' prior notice in writing via either Certified or Registered Mail, return receipt requested.
- C. In the event of termination of this Agreement the Reinsurer will continue to cover all Policies coming within the scope of this Agreement, including those written or renewed during the period of notice, until the natural expiration or anniversary of such Policies plus whichever occurs first, but in no event longer than 15 months from

the date of termination.

- D. The Reinsurer shall also remain liable for all losses and allocated loss adjustment and claim expense incurred against the reinsured policies covered by this agreement, whether or not such losses and expenses are reported after the termination of the Agreement or the termination date of such reinsured policies.
- E. The Reinsurer shall also remain liable for all losses and allocated loss adjustment and claim expense incurred against the reinsured Policies covered by this agreement, whether or not such losses and expenses are reported after the termination of the Agreement or the termination date of such reinsured policies. However, for any terminated Program Year, the Reinsurer's maximum aggregate liability set forth in each Exhibit shall be prorated (or, if expressed in a percentage of premium, shall be based only on the earned premium under the Program Year), unless otherwise set forth in such Exhibit.

ARTICLE 3

RETENTION/LIMITS

A. Coverage A: Quota Share

1. As respects the Program, the Company shall cede and the Reinsurer shall accept 50% part of the Company's 20% net retention any one risk subject to a maximum of \$25,000 any one loss occurrence plus a pro rata share of all interest and allocated loss adjustment and claims expenses including cost of litigation, in proportion that the amount not exceeding the said Loss Limit bears to the total amount of the loss (the "Net Loss Limit") regardless of the number of risks involved. The Company is to be the sole judge of what constitutes one risk.

B. Coverage B: Aggregate Excess

1. The Reinsurer shall indemnify the Company for the amount by which the aggregate of Ultimate Net Losses in any one Account Year exceed an Annual Aggregate Retention (the "Annual Aggregate Retention") equal to 7.0% of Gross Written Premium.
2. The Company's losses subject to the Annual Aggregate Retention for the Program shall be limited to losses not exceeding \$25,000 per occurrence.

ARTICLE 4

TERRITORY

This Agreement shall apply to losses covered by the Policies wherever occurring.

ARTICLE 5

DEFINITIONS

- A. The term "NABS-STAR" as used in this Agreement shall mean an insurance program of Automobile Bodily Injury and Property Damage Liability insurance for short term auto rental operators, produced by National Alliance Brokerage Services, Inc. and separately identified by the Company and Reinsured as the NABS Short Term Auto Rental Program.
- B. The terms "Net Loss" or "Ultimate Net Loss" as used in this Agreement shall mean the Company's 10% net retained share of actual loss paid by the Company, or for which the Company becomes liable to pay, not exceeding the "Net Loss Limit" set forth in Section 3(A)(1) above, plus a pro rata share of all interest and allocated loss adjustment and claims expenses including cost of litigation, in proportion that the amount not exceeding the said Loss Limit bears to the total amount of the loss, but subrogation and all recoveries, including recoveries under all reinsurance which inure to the benefit of this Agreement (whether recovered or not), shall be first deducted from such loss to arrive at the amount of liability attaching hereunder.

All salvages, recoveries or payments recovered or received subsequent to loss settlements hereunder shall be applied as if recovered or received prior to the aforesaid settlement and all necessary adjustments shall be made by the parties hereto.

Nothing in this clause shall be construed to mean that losses are not recoverable hereunder until the Company has ascertained and paid all losses under the program. Partial recoveries may be made.

- C. The term "Policy" as used in this Agreement shall mean any binder, policy, or contract of insurance or reinsurance issued, accepted or held covered provisionally or otherwise, by or on behalf of the Company.
- D. The term "Account Year" as used in this Agreement shall mean a period (not exceeding one year in duration, plus such part of the policy period greater than 12

months in duration, which may be provided in order to bring policy anniversary dates in conformity with other policies issued under the Quest Program, not to exceed 15 months in all) of the policy or policies issued by the Company in respect to the Quest Program.

- E. The term "Gross Written Premium" shall mean the premium as calculated in accordance with the Company's filed rates, and as booked by the Company after final audit as written premium in accordance with insurance Standard Accounting Practices, and shall include experience modification, premium discount and deductible credits.
- F. Other terms used in this agreement shall have the definition first appearing in the Insurance Code of the Commonwealth of Pennsylvania, or the NAIC Examiners Handbook, or the NAIC Accounting Practices and Procedures Manual for Fire and Casualty Insurance Companies or the Reinsurance Association of America, Glossary of Reinsurance Terms.

ARTICLE 6

PREMIUM

- A. The Company shall pay to the Reinsurer a premium (hereinafter the "Reinsurer's Premium") equal to 7.143% of the Gross Written Premium of the Program.
- B. Subject to the provisions of this Article, the Reinsurer's Premium shall be payable within the time specified in Article 7. The amounts owed by the parties to each other shall be reconciled as provided in paragraph C of this Article 6.
- C. The Reinsurer's Premium payable shall be monthly reconciled against (i) the amount necessary to establish or maintain any required level of Paid Loss Deposit Funds and (ii) that portion of the Reinsurer's liability under each of the Exhibits attached to this Agreement represented by Paid Losses to the extent that such item was not previously reconciled under this Agreement, and the net premium due shall be paid to Reinsurer.
- D. The Reinsurer shall allow the Company a ceding commission equal to 31.0% of Reinsurer's Premium. The Reinsurer understands and agrees that the ceding commission is based in part on an estimate of certain expenses incurred by the Company, including but not limited to, taxes, licenses, assigned risk assessments, boards, bureaux, and unallocated claims expenses not paid by insured and agrees to allow such additional ceding commission to pay the actual expenses incurred by

Company in excess of such estimate. In return for accepting 100% of the liability for such excess expenses, if the actual expenses are determined by the Company to be less than the estimate, the Reinsurer shall receive as an experience credit an amount equal to 100% of the difference between the actual and estimated expenses.

ARTICLE 7

RECONCILIATION/PAID LOSS DEPOSIT FUND

- A. Within thirty (30) days after each payment of premium is received by the Company in accordance with the terms of the Policy, the Company will issue to the Reinsurer a reconciliation statement (the "Reconciliation Statement") setting forth the reinsurance payable as reconciled against the items described in ARTICLE 6 paragraph C. If the result of the reconciliation is that the Reinsurer owes money to the Company, the Reinsurer will pay the amount so owed within the time required by this Agreement, or if not otherwise specified, within 30 days after the receipt of the Reconciliation Statement. If the result of the reconciliation is that the Company owes money to the Reinsurer, the Company will pay the Reinsurer the amount so owed simultaneously with the reconciliation statement. All payments hereunder shall be in United States currency. All payments by the Company shall be to the Trust Account.
- B. The parties hereto recognize and agree that each party's liability hereunder shall extend beyond the time that each party is receiving premiums under their respective Policy, and possibly beyond the expiration date of the Policies and this Agreement; and that in such an event the reconciliations may involve only a computation of the Reinsurer's liability to the Company for losses, if any.
- C. Within 60 days after the end of each calendar month the Company shall provide monthly loss statements to the Reinsurer for the settlement of losses paid during that reporting period. The Reinsurer will pay the amount so owed within 30 days after receipt of the statement, provided, however, that when as a result of any one loss the total amount due from the Reinsurer exceeds \$10,000, the Reinsurer will upon demand and receipt of satisfactory proof of loss, remit its proportion forthwith.
- D. The Company will, with funds (i) to be withheld from premium cessions due to the Reinsurer or (ii) provided by the Reinsurer, establish and maintain a Paid Loss Deposit Fund, the purpose of which is to provide a source of funds for payment of Reinsurer's liability under this Agreement. This paid loss deposit fund shall be established for the Program once losses incurred exceed the Company's retention as set forth in each Exhibit to this Agreement, and shall be adjusted on a monthly basis,

generally to be limited to thirty days' paid losses based upon the average of the most recent three months' paid losses.

ARTICLE 8

COLLATERAL

- A. In connection with the Program, to secure the Reinsurer's obligations to the Company in excess of the funds withheld pursuant to Article 6 up to the maximum limit of liability set forth in the Exhibits attached hereto, the Reinsurer will furnish to the Company a clean, irrevocable, evergreen Letter of Credit from a U.S. Bank (which is a member of the Federal Reserve System) acceptable to the Company in its sole discretion (hereinafter the "Issuing Bank"), or other deposits or guarantees acceptable to the Company, in an amount equal to the greater of (i) the Company's reserves for outstanding losses, IBNR, Allocated Loss Adjustment Expense ("ALAE") and unearned premiums, minus the Annual Aggregate Retention, and (ii) the Reinsurer's maximum limit of liability as set forth in the Exhibits attached hereto, minus paid losses.
- B. The Letter of Credit, or any replacement or renewal thereof, shall be in a form acceptable to the Company and in compliance with the statutes and regulations of the Commonwealth of Pennsylvania and State of California, for the purpose of securing the obligations of the Reinsurer under this Agreement, provided that at no time shall the Reinsurer be obligated to provide a Letter of Credit in connection with any of the Programs which exceed the Reinsurer's maximum liability, at any point, to the Company for such Program, unless otherwise required by state regulatory authorities.
- C. During the term of this Agreement, the amount of such security may be adjusted by the Company to secure the obligations of the Reinsurer hereunder. If the Company deems such an adjustment necessary, the Reinsurer will, within thirty (30) days of receipt of written request by the Company, obtain and deliver an amendment to such Letter of Credit or will obtain an excess Letter of Credit to cover the increased amount of such security. If the Letter of Credit terminates or expires for any reason, while the Reinsurer remains liable for losses under this Agreement, the Reinsurer shall, thirty (30) days prior to termination or expiration, deliver to the Company a substitute in an amount and form acceptable to the Company which shall become effective immediately upon the termination or expiration of the prior irrevocable Letter of Credit.

ARTICLE 9

CURRENCY

All of the provisions of this Agreement involving dollar amounts are expressed in terms of United States dollars and all premium and loss payments hereunder shall be made in United States dollars.

ARTICLE 10

TAXES

The Company will be liable for state and local premium taxes on premiums reported to the Reinsurer hereunder.

ARTICLE 11

REPORTS

It is understood and agreed that the Company will report to the Reinsurer any information which the Reinsurer may require to prepare its Annual Statement and other regulatory filings which is reasonably available to the Company.

ARTICLE 12

NOTICE OF LOSS AND LOSS SETTLEMENTS

- A. The Company will advise the Reinsurer promptly of all claims which in the opinion of the Company may involve the Reinsurer, and of all subsequent developments on these claims which may materially affect the position of the Reinsurer.
- B. The Reinsurer agrees to abide by the loss settlements of the Company, it being understood, however, that when so requested the Company will afford the Reinsurer an opportunity to be associated with the Company, at the expense of the Reinsurer, in the defense of any claim or suit or proceeding involving this reinsurance and that the Company will cooperate in every respect in the defense or control of such claim, suit or proceeding. All settlements by the Company of claims involving this reinsurance, including voluntary Compromise and Release, when made by the Company and/or the independent claims administrator agreed upon by the Company

and the Reinsurer, shall be unconditionally binding on the Reinsurer.

- C. The Reinsurer will pay its share of loss settlements in accordance with Article 7(C) of this Agreement.
- D. This Agreement shall protect the Company, subject to the Loss Limit set forth in each Exhibit, where the loss includes any Extra Contractual Obligations for 100% of such Extra Contractual Obligations. "Extra Contractual Obligations" are defined as those liabilities not covered under any other provision of this Agreement and which arise from handling of any claim on business covered hereunder, such liabilities arising because of, but not limited to, the following: failure by the Company to settle within the Policy limit, or by reason of alleged or actual negligence, fraud or bad faith in rejecting an offer of settlement or in the preparation of the defense or in the trial of any action against its insured or in the preparation or prosecution of any appeal consequent upon such action.
- E. The date on which any Extra Contractual Obligation is incurred by the Company shall be deemed, in all circumstances, to be the date of the original Loss Occurrence, and the Reinsurer's Loss Limit referred to in the preceding paragraph shall separately apply to Extra Contractual Obligations and any other covered loss of the Company relating thereto.
- F. However, this Article shall not apply where the loss has been incurred due to the fraud or gross negligence of a member of the Board of Directors or a corporate officer of the Company acting individually or collectively or in collusion with any individual or corporation or any other organization or party involved in the presentation, defense or settlement of any claim covered hereunder.
- G. One Hundred percent of expenses attributable to any portion of loss designated as an Extra Contractual Obligation will be subject to proration in accordance with the other terms of this Article.

ARTICLE 13

SALVAGE AND SUBROGATION

Should the Company effect subrogation or salvage recovery or receive reimbursement of loss subject to this Agreement, then such recovery, less all expenses incurred in effecting the recovery (excluding salaries and expenses of officials and employees of the Company not classified as loss adjusters) will be applied between the parties having interest in the loss in the order inverse to that in which their respective liability attached.

Should a recovery effect be unsuccessful, or should the expense of making a recovery exceed the recovery, then the Company and the Reinsurer shall share such expense in proportion to their interest in the loss.

ARTICLE 14

ERRORS AND OMISSIONS

- A. Any inadvertent delay, omission or error shall not be held to relieve either party hereto from any liability which would attach to it hereunder if such delay, omission or error had not been made, providing such delay, omission or error is rectified upon discovery.
- B. In the event of the failure of the Reinsurer to pay any amount claimed to be due hereunder or to provide any Letter of Credit required under Article 8, the Reinsurer shall, at the request of Company, submit to the jurisdiction of any court of competent jurisdiction within the United States and shall comply with all requirements necessary to give such Court jurisdiction; and all matters arising hereunder shall be determined in accordance with the law and practice of such Court.

ARTICLE 15

INSPECTION

The Company shall place at the disposal of the Reinsurer at all reasonable times, and the Reinsurer shall have the right to inspect, through its authorized representatives, all books, records and papers of the Company in connection with any reinsurance hereunder, or claims in connection herewith.

ARTICLE 16

ARBITRATION

As a condition precedent to any right of action hereunder, any irreconcilable dispute between the parties to this Agreement will be submitted for decision to a board of arbitration composed of two arbitrators and an umpire.

Arbitration shall be initiated by the delivery of a written notice of demand for arbitration by one party to the other within a reasonable time after the dispute has arisen.

The members of the board of arbitration shall be active or retired disinterested officers of insurance or reinsurance companies or Underwriters at Lloyd's London, not under control of or a former officer of either party to this Agreement. Each party shall appoint its arbitrator and the two arbitrators shall choose an umpire before instituting the hearing. If the respondent fails to appoint its arbitrator within four weeks after being requested to do so by the claimant, the latter shall also appoint the second arbitrator. If the two arbitrators fail to agree upon the appointment of an umpire within four weeks after their nominations, each of them shall name three, of whom the other shall decline two, and the decision shall be made by the then current President of the Reinsurance Association of America.

The claimant shall submit its pre-hearing brief within 45 days from appointment of the umpire. The respondent shall submit its brief within 45 days thereafter and the claimant may submit a reply brief within 30 days after filing of the respondent's brief.

The board shall make its decision with regard to the custom and usage of the insurance and reinsurance business. The board shall issue its decision in writing based upon a hearing in which evidence may be introduced without following strict rules of evidence but in which cross-examinations and rebuttal shall be allowed. The board shall make its decision within 60 days following the termination of the hearing unless the parties consent to an extension. The majority decision of the board shall be final and binding upon all parties to the proceeding. Judgement may be entered upon the award of the board in any court having jurisdiction.

If more than one Company is involved in the same dispute, all such companies shall constitute and act as one party for the purpose of this clause, and communications shall be made by the Reinsurer to each of the Companies constituting the one party, provided, however, that nothing therein shall impair the rights of such Companies to assert several, rather than joint, defenses or claims, nor be construed as changing the liability of the Companies under the terms of this Agreement from several to joint. If more than one Company is involved in the arbitration as respondent, the time for appointing the arbitrators will be extended to six weeks.

Each party shall bear the expense of its own arbitrator and shall jointly and equally bear with the other party the expense of the umpire. The remaining costs of the arbitration proceedings shall be allocated by the board.

ARTICLE 17

INSOLVENCY

In the event of the insolvency of the Company, reinsurance under this Agreement shall be

payable by the Reinsurer on the basis of the liability of the Company under Policy or Policies reinsured without diminution because of the insolvency of the Company to the Company or its liquidator, receiver, or statutory successor, except where the Agreement specifically provides another payee of such reinsurance in the event of the insolvency of the Company, and where the Reinsurer with the consent of the direct insured or insureds has assumed such Policy obligations of the Company as direct obligations of the Reinsurer to the payee under such Policies and in substitution for the obligations of the Company to such payees.

It is agreed, however, that the liquidator or receiver or statutory successor of the insolvent Company shall give written notice to the Reinsurer of the pendency of a claim against the insolvent Company on the Policy or Policies reinsured within a reasonable time after such claim is filed in the insolvency proceeding and that during the pendency of such claim the Reinsurer may investigate such claim and interpose, at its own expense, in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator or receiver or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to court approval, against the insolvent Company as part of the expense of liquidation to the extent of a proportionate share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

Should the Company go into liquidation or should a receiver be appointed the Reinsurer shall be entitled to deduct from any sums which may be due or may become due to the Company under this Reinsurance Agreement, any sums which are due to the Reinsurer by the Company under this Reinsurance Agreement and which are payable at a fixed or stated date, as well as any other sums due the Reinsurer which are permitted to be offset under applicable law.

ARTICLE 18

CONDITIONS

- A. This Agreement shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.
- B. This Agreement may not be released, discharged, changed or modified except by an instrument in writing by a duly authorized representative of all of the Parties.
- C. All notices, requests, demands or other communications made hereunder shall be in writing and shall be deemed duly given on the date of receipt when personally delivered or sent by telex, facsimile transmission, overnight courier or registered or certified mail, postage pre-paid and return receipt requested, to the persons and

addresses set forth below, or to such other address or person as either party may hereafter designate by notice to the other party:

If to the Company, then to:

Legion Insurance Company
One Liberty Place, Suite 2200
1650 Market Street
Philadelphia, PA 19103
Attention: Andrew S. Walsh, General Counsel

If to the Reinsurers:

Mutual Indemnity (Bermuda) Ltd.
PO Box 2064
Hamilton, Bermuda
Attention: Paul Watson, President

IN WITNESS WHEREOF, the parties hereto have signed this Reinsurance Agreement as of the dates set forth below.

In Hamilton, Bermuda
this _____ day of _____, 1995.

MUTUAL INDEMNITY (BERMUDA)
LTD.

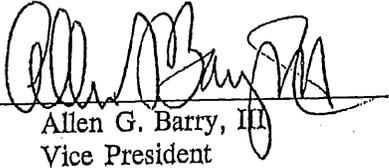
By: _____

Paul Watson
President

In Philadelphia, Pennsylvania,
this 21st day of NOV., 1995.

LEGION INSURANCE COMPANY

By: _____


Allen G. Barry, III
Vice President

REINSURANCE AGREEMENT

No. 301

This Agreement is made and entered into by and between Legion Insurance Company, Philadelphia, PA and Legion Indemnity Company, Chicago, IL (hereinafter the "Company") on the one part and Mutual Indemnity Ltd., Hamilton, Bermuda, Mutual Indemnity (Barbados) Ltd. of Bridgetown, Barbados, Mutual Indemnity (Bermuda) Ltd., Mutual Indemnity (Dublin) Ltd., and Mutual Indemnity (US) Ltd., of Hamilton, Bermuda (hereinafter severally and not jointly called the "Reinsurer") of the other part.

Article 1 - Business Reinsured

By this Agreement and subject to the limitations set forth herein, the Reinsurer agrees to indemnify the Company in respect of the liability which may accrue to the Company as a result of Loss under Policies set forth in the Exhibits attached hereto.

Article 2 - Cover

The Company shall cede and the Reinsurer shall accept by way of reinsurance a 100% quota share of all Loss in respect of Policies coming within the scope of this Agreement. Loss shall include loss, loss adjustment expense and punitive damages.

Article 3 - Term

This Agreement shall be effective on the effective date and time as provided in the Exhibit(s) to this Agreement and shall continue in force until all liabilities under Policy(ies) set forth in the Exhibits are extinguished or terminated.

Article 4 - Collateral

The Reinsurer agrees that it will furnish at its option to the Company cash and/or a Letter of Credit (or Letters of Credit) drawn upon a bank approved by the Company and in an amount as set forth in the Exhibits attached hereto. Such Letter of Credit shall be existing and valid so long as the Company shall be exposed to any liability under its Policies and upon the notice of termination of any Letter of Credit, unless the Reinsurer substitutes a new and valid Letter or Credit in the amount required to be maintained hereunder or any other satisfactory security, the Company may draw down the funds under such Letter of Credit.

The Reinsurer and the Company agree that the Letter of Credit may be drawn upon at any time, notwithstanding any other provision of this Agreement, and be utilized by the Company or any successor, by operation of law, of the Company including, without limitation, any liquidator, rehabilitator, receiver or conservator of the Company only to reimburse the Company for the Reinsurer's obligations, the payment of which is due under the terms of this Agreement and which has not been otherwise paid after ten (10) days notice thereof from the Company to the Reinsurer.

In the event the amount drawn by the Company on any Letter of Credit is in excess of the actual amount that the Company is permitted to withdraw hereunder, the Company shall promptly return to the Reinsurer the excess amount so drawn. All of the foregoing shall be applied without diminution because of the insolvency on the part of the Company or the Reinsurer.

The issuing bank shall have no responsibility whatsoever in connection with the propriety of withdrawals made by the Company or the disposition of funds withdrawn, except to ensure that withdrawals are made only upon the order of properly authorized representatives of the Company.

The Company agrees that prior to the withdrawal of any funds under the Letter of Credit or any other collateral provided by the Reinsurer it shall deliver to the Reinsurer ten (10) days advance notice specifying the amount and reason thereafter.

At the request of the Reinsurer, the Letter of Credit will be adjusted quarterly by any amounts paid by the Reinsurer during the quarter by notice from the Company to the issuing bank of the amount thereof. In connection with all payments of losses for which the Company has an indemnity obligation under the Policy and Loss Adjustment Expenses (as defined in the Policy) and provided the Company is in compliance with this Agreement, the Company may make such payments and call upon the Reinsurer to reimburse the Company and in the event of failure of the Reinsurer to make reimbursement within thirty (30) days after demand the Company may draw upon a Letter of Credit or use other security held by it. In the event that any bank issuing any Letter of Credit furnishes notice of the termination of a Letter of Credit, the Reinsurer agrees to provide a substitute Letter of Credit or other security satisfactory to the Company immediately and failure to do so shall entitle the Company to draw upon such Letter of Credit.

In the event that the Company shall hold funds of the Reinsurer either as a result of direct payment or by reason of drawing down a part of or all of a Letter of Credit the Company agrees to pay to the Reinsurer the earning rate on the funds held. Such earning rate shall be computed by multiplying the average rate of U.S. 6 month Treasury Bills during the quarter by the average funds held by the Company.

Article 6 - Access to Records

The Company and the Reinsurer each agree that the other will have access to the books and records of the other at reasonable times for the purpose of obtaining information such as shall be required under this Agreement, the Policy or the subject matter thereof.

Article 7 – Follow the Fortunes

The Reinsurer agrees to follow the fortunes of the Company and indemnify the Company in all respects in connection with the Policies herein reinsured, including, but not limited to, any award and/or settlement of punitive damages, judgments in excess of the limits of the liability, the holding by any court of any portion of the Policy invalid (for example, the invalidation of the requirement that coverage is limited to occurrences reported during the policy period), costs associated with disputes between the Company and the Insured, and any other similar happening. In all such cases the Reinsurer accepts, without limitation of any kind, its liability as provided herein.

Article 8 – Arbitration

- A. As a condition precedent to any right of action hereunder, any dispute or difference between the Company and the Reinsurer relating to the interpretation or performance of this Agreement, including its formation or its validity, or any transaction under this Agreement, whether arising before or after termination, shall be submitted to binding arbitration.
- B. Upon written request of any party, each party shall choose an arbitrator and the two chosen shall select a third arbitrator. If either party refuses or neglects to appoint an arbitrator within thirty (30) days after receipt of the written request for arbitration, the requesting party may appoint a second arbitrator. If the two arbitrators fail to agree on the selection of the third arbitrator within thirty (30) days of their appointment, each of them shall name three individuals, the other shall decline two, and the selection of the third arbitrator from those remaining shall be made by the Federal District Court for the Eastern District of Pennsylvania. All arbitrators shall be disinterested active or retired executive officials of insurance or reinsurance companies or underwriters at Lloyd's, London. Each party shall submit its case to the arbitrators within thirty (30) days of the appointment of the third arbitrator.
- C. The parties hereby waive all objections to the method of selection of the arbitrators, it being the intention of both sides that all the arbitrators be chosen from those submitted by the parties.
- D. The arbitrators shall have the power to determine all procedural rules for the holding of the arbitration including but not limited to inspection of documents, examinations of witnesses and any other matter relating to the conduct of the arbitration. The arbitrators shall interpret this Agreement as an honorable engagement and not as merely a legal obligation; they are relieved of all judicial formalities and may abstain from following the strict rules of law. The arbitrators may award interest and costs, but in no event shall punitive or exemplary damages be awarded. Each party shall bear the expense of its own arbitrator and shall share equally with the other party in the expense of the third arbitrator and of the arbitration.

Arbitration hereunder shall take place in Philadelphia, Pennsylvania unless both parties otherwise agree. Except as provided above, the arbitration shall be in accordance with the rules and procedures established by the Uniform Arbitration Act as enacted in Pennsylvania

Article 9 – Service of Suit

It is agreed that in the event of the failure of the Reinsurer hereon to pay any amount claimed to be due hereunder, the Reinsurer hereon, at the request of the Company, will, subject to Article 8, submit to the jurisdiction of a Court of competent jurisdiction with the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of Reinsurer's rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon Mendes & Mount, 750 Seventh Avenue, New York, NY 10019-6829 and that in any suit instituted against any one of them upon this Agreement, Reinsurer will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Reinsurer in any such suit and/or upon the request of the Company to give a written undertaking to the Company that they will enter a general appearance upon Reinsurer's behalf in the event such a suit shall be instituted. Nothing shall prevent Reinsurer from changing counsel or engaging any party it chooses to represent its interests.

Further, pursuant to any Statute of any state, territory or district of the United States which makes provision therefore, Reinsurer hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Company or any beneficiary hereunder arising out of this Agreement of reinsurance, and hereby designate the above-named Mendes & Mount as the person to whom the said officer is authorized to mail such process or a true copy thereof.

Article 10 – Premium and Commission

The Company shall pay to the Reinsurer premium as set forth in the Exhibits attached to this Agreement.

The Reinsurer shall allow the Company a ceding commission as set forth in the Exhibits attached to this Agreement.

Article 11 – Notice of Loss and Loss Settlements

The Reinsurer agrees to abide by the loss settlements of the Company, it being understood, however, that when so requested the Company will afford the Reinsurer an opportunity to be

associated with the Company, at the expense of the Reinsurer, in the defense of any claim or suit or proceeding involving this reinsurance and that the Company will cooperate in every respect in the defense or control of such claim, suit or proceeding. All settlements by the Company of claims involving this reinsurance, including voluntary Compromise and Release, when made by the Company shall be unconditionally binding on the Reinsurer.

Article 12 - Currency

Whenever the word "Dollars" or the "\$" sign appears in this Agreement, they shall be construed to mean United States Dollars and all transactions under this Agreement shall be in the United States Dollars. Amounts paid or received by the Company in any other currency shall be converted to United States Dollars at the rate of exchange at the date such transaction is entered on the books of the Company.

Article 13 - Insolvency

In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim or except (a) where the Agreement specifically provides another payee of such reinsurance in the event of insolvency of the Company, and (b) where the Reinsurer with the consent of the direct insured or insureds have voluntarily assumed such policy obligations of the Company as direct obligation of the Reinsurer to the payees under such policies and in substitution for the obligations of the Company to the payees. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company indicating the policy insured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservation or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at their own expense, in the proceeding where such claim is to be adjudicated, any defense or defenses that it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

Article 14 - Errors & Omissions

Any inadvertent delay, omission or error shall not relieve either party hereto from any liability which would attach to it hereunder if such delay, omission or error had not been made, provided such delay, omission or error is rectified immediately upon discovery.

Article 15 - Federal Excise Tax

(Federal Excise Tax applies only to those Reinsurers, excepting Underwriters at Lloyds and other Reinsurers exempt from Federal Excise Tax, who are domiciled outside the United States of America.)

- A. The Reinsurer has agreed to allow for the purpose of paying the Federal Excise Tax 1% of the premium payable hereon to the extent that such premium is subject to Federal Excise Tax.
- B. In the event of any return of premium becoming due hereunder the Reinsurer will deduct 1% from the return premium payable hereon and the Company or its agent should take steps to recover the Tax from the United States Government.

Article 16 - Tax

In consideration of the terms under which this Agreement is issued, the Company undertakes not to claim any deduction of the premium hereon when making Canadian tax or when making tax returns, other than income or profits tax returns, to any state or territory of the United States of America or to the District of Columbia.

Article 17 - Miscellaneous

- A. This Agreement represents the sole and exclusive agreement among the parties concerning the subject matter hereof and shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.
- B. This Agreement may not be released, discharged, changed or modified except by an instrument in writing signed by a duly authorized representative of all of the Parties.
- C. All notices, requests, demands or other communications made hereunder shall be in writing and shall be deemed duly given on the date of receipt when personally delivered or sent by telex, facsimile transmission, overnight courier or registered or certified mail, postage pre-paid and return receipt requested, to the persons and addresses set forth below, or to such other address or person as either party may hereafter designate by notice to the other party:
- D.

If to the Company, then to:

LEGION INSURANCE COMPANY
One Logan Square, suite 1400
Philadelphia, PA 19103

Attention: Andrew S. Walsh,
General Counsel

If to the Reinsurer, then to:

MUTUAL INDEMNITY LIMITED
44 Church Street
PO Box 2064
Hamilton, HM, HX, Bermuda

Attention: David Alexander, President

In Witness Whereof to the Parties have executed this Agreement

on the ____ day of _____, 2002, in Philadelphia., PA

LEGION INSURANCE COMPANY
LEGION INDEMNITY COMPANY
VILLANOVA INSURANCE COMPANY
("Company")

By: _____

In Witness Whereof to the Parties have executed this Agreement

on the ____ day of _____, 2002 in Hamilton, Bermuda

MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD.
MUTUAL INDEMNITY (BERMUDA) LTD.
MUTUAL INDEMNITY (DUBLIN) LTD.
MUTUAL INDEMNITY (US) LTD
("Reinsurer")

By: _____

EXHIBIT ____

TO REINSURANCE AGREEMENT NO. 301

BETWEEN

LEGION INSURANCE COMPANY
LEGION INDEMNITY INSURANCE COMPANY
VILLANOVA INSURANCE COMPANY
("COMPANY")

AND

MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD.
MUTUAL INDEMNITY (BERMUDA) LTD.
MUTUAL INDEMNITY (DUBLIN) LTD.
MUTUAL INDEMNITY (US) LTD
("Reinsurer")

This Exhibit shall be effective XXXXXXXXXXXX and shall be subject to all terms and conditions of the Reinsurance Agreement (the "Agreement") to which it is attached.

The Reinsurer shall be liable to the Company under terms and conditions of this Agreement for the following Policy:

POLICY NUMBER(S): XXXXXXXXXXXX

NAME INSURED: XXXXXXXXXXXX

COVERAGES: XXXXXXXXXXXX

POLICY PERIOD: XXXXXXXXXXXX

POLICY PREMIUM: The Company shall pay to the Reinsurer \$XXXXXXX less a ceding commission provided herein.

CEDING COMMISSION

The Reinsurer shall allow the Company a flat commission equal to \$XXXXXXX. The Reinsurer understands and agrees that the ceding commission is based in part on an estimate of certain expenses incurred by the Company, including but not limited to, taxes (including Federal Excise Tax), licenses, assigned risk assessments, boards, bureau, (which represent an amount equal to \$ XXXXXXXX and unallocated claims expenses not paid by insured and agrees to allow such additional ceding commission to pay the actual expenses incurred by Company in excess of such estimate. In return for accepting 100% of the liability for such excess expenses, if the actual expenses are determined by the Company to be less than the estimate, the Reinsurer shall receive an amount equal to 100% of the difference between the actual and estimated expenses.

COLLATERAL

The initial collateral shall be in the amount of \$XXXXXXXXXX and shall be posted prior to the inception of the Policy. The collateral shall be subject to quarterly adjustments in accordance with Article 4.

INFORMATION

Policy Limits at Inception Date of the Policy:

IN WITNESS WHEREOF, the parties hereto have signed this Reinsurance Agreement as of the dates set forth below.

In Philadelphia, PA

In _____, _____

On the _____ day of _____, 2002

On the _____ day of _____, 2002

LEGION INSURANCE COMPANY
LEGION INDEMNITY
VILLANOVA INSURANCE COMPANY

MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD.
MUTUAL INDEMNITY (BERMUDA) LTD.
MUTUAL INDEMNITY (DUBLIN) LTD.
MUTUAL INDEMNITY (US) LTD

By: _____

By: _____

Title: _____

Title: _____

Schedule 3

Terminated GC Programs

1. Name of the terminated GC program
2. Date of termination
3. Reason for termination
4. Name of the terminated GC program
5. Date of termination
6. Reason for termination

1. Name of the terminated GC program
2. Date of termination
3. Reason for termination
4. Name of the terminated GC program
5. Date of termination
6. Reason for termination

**Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity Bermuda, LTD**

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|-------------------------------|--------------|-----------------------|--------------------|
| 100001 | PATTERSON SMITH | L30 | Guar Cost Only | Legion & Villanova |
| 100002 | PATTERSON SMITH | L30 | Guar Cost Only | Legion & Villanova |
| 101401 | CISCO REMODELERS | O30 | Guar Cost Only | Legion |
| 103301 | ALLIANCE EMPLOYEE LE | X30 | Guar Cost & Large Ded | Legion |
| 104001 | WALLACE, WELCH, WILL | B31 | Guar Cost Only | Legion |
| 104301 | NEW ORLEANS TAXI | C31 | Guar Cost Only | Legion |
| 104302 | NEW ORLEANS TAXI | C31 | Guar Cost Only | Legion |
| 104401 | MIDWEST GENL U/W | A32 | Guar Cost Only | Legion |
| 104402 | MIDWEST GENL U/W | A32 | Guar Cost Only | Legion |
| 105001 | ARIC WC AGENCY CAPTI | I31 | Guar Cost Only | Legion |
| 106201 | RESTAURANTEUR PROGRA | J30 | Guar Cost Only | Legion |
| 106401 | SERVICE STATION INS | M31 | Guar Cost Only | Legion |
| 106801 | CORPORATE RESOURCE M | P31 | Guar Cost & Large Ded | Legion |
| 106802 | CORPORATE RESOURCE M | P31 | Guar Cost & Large Ded | Legion |
| 106803 | CORPORATE RESOURCE M | P31 | Guar Cost & Large Ded | Legion |
| 106804 | CORPORATE RESOURCE M | P31 | Guar Cost & Large Ded | Legion |
| 106805 | CORPORATE RESOURCE M | P31 | Guar Cost & Large Ded | Legion |
| 107501 | FURMAN COMPANY, LLC | R32 | Guar Cost Only | Legion |
| 107502 | FURMAN COMPANY, LLC | R32 | Guar Cost Only | Legion |
| 108001 | MIDWEST GENERAL | A32 | Guar Cost Only | Legion |
| 110104 | BRASWELL ENTERPRISES | O37 | Guar Cost & Large Ded | Legion |
| 110105 | BRASWELL ENTERPRISES | O37 | Guar Cost & Large Ded | Villanova |
| 112901 | LINK STAFFING SERVIC | G32 | Guar Cost & Large Ded | Legion |
| 112902 | LINK STAFFING SERVIC | G32 | Guar Cost & Large Ded | Legion |
| 112903 | LINK STAFFING SERVIC | G32 | Guar Cost & Large Ded | Legion |
| 112904 | LINK STAFFING SERVIC | G32 | Guar Cost & Large Ded | Legion |
| 112905 | LINK STAFFING SERVIC | G32 | Guar Cost & Large Ded | Villanova |
| 113501 | J.M. WILSON-BOBTAIL | N33 | Guar Cost Only | Legion |
| 113502 | J.M. WILSON | N33 | Guar Cost Only | Legion |
| 113503 | J.M. WILSON | N33 | Guar Cost Only | Legion |
| 113601 | MI HOME BUILDERS | N33 | Guar Cost Only | Legion |
| 113602 | MI HOME BUILDERS | N33 | Guar Cost Only | Legion |
| 113603 | MI HOME BUILDERS | N33 | Guar Cost Only | Legion |
| 114201 | EMCARE/HIS GROUP | I32 | Guar Cost Only | Legion |
| 114301 | BYRNE AGENCY PROGRAM | E32 | Guar Cost Only | Legion |
| 114501 | PIA MISC E&O | K32 | Guar Cost Only | Legion |
| 114502 | PIA MISC E&O | K32 | Guar Cost Only | Legion |
| 114503 | PIA MISC E&O | K32 | Guar Cost Only | Legion |
| 114504 | PIA MISC E&O | K32 | Guar Cost Only | Legion |
| 114505 | PROFESSIONAL INDEMNITY AGENCY | K32 | Guar Cost Only | Legion |
| 114901 | DENNIS INSURANCE GRP | U32 | Guar Cost Only | Legion & Villanova |
| 117801 | NATIONAL CHINESE SER | X32 | Guar Cost Only | Legion |
| 117802 | NATIONAL CHINESE SER | X32 | Guar Cost Only | Legion |
| 118101 | PREFERRED CONSTRUCT | B33 | Guar Cost Only | Legion & Villanova |
| 118102 | PREFERRED CONSTRUCT | B33 | Guar Cost Only | Legion & Villanova |
| 118103 | PREFERRED CONSTRUCT | B33 | Guar Cost Only | Legion & Villanova |
| 120701 | MERCER TRANSPORTATIN | I33 | Guar Cost Only | Legion |
| 120702 | MERCER TRANS CO.INC. | I33 | Guar Cost Only | Legion |
| 120703 | MERCER TRANS CO.INC. | I33 | Guar Cost Only | Legion |
| 120704 | MERCER TRANS CO.INC. | I33 | Guar Cost Only | Legion |

Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity Bermuda, LTD

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|------------------------|--------------|-----------------------|--------------------|
| 123703 | AEGIS PUBLIC SCHOOL | O36 | Guar Cost Only | Villanova |
| 123704 | AEGIS PUBLIC SCHOOL | O36 | Guar Cost Only | Villanova |
| 125001 | PRO CONTRACTORS' ADV | D35 | Guar Cost Only | Legion & Villanova |
| 125002 | PRO CONTRACTORS' ADV | D35 | Guar Cost Only | Legion & Villanova |
| 125201 | EXTENSIS, INC | T33 | Guar Cost Only | Legion |
| 125202 | EXTENSIS, INC | T33 | Guar Cost Only | Legion |
| 125203 | EXTENSIS, INC | T33 | Guar Cost Only | Legion |
| 125204 | EXTENSIS, INC | T33 | Guar Cost Only | Legion |
| 126901 | GRIFFING SWAN & LAI | Z33 | Guar Cost Only | Villanova |
| 127601 | AMS STAFF LEASING, INC | F34 | Guar Cost Only | Legion |
| 129401 | GREAT NORTHERN U/W | E34 | Guar Cost Only | Villanova |
| 129402 | GREAT NORTHERN U/W | E34 | Guar Cost Only | Villanova |
| 130801 | MALTA-O'NEAL & ROUTS | D34 | Guar Cost Only | Legion |
| 130802 | MALTA-O'NEAL & ROUTS | D34 | Guar Cost Only | Legion |
| 130803 | MALTA-O'NEAL & ROUTS | D34 | Guar Cost Only | Legion & Villanova |
| 132201 | GF MANAGEMENT | H34 | Guar Cost Only | Legion & Villanova |
| 132202 | GF MANAGEMENT | H34 | Guar Cost Only | Legion & Villanova |
| 132203 | GF MANAGEMENT | H34 | Guar Cost Only | Legion & Villanova |
| 133401 | SOUTH DAKOTA WC PROG | J34 | Guar Cost Only | Legion |
| 133501 | SOUTH DAKOTA WC PROG | J34 | Guar Cost Only | Legion |
| 133901 | ALLIED BENEFIT SYST | L34 | Guar Cost Only | Legion |
| 134601 | RANDSTAD NORTH AMER | O34 | Guar Cost & Large Ded | Legion |
| 134602 | RANDSTAD NORTH AMER | O34 | Guar Cost & Large Ded | Legion |
| 134603 | RANDSTAD NORTH AMER | O34 | Guar Cost & Large Ded | Legion |
| 134801 | RESTORATION HARDWARE | N34 | Guar Cost & Large Ded | Legion |
| 136701 | GREAT NORTHERN BSNSS | E34 | Guar Cost Only | Villanova |
| 136702 | GREAT NORTHERN BSNSS | E34 | Guar Cost Only | Villanova |
| 137201 | CAPS | F35 | Guar Cost Only | Legion |
| 137202 | CAPS | F35 | Guar Cost Only | Legion |
| 137203 | CAPS | F35 | Guar Cost & Large Ded | Legion & Villanova |
| 137301 | GREAT NORTHERN U/W | E34 | Guar Cost Only | Villanova |
| 140001 | PERSONNEL PLUS | P34 | Guar Cost Only | Villanova |
| 141501 | SHANER HOTEL GROUP | S35 | Guar Cost & Large Ded | Legion |
| 142001 | OZARK MOUNTAIN | U35 | Guar Cost Only | Legion |
| 142101 | J&J STAFFING RESOURC | X35 | Guar Cost & Large Ded | Legion |
| 142701 | IMA PIZZA HUT | B36 | Guar Cost Only | Legion |
| 142702 | IMA PIZZA HUT | B36 | Guar Cost Only | Legion |
| 142801 | IMA ENERGY PROGRAM | B36 | Guar Cost Only | Legion |
| 142802 | IMA ENERGY PROGRAM | B36 | Guar Cost Only | Legion & Villanova |
| 143001 | ABCO INS UNDERWRITER | Z35 | Guar Cost Only | Legion |
| 143101 | MJ EMPLOYMENT | C36 | Guar Cost & Large Ded | Legion |
| 144101 | RADIO DISPATCH | A36 | Guar Cost Only | Legion & Villanova |
| 144602 | SAN MANUEL BAND | J37 | Guar Cost Only | Legion |
| 145201 | AMFED COMPANIES | F36 | Guar Cost Only | Legion |
| 147001 | INT CHURCH OF CHRIST | T36 | Guar Cost & Large Ded | Legion |
| 147002 | INTERNATIONAL CHURCH | T36 | Guar Cost & Large Ded | Legion |
| 147701 | AUXI HEALTH | Y36 | Guar Cost Only | Legion |
| 147702 | AUXI HELATH | Y36 | Guar Cost Only | Legion |
| 147901 | BUSINESS INTERLINK | X36 | Guar Cost & Large Ded | Legion |
| 147902 | BUSINESS INTERLINK | X36 | Guar Cost & Large Ded | Legion |

Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity Bermuda, LTD

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|-------------|-----------------------|--------------|-----------------------|--------------------|
| 148901 | TBN OF TENNESSEE | C37 | Guar Cost & Large Ded | Legion |
| 149001 | AZ AUTO DEALERS ASSO | A37 | Guar Cost Only | Legion |
| 149002 | AZ AUTO DEALERS ASSO | A37 | Guar Cost Only | Legion |
| 149101 | JEWISH COMMUNITY FED | G37 | Guar Cost Only | Legion & Villanova |
| 149102 | JEWISH COMMUNITY FED | G37 | Guar Cost Only | Villanova |
| 149401 | RIO FARMS | H37 | Guar Cost Only | Legion |
| 149701 | ACTION PAYROLL, INC. | K37 | Guar Cost & Large Ded | Legion |
| 150001 | WARD NORTH AMERICA | L37 | Guar Cost Only | Legion |
| 150002 | WARD NORTH AMERICA | L37 | Guar Cost & Large Ded | Legion |
| 150201 | HIGHLAND POINT IND | N37 | Guar Cost & Large Ded | Villanova |
| 150701 | COASTAL INTERNATIONAL | Q37 | Guar Cost & Large Ded | Legion |
| 150702 | COASTAL INTERNATIONAL | Q37 | Guar Cost & Large Ded | Legion |
| 151801 | ALL ERECTION CRANE | U37 | Guar Cost & Large Ded | Legion |
| 152101 | BIG O TIRES | B38 | Guar Cost Only | Villanova |
| 153401 | RURAL METRO CORP | D38 | Guar Cost & Large Ded | Legion |
| 154701 | C MONDAVI & SONS INC | I38 | Guar Cost & Large Ded | Legion |
| 154801 | PASCHALL TRUCK LINES | O38 | Guar Cost Only | Legion |
| 156001 | SADELITE | S38 | Guar Cost & Large Ded | Villanova |
| 156401 | GLOBAL INTERMODAL | V38 | Guar Cost & Large Ded | Legion |
| 157301 | NFI INDUSTRIES | D39 | Guar Cost & Large Ded | Legion |
| 158001 | EAST COAST HOCKEY LE | K39 | Guar Cost Only | Villanova |
| 158301 | BURLINGTON MOTOR CAR | L39 | Guar Cost & Large Ded | Legion |
| 158501 | CHICK PACKAGING | M39 | Guar Cost Only | Legion |
| 159001 | STEVEN PAINTON CORP | P39 | Guar Cost & Large Ded | Legion |
| 159701 | COVAN WORLDWIDE MOVI | X39 | Guar Cost & Large Ded | Legion |
| 160101 | SUPERIOR AIR GROUND | Y39 | Guar Cost & Large Ded | Legion & Villanova |
| 160601 | CRESCENT TRUCK LINES | D40 | Guar Cost & Large Ded | Legion & Villanova |
| 160901 | TRUCK FOR YOU, INC | H40 | Guar Cost Only | Legion |
| 514009 | COMP ADVANTAGE | N23 | Guar Cost Only | Legion & Villanova |
| 514010 | COMP ADVANTAGE | N23 | Guar Cost Only | Legion & Villanova |
| 514011 | COMP ADVANTAGE | C39 | Guar Cost Only | Legion & Villanova |
| 514465 | COMP ADVANTAGE | N23 | Guar Cost Only | Legion |
| 514576 | COMP ADVANTAGE | N23 | Guar Cost Only | Legion |
| 514687 | COMP ADVANTAGE | N23 | Guar Cost Only | Legion |
| 514798 | COMP ADVANTAGE | N23 | Guar Cost Only | Legion |
| 514809 | COMP ADVANTAGE | N23 | Guar Cost Only | Legion |
| 549465 | PARF | T24 | Guar Cost Only | Legion |
| 549576 | PARF | T24 | Guar Cost Only | Legion |
| 549687 | PARF | T24 | Guar Cost Only | Legion |
| 549798 | PARF | T24 | Guar Cost Only | Legion |
| 549809 | PARF | T24 | Guar Cost Only | Legion |
| 556132 | DPSA | T23 | Guar Cost Only | Legion |
| 556243 | DPSA | T23 | Guar Cost Only | Legion |
| 556354 | DPSA | T23 | Guar Cost Only | Legion |
| 575132 | DPSA | T23 | Guar Cost Only | Legion |
| 575243 | DPSA | T23 | Guar Cost Only | Legion |
| 575354 | DPSA | T23 | Guar Cost Only | Legion |
| 615143 | HC WATSON | B20 | Guar Cost & Large Ded | Legion |
| 615254 | HC WATSON | B20 | Guar Cost & Large Ded | Legion |
| 615365 | HC WATSON | B20 | Guar Cost & Large Ded | Legion |

**Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity Bermuda, LTD**

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|----------------------|--------------|-----------------------|----------------|
| 615476 | HC WATSON | B20 | Guar Cost & Large Ded | Legion |
| 615587 | HC WATSON | B20 | Guar Cost & Large Ded | Legion |
| 616143 | PITTSBURGH TRANSPORT | A20 | Guar Cost Only | Legion |
| 616254 | PITTSBURGH TRANSPORT | A20 | Guar Cost Only | Legion |
| 616365 | PITTSBURGH TRANSPORT | A20 | Guar Cost Only | Legion |
| 616476 | PITTSBURGH TRANSPORT | A20 | Guar Cost Only | Legion |
| 616587 | PITTSBURGH TRANSPORT | A20 | Guar Cost Only | Legion |
| 617365 | VARI CORP. | D20 | Guar Cost Only | Legion |
| 618143 | CSS COOPER | C20 | Guar Cost & Large Ded | Legion |
| 619143 | T.F. BOYLE | G20 | Guar Cost Only | Legion |
| 619254 | T.F. BOYLE | G20 | Guar Cost Only | Legion |
| 619365 | T.F. BOYLE | G20 | Guar Cost Only | Legion |
| 620143 | HOSPITAL CENTRAL | E20 | Guar Cost & Large Ded | Legion |
| 621008 | LANTIS ENT. | F20 | Guar Cost & Large Ded | Legion |
| 621009 | LANTIS ENT. | F20 | Guar Cost & Large Ded | Legion |
| 621143 | LANTIS ENT. | F20 | Guar Cost & Large Ded | Legion |
| 621254 | LANTIS ENT. | F20 | Guar Cost & Large Ded | Legion |
| 621365 | LANTIS ENT. | F20 | Guar Cost & Large Ded | Legion |
| 621476 | LANTIS ENT. | F20 | Guar Cost & Large Ded | Legion |
| 621587 | LANTIS ENT. | F20 | Guar Cost & Large Ded | Legion |
| 621698 | LANTIS ENT. | F20 | Guar Cost & Large Ded | Legion |
| 621709 | LANTIS ENT. | F20 | Guar Cost & Large Ded | Legion |
| 622143 | HALLAMORE CORP. | I20 | Guar Cost & Large Ded | Legion |
| 623143 | MEEKS | H20 | Guar Cost Only | Legion |
| 624143 | MI MANPOWER | L20 | Guar Cost & Large Ded | Legion |
| 624365 | MI MANPOWER | L20 | Guar Cost & Large Ded | Legion |
| 625143 | CONCORD SERV. CORP. | K20 | Guar Cost Only | Legion |
| 625254 | CONCORD SERV. CORP. | K20 | Guar Cost Only | Legion |
| 625365 | CONCORD SERV. CORP. | K20 | Guar Cost Only | Legion |
| 629143 | PAWNEE INDUSTRIES | N20 | Guar Cost & Large Ded | Legion |
| 631143 | ANDY FRAIN SERV. | M20 | Guar Cost & Large Ded | Legion |
| 637008 | ON ASSIGNMENT | P20 | Guar Cost & Large Ded | Legion |
| 637009 | ON ASSIGNMENT | P20 | Guar Cost & Large Ded | Legion |
| 637153 | ON ASSIGNMENT | P20 | Guar Cost & Large Ded | Legion |
| 637264 | ON ASSIGNMENT | P20 | Guar Cost & Large Ded | Legion |
| 637375 | ON ASSIGNMENT | P20 | Guar Cost & Large Ded | Legion |
| 637486 | ON ASSIGNMENT | P20 | Guar Cost & Large Ded | Legion |
| 637597 | ON ASSIGNMENT | P20 | Guar Cost & Large Ded | Legion |
| 637608 | ON ASSIGNMENT | P20 | Guar Cost & Large Ded | Legion |
| 637719 | ON ASSIGNMENT | P20 | Guar Cost & Large Ded | Legion |
| 638153 | HARRON COMMUNICATION | S20 | Guar Cost & Large Ded | Legion |
| 638264 | HARRON COMMUNICATION | S20 | Guar Cost & Large Ded | Legion |
| 638375 | HARRON COMMUNICATION | S20 | Guar Cost Only | Legion |
| 638486 | HARRON COMMUNICATION | S20 | Guar Cost Only | Legion |
| 639153 | MEMOREX | U20 | Guar Cost & Large Ded | Legion |
| 642153 | PREMIER AUTO | V20 | Guar Cost Only | Legion |
| 642264 | PREMIER AUTO | V20 | Guar Cost Only | Legion |
| 644264 | METRO CARE | Y20 | Guar Cost & Large Ded | Legion |
| 645153 | NAIT (NON FL - WC) | T20 | Guar Cost Only | Legion |
| 645264 | NAIT (NON FL - WC) | T20 | Guar Cost Only | Legion |

Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity Bermuda, LTD

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|----------------------|--------------|-----------------------|----------------|
| 646153 | NAIT (INLAND & BUS) | T20 | Guar Cost Only | Legion |
| 646264 | NAIT (INLAND & BUS) | T20 | Guar Cost Only | Legion |
| 647153 | ZAPATA CORP | X20 | Guar Cost & Large Ded | Legion |
| 648153 | TOTAL HOME HEALTH | B21 | Guar Cost Only | Legion |
| 648264 | TOTAL HOME HEALTH | B21 | Guar Cost Only | Legion |
| 648375 | TOTAL HOME HEALTH | B21 | Guar Cost Only | Legion |
| 648486 | TOTAL HOME HEALTH | B21 | Guar Cost Only | Legion |
| 648597 | TOTAL HOME HEALTH | B21 | Guar Cost Only | Legion |
| 650153 | JP NOONAN | Z20 | Guar Cost & Large Ded | Legion |
| 650264 | JP NOONAN | Z20 | Guar Cost & Large Ded | Legion |
| 650375 | JP NOONAN | Z20 | Guar Cost & Large Ded | Legion |
| 650486 | JP NOONAN | Z20 | Guar Cost & Large Ded | Legion |
| 652007 | DIRECTORY DIST | E21 | Guar Cost & Large Ded | Legion |
| 652008 | DIRECTORY DIST | E21 | Guar Cost & Large Ded | Legion |
| 652009 | DIRECTORY DIST | E21 | Guar Cost & Large Ded | Legion |
| 652154 | DIRECTORY DIST | E21 | Guar Cost & Large Ded | Legion |
| 652265 | DIRECTORY DIST | E21 | Guar Cost & Large Ded | Legion |
| 652376 | DIRECTORY DIST | E21 | Guar Cost & Large Ded | Legion |
| 652487 | DIRECTORY DIST | E21 | Guar Cost & Large Ded | Legion |
| 652598 | DIRECTORY DIST | E21 | Guar Cost & Large Ded | Legion |
| 652609 | DIRECTORY DIST | E21 | Guar Cost & Large Ded | Legion |
| 653487 | SPENCERS OF MT AIRY | I21 | Guar Cost Only | Legion |
| 653598 | SPENCERS OF MT AIRY | I21 | Guar Cost Only | Legion |
| 654154 | RTK GROUP | D21 | Guar Cost & Large Ded | Legion |
| 654265 | RTK GROUP | D21 | Guar Cost & Large Ded | Legion |
| 656153 | WI HOSPITAL (CHAI) | F21 | Guar Cost Only | Legion |
| 656264 | WI HOSPITAL (CHAI) | F21 | Guar Cost Only | Legion |
| 656375 | WISCONSIN HOSPITAL | F21 | Guar Cost Only | Legion |
| 656486 | WISCONSIN HOSPITAL | F21 | Guar Cost Only | Legion |
| 657487 | PERSONNEL POOL ALLEN | G21 | Guar Cost & Large Ded | Legion |
| 663154 | OREGON REHAB | L21 | Guar Cost Only | Legion |
| 664154 | WALSH CAB | N21 | Guar Cost Only | Legion |
| 664265 | WALSH CAB | N21 | Guar Cost Only | Legion |
| 664376 | WALSH CAB | N21 | Guar Cost Only | Legion |
| 665154 | PITTSBURGH FOOD & BE | O21 | Guar Cost Only | Legion |
| 665265 | PITTSBURGH FOOD & BE | K28 | Guar Cost Only | Legion |
| 666487 | HOME HEALTHCARE-BERK | R21 | Guar Cost Only | Legion |
| 667154 | INTERNATIONAL TOTAL | S21 | Guar Cost & Large Ded | Legion |
| 667265 | INT'L TOTAL SERVICES | S21 | Guar Cost & Large Ded | Legion |
| 667376 | INT'L TOTAL SERVICES | S21 | Guar Cost & Large Ded | Legion |
| 669154 | YIELD HOUSE IND. | X21 | Guar Cost Only | Legion |
| 669265 | YIELD HOUSE IND. | X21 | Guar Cost Only | Legion |
| 670154 | COMMERCIAL RESINS | Y21 | Guar Cost Only | Legion |
| 673154 | HBA CORP | W21 | Guar Cost Only | Legion |
| 673265 | HBA CORP | W21 | Guar Cost Only | Legion |
| 673376 | HBA CORP | W21 | Guar Cost Only | Legion |
| 673487 | HBA CORP | W21 | Guar Cost Only | Legion |
| 676154 | CHOICE SYSTEMS | B22 | Guar Cost & Large Ded | Legion |
| 676265 | CHOICE SYSTEMS | B22 | Guar Cost & Large Ded | Legion |
| 680154 | MICHIGAN TRUCKING | J22 | Guar Cost Only | Legion |

Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity Bermuda, LTD

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|----------------------|--------------|-----------------------|----------------|
| 680265 | MICHIGAN TRUCKING | J22 | Guar Cost Only | Legion |
| 682154 | WHOLE FOODS MARKET | Q22 | Guar Cost Only | Legion |
| 683154 | CMS TRANSPORTATION | M22 | Guar Cost & Large Ded | Legion |
| 683265 | CMS TRANSPORTATION | M22 | Guar Cost & Large Ded | Legion |
| 689154 | CHAI5 - BRIM | L22 | Guar Cost Only | Legion |
| 690007 | WARREN EQUITIES | N22 | Guar Cost & Large Ded | Legion |
| 690008 | WARREN EQUITIES | N22 | Guar Cost & Large Ded | Legion |
| 690154 | WARREN EQUITIES | N22 | Guar Cost & Large Ded | Legion |
| 690265 | WARREN EQUITIES | N22 | Guar Cost & Large Ded | Legion |
| 690376 | WARREN EQUITIES | N22 | Guar Cost & Large Ded | Legion |
| 690487 | WARREN EQUITIES | N22 | Guar Cost & Large Ded | Legion |
| 690598 | WARREN EQUITIES | N22 | Guar Cost & Large Ded | Legion |
| 690609 | WARREN EQUITIES | N22 | Guar Cost & Large Ded | Legion |
| 692007 | TUTERA GROUP | R22 | Guar Cost & Large Ded | Legion |
| 692008 | TUTERA GROUP | R22 | Guar Cost Only | Legion |
| 692154 | TUTERA GROUP | R22 | Guar Cost Only | Legion |
| 692265 | TUTERA GROUP | R22 | Guar Cost Only | Legion |
| 692376 | TUTERA GROUP | R22 | Guar Cost Only | Legion |
| 692487 | TUTERA GROUP | R22 | Guar Cost & Large Ded | Legion |
| 692598 | TUTERA GROUP | R22 | Guar Cost Only | Legion |
| 692609 | TUTERA GROUP | R22 | Guar Cost & Large Ded | Legion |
| 693154 | CONTINENTAL AMERICAN | V22 | Guar Cost & Large Ded | Legion |
| 693276 | CONTINENTAL AMERICAN | V22 | Guar Cost & Large Ded | Legion |
| 693387 | CONTINENTAL AMERICAN | V22 | Guar Cost & Large Ded | Legion |
| 695154 | SOUTH DAKOTA WORKERS | Y22 | Guar Cost Only | Legion |
| 695265 | SOUTH DAKOTA WORKERS | Y22 | Guar Cost Only | Legion |
| 695376 | SOUTH DAKOTA WORKERS | Y22 | Guar Cost Only | Legion |
| 695487 | SOUTH DAKOTA WORKERS | Y22 | Guar Cost Only | Legion |
| 695598 | SOUTH DAKOTA WORKERS | Y22 | Guar Cost Only | Legion |
| 695609 | SOUTH DAKOTA WORKERS | Y22 | Guar Cost Only | Legion |
| 697265 | VERNON L. GOEDECKE | A23 | Guar Cost & Large Ded | Legion |
| 697487 | VERNON L. GOEDECKE | A23 | Guar Cost & Large Ded | Legion |
| 699154 | NATIONAL MOVING & ST | B23 | Guar Cost Only | Legion |
| 699265 | NATIONAL MOVING & ST | B23 | Guar Cost Only | Legion |
| 699376 | NATIONAL MOVING & ST | B23 | Guar Cost Only | Legion |
| 704006 | RICHARDSON SPORTS | D23 | Guar Cost & Large Ded | Legion |
| 704007 | RICHARDSON SPORTS | D23 | Guar Cost & Large Ded | Legion |
| 704164 | RICHARDSON SPORTS | D23 | Guar Cost & Large Ded | Legion |
| 704276 | RICHARDSON SPORTS | D23 | Guar Cost & Large Ded | Legion |
| 704387 | RICHARDSON SPORTS | D23 | Guar Cost & Large Ded | Legion |
| 704498 | RICHARDSON SPORTS | D23 | Guar Cost & Large Ded | Legion |
| 704509 | RICHARDSON SPORTS | D23 | Guar Cost & Large Ded | Legion |
| 707154 | DAT INS SERVICES | S22 | Guar Cost Only | Legion |
| 709275 | MANPOWER OF DETROIT | I23 | Guar Cost & Large Ded | Legion |
| 709386 | MANPOWER OF DETROIT | I23 | Guar Cost & Large Ded | Legion |
| 710164 | REHABILITY CORP | H23 | Guar Cost & Large Ded | Legion |
| 712164 | AM INTL AIRWAYS | K23 | Guar Cost & Large Ded | Legion |
| 714164 | BMS CONTRACT SERVICE | J23 | Guar Cost & Large Ded | Legion |
| 714508 | BMS CONTRACT SERVICE | J23 | Guar Cost & Large Ded | Legion |
| 714609 | BMS CONTRACT SERVICE | J23 | Guar Cost & Large Ded | Legion |

Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity Bermuda, LTD

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|----------------------|--------------|-----------------------|----------------|
| 714610 | BMS CONTRACT SERVICE | J23 | Guar Cost & Large Ded | Legion |
| 714611 | BMS CONTRACT SERVICE | J23 | Guar Cost & Large Ded | Legion |
| 715164 | NABS | F23 | Guar Cost Only | Legion |
| 715275 | NABS | F23 | Guar Cost Only | Legion |
| 715386 | NABS | F23 | Guar Cost Only | Legion |
| 715497 | NABS | F23 | Guar Cost Only | Legion |
| 715508 | NABS | F23 | Guar Cost Only | Legion |
| 716165 | SUMMIT MEDICAL HOLD | W23 | Guar Cost Only | Legion |
| 717165 | AMLEASE/SUMMIT | S23 | Guar Cost & Large Ded | Legion |
| 717276 | AMLEASE | S23 | Guar Cost & Large Ded | Legion |
| 719165 | YOUNG SALES CORP | V23 | Guar Cost Only | Legion |
| 719276 | YOUNG SALES CORP | V23 | Guar Cost Only | Legion |
| 719387 | YOUNG SALES CORP | V23 | Guar Cost Only | Legion |
| 721165 | SANTA MARIA GROWERS | R23 | Guar Cost Only | Legion |
| 721276 | SANTA MARIA GROWERS | P26 | Guar Cost Only | Legion |
| 721387 | SANTA MARIA GROWERS | F29 | Guar Cost Only | Legion |
| 724164 | KRAPH'S COACHES | M23 | Guar Cost Only | Legion |
| 724275 | KRAPH'S COACHES | M23 | Guar Cost Only | Legion |
| 724386 | KRAPH'S COACHES | M23 | Guar Cost Only | Legion |
| 729165 | ARCADIA/GRAYROSE | U23 | Guar Cost & Large Ded | Legion |
| 729276 | ARCADIA/GRAYROSE | U23 | Guar Cost & Large Ded | Legion |
| 729387 | ARCADIA/GRAYROSE | U23 | Guar Cost & Large Ded | Legion |
| 731165 | KANSAS MOTOR CARRIER | Y23 | Guar Cost Only | Legion |
| 731276 | KANSAS MOTOR CARRIER | Y23 | Guar Cost Only | Legion |
| 731387 | KANSAS MOTOR CARRIER | Y23 | Guar Cost Only | Legion |
| 731498 | KANSAS MOTOR CARRIER | Y23 | Guar Cost Only | Legion |
| 737165 | FCIA AUTO | Z23 | Guar Cost Only | Legion |
| 737276 | FCIA AUTO | Z23 | Guar Cost Only | Legion |
| 741165 | CUSTOM HARVEST | F24 | Guar Cost Only | Legion |
| 741276 | CUSTOM HARVEST | F24 | Guar Cost Only | Legion |
| 741387 | CUSTOM HARVEST | F24 | Guar Cost Only | Legion |
| 741498 | CUSTOM HARVEST | F24 | Guar Cost Only | Legion |
| 741509 | CUSTOM HARVEST | F24 | Guar Cost Only | Legion |
| 743165 | VAN PAK | D24 | Guar Cost & Large Ded | Legion |
| 744165 | HINES | B24 | Guar Cost Only | Legion |
| 744276 | HINES | B24 | Guar Cost Only | Legion |
| 751165 | J. HENRY CONTRACTING | O24 | Guar Cost Only | Legion |
| 751276 | J. HENRY CONTRACTING | O24 | Guar Cost Only | Legion |
| 751387 | J. HENRY CONTRACTING | O24 | Guar Cost Only | Legion |
| 752165 | PA TEMP ASSOCIATION | M24 | Guar Cost Only | Legion |
| 752276 | PA TEMP ASSOCIATION | M24 | Guar Cost Only | Legion |
| 752387 | PA TEMP ASSOCIATION | M24 | Guar Cost Only | Legion |
| 753006 | CALIF MOBILE HOME | A24 | Guar Cost Only | Legion |
| 753165 | CALIF MOBILE HOME | Q35 | Guar Cost Only | Legion |
| 753276 | CALIF MOBILE HOME | Q35 | Guar Cost Only | Legion |
| 753387 | CALIF MOBILE HOME | Q35 | Guar Cost Only | Legion |
| 753498 | CALIF MOBILE HOME | A24 | Guar Cost Only | Legion |
| 753509 | CALIF MOBILE HOME | A24 | Guar Cost Only | Legion |
| 759165 | GIANT EAGLE | W24 | Guar Cost Only | Legion |
| 759276 | GIANT EAGLE | W24 | Guar Cost Only | Legion |

Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity Bermuda, LTD

| Agency Code | Account Name | Share Sales | Account Type | Legion Company |
|-------------|----------------------|-------------|-----------------------|----------------|
| 760165 | ADAP, INC. | U24 | Guar Cost & Large Ded | Legion |
| 761006 | CUST-O-FAB SERVICE | N24 | Guar Cost & Large Ded | Legion |
| 761007 | CUST-O-FAB SERVICE | N24 | Guar Cost & Large Ded | Legion |
| 761165 | CUST-O-FAB SERVICE | N24 | Guar Cost & Large Ded | Legion |
| 761276 | CUST-O-FAB SERVICE | N24 | Guar Cost & Large Ded | Legion |
| 761387 | CUST-O-FAB SERVICE | N24 | Guar Cost & Large Ded | Legion |
| 761498 | CUST-O-FAB SERVICE | N24 | Guar Cost & Large Ded | Legion |
| 761509 | CUST-O-FAB SERVICE | N24 | Guar Cost & Large Ded | Legion |
| 764165 | CARSON SERVICE | R24 | Guar Cost & Large Ded | Legion |
| 764276 | CARSON SERVICE | R24 | Guar Cost & Large Ded | Legion |
| 764387 | CARSON SERVICE | R24 | Guar Cost & Large Ded | Legion |
| 764498 | CARSON SERVICE | R24 | Guar Cost & Large Ded | Legion |
| 764509 | CARSON SERVICE | R24 | Guar Cost & Large Ded | Legion |
| 772165 | AMERICAN PACKAGING | X24 | Guar Cost & Large Ded | Legion |
| 772276 | AMERICAN PACKAGING | X24 | Guar Cost & Large Ded | Legion |
| 774165 | KANSAS IND OIL & GAS | A25 | Guar Cost Only | Legion |
| 774276 | KANSAS IND OIL & GAS | A25 | Guar Cost Only | Legion |
| 774387 | KANSAS IND OIL & GAS | A25 | Guar Cost Only | Legion |
| 774498 | KANSAS IND OIL & GAS | A25 | Guar Cost Only | Legion |
| 774509 | KANSAS CITY IND OIL | A25 | Guar Cost Only | Legion |
| 775276 | EMI ENTERPRISES | Q28 | Guar Cost Only | Legion |
| 775387 | EMI ENTERPRISES | Q28 | Guar Cost Only | Legion |
| 778165 | ASSOC WHOLESALE GROC | S24 | Guar Cost Only | Legion |
| 779165 | BACE STAFFING | V24 | Guar Cost & Large Ded | Legion |
| 782165 | SINGLE SOURCE ROOFIN | C25 | Guar Cost & Large Ded | Legion |
| 782276 | SINGLE SOURCE ROOFIN | C25 | Guar Cost & Large Ded | Legion |
| 782387 | SINGLE SOURCE ROOFIN | C25 | Guar Cost & Large Ded | Legion |
| 786165 | OXFORD INDUSTRIES | L25 | Guar Cost & Large Ded | Legion |
| 786276 | OXFORD INDUSTRIES | L25 | Guar Cost & Large Ded | Legion |
| 790165 | LOCKTON-WHITE GMC | O8 | Guar Cost Only | Legion |
| 790276 | LOCKTON-WHITE GMC | O8 | Guar Cost Only | Legion |
| 790387 | LRS LEASING (VOLVO) | O8 | Guar Cost Only | Legion |
| 793006 | PARENT TEACHER ASSOC | H25 | Guar Cost Only | Legion |
| 793007 | PARENT TEACHER ASSOC | H25 | Guar Cost Only | Legion |
| 793165 | PARENT TEACHER ASSOC | H25 | Guar Cost Only | Legion |
| 793276 | PARENT TEACHER ASSOC | H25 | Guar Cost Only | Legion |
| 793387 | PARENT TEACHER ASSOC | H25 | Guar Cost Only | Legion |
| 793498 | PARENT TEACHER ASSOC | H25 | Guar Cost Only | Legion |
| 793509 | PARENT TEACHER ASSOC | H25 | Guar Cost Only | Legion |
| 794175 | MUCIP, INC. | J25 | Guar Cost & Large Ded | Legion |
| 796175 | MONSEY PRODUCTS | P25 | Guar Cost Only | Legion |
| 796286 | MONSEY PRODUCTS | P25 | Guar Cost Only | Legion |
| 797006 | VMIAC | V25 | Guar Cost Only | Legion |
| 797175 | VMIAC | V25 | Guar Cost Only | Legion |
| 797286 | VMIAC | V25 | Guar Cost Only | Legion |
| 797397 | VMIAC | V25 | Guar Cost Only | Legion |
| 797408 | EMPLOYERS RISK(VMI&C | V25 | Guar Cost Only | Legion |
| 797509 | EMPLOYERS RISK(VMI&C | V25 | Guar Cost Only | Legion |
| 798165 | ALLIANCE SAVINGS | M25 | Guar Cost Only | Legion |
| 799006 | ADLER SERVICES | N25 | Guar Cost Only | Legion |

Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
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| Agency Code | Account Name | Share Series | Account Type | Region/Company |
|-------------|----------------------|--------------|-----------------------|----------------|
| 799175 | ADLER SERVICES | N25 | Guar Cost & Large Ded | Legion |
| 799286 | ADLER SERVICES | N25 | Guar Cost & Large Ded | Legion |
| 799397 | ADLER SERVICES | N25 | Guar Cost & Large Ded | Legion |
| 799408 | ADLER SERVICES | N25 | Guar Cost & Large Ded | Legion |
| 799509 | ADLER SERVICES CO | N25 | Guar Cost Only | Legion |
| 801175 | WHIT HOLDINGS | E25 | Guar Cost Only | Legion |
| 801286 | WHIT HOLDINGS | E25 | Guar Cost Only | Legion |
| 801397 | WHIT HOLDINGS | E25 | Guar Cost Only | Legion |
| 801408 | WHIT HOLDINGS | F33 | Guar Cost Only | Legion |
| 801509 | WHIT HOLDINGS, INC | F33 | Guar Cost Only | Legion |
| 802175 | MA SBU | G25 | Guar Cost Only | Legion |
| 805175 | VISIONQUEST | T25 | Guar Cost & Large Ded | Legion |
| 805286 | VISIONQUEST | T25 | Guar Cost & Large Ded | Legion |
| 808006 | ACTION TRANSIT | S25 | Guar Cost & Large Ded | Legion |
| 808007 | ACTION TRANSPORT | S25 | Guar Cost & Large Ded | Legion |
| 808175 | ACTION TRANSIT | S25 | Guar Cost & Large Ded | Legion |
| 808286 | ACTION TRANSIT | S25 | Guar Cost & Large Ded | Legion |
| 808397 | ACTION TRANSIT | S25 | Guar Cost & Large Ded | Legion |
| 808408 | ACTION TRANSIT | S25 | Guar Cost & Large Ded | Legion |
| 808509 | ACTION TRANSIT | S25 | Guar Cost & Large Ded | Legion |
| 809005 | HUMAN RESOURCES INC | Z36 | Guar Cost & Large Ded | Legion |
| 809006 | HUMAN RESOURCES INC | Z36 | Guar Cost & Large Ded | Legion |
| 809007 | HUMAN RESOURCES INC | Z36 | Guar Cost & Large Ded | Legion |
| 809175 | HUMAN RESOURCES INC | Y25 | Guar Cost & Large Ded | Legion |
| 809287 | HUMAN RESOURCES INC | Y25 | Guar Cost Only | Legion |
| 809398 | HUMAN RESOURCES INC | Y25 | Guar Cost Only | Legion |
| 809409 | HUMAN RESOURCES INC | Y25 | Guar Cost & Large Ded | Legion |
| 810286 | NAT'L EMPLOYEE LEAS | X25 | Guar Cost & Large Ded | Legion |
| 810397 | NAT'L EMPLOYEE LEAS | X25 | Guar Cost & Large Ded | Legion |
| 810408 | NAT'L EMPLOYEE LEAS | X25 | Guar Cost & Large Ded | Legion |
| 810519 | NAT'L EMPLOYEE LEAS | X25 | Guar Cost & Large Ded | Legion |
| 818176 | CAMPBELL AGENCY | A26 | Guar Cost Only | Legion |
| 818287 | CAMPBELL AGENCY | A26 | Guar Cost Only | Legion |
| 819176 | PERC, INC. | D26 | Guar Cost Only | Legion |
| 819287 | PERC, INC. | D26 | Guar Cost Only | Legion |
| 821175 | FERGUSON-WILLIAMS | F26 | Guar Cost & Large Ded | Legion |
| 822176 | PROGRESSIONS HEALTH | E26 | Guar Cost & Large Ded | Legion |
| 826165 | LOCKTON-VV/GMC ASSMD | O8 | Guar Cost Only | Legion |
| 828005 | SAURER HOLDINGS | B27 | Guar Cost & Large Ded | Legion |
| 828006 | SAURER HOLDINGS | B27 | Guar Cost & Large Ded | Legion |
| 828007 | SAURER HOLDINGS | B27 | Guar Cost & Large Ded | Legion |
| 828176 | SAUER HOLDINGS | B27 | Guar Cost & Large Ded | Legion |
| 828287 | SAUER HOLDINGS | B27 | Guar Cost & Large Ded | Legion |
| 828398 | SAUER HOLDINGS | B27 | Guar Cost & Large Ded | Legion |
| 828409 | SAUER HOLDINGS | B27 | Guar Cost & Large Ded | Legion |
| 829176 | HERTEL TRANSPORT PRO | Z25 | Guar Cost Only | Legion |
| 831176 | NUCO PROGRAM | O26 | Guar Cost Only | Legion |
| 831287 | NUCO PROGRAM | O26 | Guar Cost Only | Legion |
| 831398 | NUCO PROGRAM | O26 | Guar Cost Only | Legion |
| 831409 | NUCO CAPTIVE PROGRAM | O26 | Guar Cost Only | Legion |

Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity Bermuda, LTD

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|----------------------|--------------|-----------------------|--------------------|
| 833005 | DEVONSHIRE & ASSOC | I35 | Guar Cost Only | Legion |
| 833006 | DEVONSHIRE & ASSOC. | U38 | Guar Cost Only | Legion |
| 833176 | MICHIGAN HOME HEALTH | Y26 | Guar Cost Only | Legion |
| 833287 | MICHIGAN HOME HEALTH | Y26 | Guar Cost Only | Legion |
| 833398 | MICHIGAN HOME HEALTH | Y26 | Guar Cost Only | Legion |
| 833409 | DEVONSHIRE & ASSOC. | P33 | Guar Cost Only | Legion |
| 835165 | HILLTOPPER AGENCY | R26 | Guar Cost Only | Legion |
| 835286 | HILLTOPPER AGENCY | R26 | Guar Cost Only | Legion |
| 836176 | PREMIER EMPLOYMENT | U26 | Guar Cost Only | Legion |
| 836287 | PREMIER EMPLOYMENT | U26 | Guar Cost Only | Legion |
| 836398 | PREMIER EMPLOYMENT | U26 | Guar Cost Only | Legion |
| 836409 | PREMIER EMPLOYMENT | U26 | Guar Cost Only | Legion |
| 839176 | COMMUNITY MENTAL HEA | M26 | Guar Cost Only | Legion |
| 839287 | COMMUNITY MENTAL HEA | M26 | Guar Cost Only | Legion |
| 842005 | CISA | V26 | Guar Cost Only | Legion |
| 842006 | CISA | V26 | Guar Cost Only | Legion & Villanova |
| 842007 | CISA | V26 | Guar Cost Only | Legion & Villanova |
| 842176 | CISA | V26 | Guar Cost Only | Legion |
| 842287 | CISA | V26 | Guar Cost Only | Legion |
| 842398 | CISA | V26 | Guar Cost Only | Legion |
| 842409 | CISA | V26 | Guar Cost Only | Legion |
| 845176 | EMPLOYEE RESOURCES | Z26 | Guar Cost & Large Ded | Legion |
| 850176 | NON PROFIT | W26 | Guar Cost Only | Legion |
| 851176 | INTERSTATE INS SERV | D27 | Guar Cost Only | Legion |
| 853176 | CCA OF MAINE/SANDY R | C26 | Guar Cost & Large Ded | Legion |
| 854176 | LAROCHE INDUSTRIES | H27 | Guar Cost Only | Legion |
| 855005 | CUSTOM HARVEST LIAB | F24 | Guar Cost Only | Legion |
| 855006 | CUSTOM HARVEST LIAB | F24 | Guar Cost Only | Legion |
| 855176 | CUSTOM HARVEST LIAB | A27 | Guar Cost Only | Legion |
| 855287 | CUSTOM HARVEST LIAB | A27 | Guar Cost Only | Legion |
| 855398 | CUSTOM HARVEST LIAB | F24 | Guar Cost Only | Legion |
| 859176 | CRM HOTEL/MOTEL | F27 | Guar Cost Only | Legion |
| 859297 | CRM HOTEL/MOTEL | F27 | Guar Cost Only | Legion |
| 859398 | CRM HOTEL/MOTEL | F27 | Guar Cost Only | Legion |
| 859408 | CRM HOTEL/MOTEL | F27 | Guar Cost Only | Legion |
| 870176 | ACE TRANSPORTATION | O27 | Guar Cost & Large Ded | Legion |
| 871287 | WORKAHOLICS | N27 | Guar Cost & Large Ded | Legion |
| 873287 | SUMMIT SERVICES | E27 | Guar Cost & Large Ded | Legion |
| 877005 | CLENDENIN BROTHERS | Q27 | Guar Cost & Large Ded | Legion |
| 877006 | CLENDENIN BROTHERS | Q27 | Guar Cost & Large Ded | Legion |
| 877176 | CLENDENIN BROTHERS | Q27 | Guar Cost & Large Ded | Legion |
| 877287 | CLENDENIN BROTHERS | Q27 | Guar Cost & Large Ded | Legion |
| 877398 | CLENDENIN BROTHERS | Q27 | Guar Cost & Large Ded | Legion |
| 877409 | CLENDIN BROTHERS | Q27 | Guar Cost & Large Ded | Legion |
| 884176 | PERC - WC (ESI-EAST) | W27 | Guar Cost Only | Legion |
| 885176 | SHARP DEVELOPMENT | A28 | Guar Cost & Large Ded | Legion |
| 885287 | SHARP SERVICES, INC | A28 | Guar Cost & Large Ded | Legion |
| 891176 | CHERRY CRK/AMER CHIL | V27 | Guar Cost Only | Legion |
| 891287 | CHERRY CRK/AMER CHIL | V27 | Guar Cost Only | Legion |
| 891398 | CHERRY CRK/AMER CHIL | V27 | Guar Cost Only | Legion |

**Legion Insurance Company (In Liquidation)
 Villanova Insurance Company (In Liquidation)
 Listing of Commuted Accounts with Mutual Indemnity Bermuda, LTD**

| Agency/Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|-------------------------------|--------------|-----------------------|----------------|
| 891409 | CHERRY CRK/AMER CHIL | L35 | Guar Cost Only | Legion |
| 893176 | US XPRESS ENT | Z27 | Guar Cost Only | Legion |
| 898176 | LOCKTON VOLVO | O8 | Guar Cost Only | Legion |
| 904176 | CA PUBLIC LIVERY | E28 | Guar Cost Only | Legion |
| 904287 | CA PUBLIC LIVERY | E28 | Guar Cost Only | Legion |
| 904398 | CA PUBLIC LIVERY | E28 | Guar Cost Only | Legion |
| 912186 | SUPER YELLOW CAB | H28 | Guar Cost Only | Legion |
| 912297 | SUPER YELLOW CAB | H28 | Guar Cost Only | Legion |
| 913176 | IHL(INT'L HOCKEY) | O28 | Guar Cost Only | Legion |
| 913287 | IHL(INT'L HOCKEY) | O28 | Guar Cost Only | Legion |
| 913398 | IHL(INT'L HOCKEY) | O28 | Guar Cost Only | Legion |
| 913409 | IHL(INT'L HOCKEY) | O28 | Guar Cost Only | Legion |
| 923186 | ARS AGENCY CAPTIVE | T28 | Guar Cost Only | Legion |
| 923297 | ARS AGENCY CAPTIVE | W32 | Guar Cost Only | Legion |
| 932186 | DEATON, INC. | S28 | Guar Cost Only | Legion |
| 934186 | GOLDMAN INSURANCE | J28 | Guar Cost Only | Legion |
| 934297 | GOLDMAN INSURANCE | J28 | Guar Cost Only | Legion |
| 937186 | IMPACT PERSONNEL | Y28 | Guar Cost & Large Ded | Legion |
| 950187 | RENAL TREATMENT CENT | D29 | Guar Cost & Large Ded | Legion |
| 966187 | CITI LEASE | X29 | Guar Cost & Large Ded | Legion |
| 969005 | NATIVE AMERICAN INS | J37 | Guar Cost Only | Legion |
| 982187 | CROUSE & ASSOCIATES | B30 | Guar Cost Only | Legion |
| 987004 | DIAMOND RISK CORP | E30 | Guar Cost Only | Legion |
| 987187 | DIAMOND RISK CORP | E30 | Guar Cost Only | Legion |
| 987298 | DIAMOND RISK CORP | E30 | Guar Cost Only | Legion |
| 987309 | DIAMOND RISK CORP | E30 | Guar Cost Only | Legion |
| 988005 | PIA | K27 | Guar Cost Only | Legion |
| 988006 | PIA | K27 | Guar Cost Only | Legion |
| 988007 | PROFESSIONAL INDEMNITY AGENCY | K27 | Guar Cost Only | Legion |
| 988099 | PIA | K27 | Guar Cost Only | Legion |
| 988187 | PIA-TRUSTEE FIDUCIAR | K27 | Guar Cost Only | Legion |
| 988298 | PIA-TRUSTEE FIDUCIAR | K27 | Guar Cost Only | Legion |
| 988308 | PIA-TRUSTEE FIDUCIAR | K27 | Guar Cost Only | Legion |
| 988409 | PIA | K27 | Guar Cost Only | Legion |
| 990004 | LABOR FORCE, INC | D30 | Guar Cost & Large Ded | Legion |
| 990187 | LABOR FORCE, INC | D30 | Guar Cost & Large Ded | Legion |
| 990298 | LABOR FORCE, INC | D30 | Guar Cost & Large Ded | Legion |
| 990309 | LABOR FORCE, INC | D30 | Guar Cost & Large Ded | Legion |

Schedule 4

Settlement Amount

Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Commutation Summary with Mutual Indemnity Bermuda, LTD

| | Legion | Villanova | Total |
|--|------------------|------------------|-------------------|
| Expected Ultimate Loss Reserves (Remaining Exposure) | 7,981,713 | 1,081,647 | 9,063,360 |
| Discount of Reserves for Present Value | (1,234,300) | (176,618) | (1,410,918) |
| Discounted Ultimate Loss reserves | <u>6,747,413</u> | <u>905,029</u> | <u>7,652,442</u> |
| Reinsurance Contract Adjustments- Including (Payables) Receivables | 3,104,987 | 373,788 | 3,478,775 |
| Total | <u>9,852,400</u> | <u>1,278,817</u> | <u>11,131,217</u> |

EXHIBIT A

SETTLEMENT AND COMMUTATION AGREEMENT AND RELEASE

by and among

**Joel S. Ario, Insurance Commissioner
of the Commonwealth of Pennsylvania
as Liquidator of
Legion Insurance Company and
Villanova Insurance Company,**

and

MUTUAL INDEMNITY LIMITED

INDEX OF SCHEDULES AND EXHIBITS

| | |
|-------------------|-----------------------------------|
| Schedule 1 | Mutual Indemnity Reinsurer |
| Schedule 2 | GC Reinsurance Agreement |
| Schedule 3 | Terminated GC Programs |
| Schedule 4 | Settlement Amount |

This **SETTLEMENT AND COMMUTATION AGREEMENT AND RELEASE** (the "**Agreement**"), is entered into by JOEL S. ARIO, Insurance Commissioner of the Commonwealth of Pennsylvania (the "**Commissioner**"), in his capacity as Liquidator (the "**Liquidator**") of and acting on behalf of and in the name of Legion Insurance Company (in Liquidation) and Villanova Insurance Company (in Liquidation), insurance companies organized and existing under the laws of the Commonwealth of Pennsylvania, and the company listed in Schedule 1 hereto (the "**Mutual Indemnity Reinsurer**"). Legion and Villanova are referred to herein collectively as the "**Legion Companies.**" References to the Liquidator as a party to this Agreement and any Ancillary Agreement (as defined below) shall also be deemed to include the Legion Companies in Liquidation.

WHEREAS, the Legion Companies have issued guaranteed cost insurance policies (the "**GC Policies**") pursuant to which insureds paid to the applicable Legion Company, and the applicable Legion Company accepted from the insureds, insurance premiums as more fully described in such policies;

WHEREAS, in connection with the GC Policies, the Legion Companies and the Mutual Indemnity Reinsurer have entered into a reinsurance agreement identified in Schedule 2 hereto (the "**GC Reinsurance Agreement**"), pursuant to which the Legion Companies ceded to the Mutual Indemnity Reinsurer, and the Mutual Indemnity Reinsurer accepted from the Legion Companies, a certain share of the Legion Companies' liabilities under the GC Policies, as more fully reflected in the percentages of participation of each respective GC Reinsurance Agreement and each respective period of coverage under the GC Reinsurance Agreements;

WHEREAS, the Liquidator, on behalf of the Legion Companies, and the Mutual Indemnity Reinsurer have agreed to, among other things, settle and commute all actual or potential past, present or future claims arising under the GC Reinsurance Agreements issued under the IPC Programs identified in Schedule 3 hereto (the “**Terminated GC Programs**”) and for the Settlement Amount identified in Schedule 4 (the “**Settlement Amount**”);

WHEREAS, this Agreement shall not be effective unless and until it is approved in its entirety by order (the “**Commutation Order**”) of the Commonwealth Court of Pennsylvania (the “**Court**”));

WHEREAS, the parties intend to be legally bound hereby;

NOW THEREFORE, the Liquidator, on behalf of the Legion Companies, and the Mutual Indemnity Reinsurer agree as follows:

ARTICLE I – COMMUTATION, SETTLEMENT, AND PAYMENT

1. This Agreement shall, subject to its terms and conditions, operate as a full and final settlement, commutation, and release of the respective rights, obligations, and liabilities of the Mutual Indemnity Releasees and Legion Releasees (as defined below) with respect to the GC Reinsurance Agreements.

2. Within ten days after the date of the Commutation Order, the Settlement Amount shall be paid by way of deduction from the trust accounts (the “Legion Companies Trust Accounts”), created by the April 23, 2003 Funds-Withheld Trust Agreements (the “Legion Companies Trust Agreements”) entered into between the Liquidator of the Legion Companies and the Mutual Indemnity Reinsurer, in the amount and allocation set forth in Schedule 4; provided; however, that should there be insufficient funds in the Legion Companies Trust

Accounts to satisfy the portion of the Settlement Amount attributable to each, the Mutual Indemnity Reinsurer shall within the same time period pay the difference by wire transfer.

3. The Settlement Amount paid to the Liquidator, on behalf of the Legion Companies, by the Mutual Indemnity Reinsurer pursuant to this Agreement shall be the sole payment by the Mutual Indemnity Reinsurer or any other person or entity to the Liquidator or any other person or entity for the Mutual Indemnity Reinsurer's reinsurance or other obligations under or relating in any way to the GC Reinsurance Agreements, with the exception of five accounts that will be resolved separately: nos. 434189, 434290 and 434332 (Northwest Marine) and nos. 593143 and 593254 (San Francisco Dry Dock).

ARTICLE II – RELEASES

1. Subject to the terms and conditions of this Agreement and entry of the Commutation Order, the Liquidator, on behalf of the Legion Companies, and the Legion Companies hereby release, indemnify, acquit, and forever discharge the Mutual Indemnity Reinsurer and its current, past and future officers, directors, and employees and its current, past and future parent and related companies (collectively, the “**Mutual Indemnity Releasees**”) from any and all payment obligations, adjustments, obligations, offsets, actions, causes of action, suits, debts, dues, sums of money, premiums, returned premiums, unearned premiums, liabilities, losses, salvage, commissions, accounts, reckonings, bonds, bills, covenants, contracts, controversies, agreements, promises, variances, damages, judgments, expenses, acts, omissions, executions, claims and demands whatsoever, all whether known or unknown, in law or equity, in contract or in tort, which the Liquidator or the Legion Companies ever had, now have, or hereafter may have against the Mutual Indemnity Releasees, for amounts due under the GC Reinsurance Agreements, it being the intent of the parties hereto that the commutation and

settlement shall operate as a full and final settlement of the Mutual Indemnity Releasees' past, present and future obligations to the Liquidator, and/or the Legion Companies, and/or anyone else under the above with the exception of five accounts that will be resolved separately: nos. 434189, 434290 and 434332 (Northwest Marine) and nos. 593143 and 593254 (San Francisco Dry Dock).

2. Subject to the terms and conditions of this Agreement and entry of the Commutation Order, the Mutual Indemnity Reinsurer, hereby releases, indemnifies, acquits, and forever discharges the Liquidator on behalf of the Legion Companies and the Legion Companies and their current, past and future officers, directors, and employees (collectively, the "Legion Releasees") from any and all payment obligations, adjustments, obligations, offsets, actions, causes of action, suits, debts, dues, sums of money, premiums, returned premiums, unearned premiums, liabilities, losses, salvage, commissions, accounts, reckonings, bonds, bills, covenants, contracts, controversies, agreements, promises, variances, damages, judgments, expenses, acts, omissions, executions, claims and demands whatsoever, all whether known or unknown, in law or equity, in contract or in tort, which the Mutual Indemnity Reinsurer ever had, now have, or hereafter may have against the Legion Releasees, for amounts due under the GC Reinsurance Agreements, it being the intent of the parties hereto that the commutation and settlement shall operate as a full and final settlement of each of the Legion Releasees' past, present and future obligations to the Mutual Indemnity Reinsurer under the above, with the exception of five accounts that will be resolved separately: nos. 434189, 434290 and 434332 (Northwest Marine) and nos. 593143 and 593254 (San Francisco Dry Dock).

3. Neither the Liquidator on behalf of the Legion Companies, nor the Legion Companies will demand, claim, file suit or institute arbitration proceedings against the Mutual

Indemnity Reinsurer or any of the past and present officers, directors and employees of the Mutual Indemnity Reinsurer relating to the payment of any reinsurance obligation under the GC Reinsurance Agreements and/or that is being settled or commuted pursuant to this Agreement.

4. Except as specifically provided herein, neither the releases provided in this Agreement nor the payment of the Settlement Amount shall have any effect on any obligation of the Mutual Indemnity Reinsurer under any other agreement or contract, including but not limited to any obligations of the Mutual Indemnity Reinsurer in connection with Large Loss Deductible Policies ("LD Policies") provided by the Legion companies and/or Deductible Reimbursement Policies provided by the Mutual Indemnity Reinsurer in connection with the LD Policies.

ARTICLE III – APPROVALS

1. Within seven days of the date hereof, the Liquidator, shall apply to the Court for the Commutation Order approving the terms of this Agreement ("**Court Approval**").

2. The Mutual Indemnity Reinsurer shall cooperate fully with the Liquidator, and will use its best efforts to aid the Liquidator in obtaining Court Approval.

3. Each party hereto may give notice of proposed Court Approval to any person or entity in each such party's discretion.

ARTICLE IV – FURTHER COVENANTS AND AGREEMENTS

1. To the extent funds remain in the Legion Companies Trust Accounts after deduction of the Settlement Amount, the Liquidator shall direct the trustee of the Legion Trust Accounts to wire transfer the remaining funds to the Mutual Indemnity Reinsurer within ten days of the date of the Commutation Order. Within ten days of final distribution of the funds from the Legion Trust Accounts, the parties hereto shall jointly notify the trustee that the Legion Companies Trust Accounts and Legion Companies Trust Agreements are to be terminated ten

days after the date of the notification. Thereafter, the parties to the Legion Companies Trust Agreements shall have no further rights or obligations under the Legion Companies Trust Agreements.

2. In instances where losses arise from both guaranteed cost and large deductible policies on the same program year and erode a common annual aggregate, the Mutual Indemnity Reinsurer and the Legion Companies will use the gross losses (before discount) commuted and paid under this agreement in determining any future liability under that aggregate.

3. The Mutual Indemnity Reinsurer confirms that the terms of this Agreement are in accordance with Bermuda law. Each of the parties hereto agrees that by entering into this Agreement, such party is affirming the validity of the reinsurance obligations commuted and settled by this Agreement.

4. This Agreement shall be binding upon any permitted successors to the parties hereto, including, without limitation, any liquidator, should the Mutual Indemnity Reinsurer be placed into liquidation or become subject to "winding-up" or other insolvency proceedings. The Mutual Indemnity Reinsurer shall exercise its best efforts to maintain the effectiveness of this Agreement in the event that such Mutual Indemnity Reinsurer becomes subject to "winding up" or other insolvency proceedings.

5. Any time that a consent or approval of a party to this Agreement is required under this Agreement, such consent or approval shall not be unreasonably withheld or delayed.

ARTICLE V – REPRESENTATIONS AND WARRANTIES

1. Each of the parties hereto expressly represents and warrants that: (i) this Agreement has been duly authorized, executed and delivered by and on behalf of it and constitutes its legal, valid and binding agreement, subject to Court Approval; (ii) no

authorization, consent or approval of any third party other than the Court is required in connection with the execution, delivery or performance by it of this Agreement; and (iii) the execution, delivery or performance by it of this Agreement does not and will not conflict with, or result in any material breach or violation of, its organization documents or any agreements to which it is a party or by which it or any of its assets are bound.

ARTICLE VI – DELIVERY OF NOTICE

1. All notices required hereunder shall be in writing and shall be given by personal delivery or registered or certified mail, return receipt requested, postage prepaid to the addresses set forth in paragraph 2 of this Article VI, and shall be deemed given upon receipt. In addition, notice may be given by facsimile transmission and shall be deemed given upon sending of the transmission (with confirmed receipt) with the mailing of a copy of such transmission. Notices under this Article VI shall include service of process.

2. Notices to the parties shall be addressed as follows:

Notice to the Liquidator:

Insurance Commissioner of the Commonwealth of
Pennsylvania as Liquidator of Legion Insurance Company
and Villanova Insurance Company
Pennsylvania Insurance Department
901 N. 7th Street
Harrisburg, PA 17102
Attention: Amy L. Weber, Esquire
Telephone: (215) 963-7588
Facsimile: (215) 963-1220

With a concurrent copy to:

Liquidation General Counsel
Legion Insurance Company
(in Liquidation)
One Logan Square
Suite 1400
Philadelphia, PA 19103

Attention: Laura M. Spear, Esquire

And

Pietrogallo, Gordon, Alfano & Raspanti, P.C.
1818 Market Street, Suite 3402
Philadelphia, PA 19103
Attention: Gaetan J. Alfano, Esquire
Telephone: (215) 972-6400
Facsimile: (215) 981-0082

Notice to the Mutual Indemnity Reinsurer:

Mutual Indemnity Limited
P.O. Box HM 2064
44 Church Street
Hamilton HM HX Bermuda
Attention: David Alexander
Telephone: (441) 295-5688
Facsimile: (441) 295-6052

With a concurrent copy to:

Ballard Spahr Andrews & Ingersoll, LLP
1735 Market St
Philadelphia, PA 19103
Attention: Douglas Y. Christian
Telephone: (215) 864-8404
Facsimile: (215) 864-9206

and

Conyers Dill & Pearman
PO Box HM 666
Hamilton HM CX, Bermuda
Attention: Paul Smith
Telephone: +1 (441) 295 1422
Facsimile: +1 (441) 292 4720

3. The parties hereto further agree that service of process for any dispute in Article VII, is effective upon delivery to the persons identified in paragraph 2 above.

ARTICLE VII – GENERAL

1. This Agreement is the final, complete, and entire agreement between the parties hereto and is the product of each party's own due diligence and independent investigation, legal advice and analysis of the Settlement Amount and each party's rights and obligations thereunder, and not on the basis of any representations, warranties or statements by any other party hereto and thereto. This Agreement shall supersede all other prior negotiations, commitments, agreements, and understandings, both oral and written, between the parties hereto and thereto with respect to the subject matter hereof and thereof but expressly limited only to the subject matter thereto. No other representations, understandings, or agreements have been made or relied upon in the making of this Agreement other than those specifically set forth or referred to in this Agreement.

2. This Agreement may only be modified or amended by a written agreement, entered into subsequent to the date of this Agreement and duly executed by the parties hereto and approved by the Court.

3. This Agreement and any of the rights and/or obligations herein may not be assigned in whole or in part by any of the parties hereto without prior written approval of the parties hereto.

4. The parties to this Agreement do not intend to confer any rights on any person or entity not a party to this Agreement. No third party rights or obligations are created hereby.

5. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns, including, without limitation, any liquidator, rehabilitator, receiver or conservator or any successor merged or consolidated entity.

6. Waiver by any of the parties hereto of any term, provision, or condition of this Agreement shall not be construed to be a waiver of any other term, provision, or condition

hereof, nor shall such waiver be deemed a waiver of any subsequent breach of the same term, provision, or condition. Except as expressly set forth in this Agreement, the terms of the Non Commutation Settlement Agreement and the Insurance and Reinsurance Partial Settlement and Commutation Agreement and Limited Release, dated April 23, 2003, as approved by the Court (collectively, "the 2003 Agreements") shall remain in full force and effect and shall govern the respective rights and obligations of the parties thereunder under the applicable IPC Program. Nothing in this Agreement is intended to constitute a waiver of any rights under the 2003 Agreements except to the extent, if any, expressly set forth herein and, to the extent that any matter is expressly addressed in any term, provision or condition of this Agreement.

7. The failure of any party hereto to enforce at any time any of the provisions of this Agreement shall in no way be construed to be a waiver of these provisions, nor in any way to affect the validity of this Agreement, or any part of it, or the rights of any party to thereafter enforce each and every provision.

8. Each of the parties hereto shall use its best efforts to cooperate with the other parties hereto in performing all acts necessary for carrying out this Agreement. The parties hereto hereby agree to execute promptly any and all supplemental agreements, releases, affidavits, waivers and other documents of any nature or kind which another party may reasonably require in order to implement the provisions or objectives of this Agreement.

9. The parties hereto are entering into this Agreement in good faith, at arm's-length and in the regular course of business, and are in agreement that this Agreement is and will be valid and enforceable only upon Court approval.

10. This Agreement is subject to Court Approval. In the event the Court does not approve this Agreement in its entirety as executed, the Agreement shall be void ab initio. The

parties hereto may seek to renegotiate its terms and, if they reach agreement, subsequently request Court approval of the renegotiated agreement

11. This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without giving effect to conflict of law principles).

12. In the event any differences or disputes arise between the Liquidator, on behalf of the Legion Companies, and the Mutual Indemnity Reinsurer with reference to this Agreement or the terms hereof, the same shall be referred to and determined by the Court. The Court shall have sole and exclusive jurisdiction over all disputes between the parties to this Agreement under this Agreement.

13. Neither the entry into this Agreement by the Mutual Indemnity Reinsurer nor any of the provisions of this Agreement, including but not limited to the requirement of Court approval and dispute resolution and the choice of law provision, are intended by the parties to support any claim that the Court has personal jurisdiction over the Mutual Indemnity Reinsurer regarding any right or obligation other than those set forth herein.

14. This Agreement may be executed in one or more counterparts, each of which, when so executed and delivered shall be deemed an original and all such counterparts shall together constitute one and the same instrument and agreement.

15. The headings in this Agreement are descriptive only and shall not affect the interpretation or construction of this Agreement. The recitals to this Agreement, including the "Whereas" clauses, shall form a part hereof.

16. None of the parties to this Agreement shall be considered to be the drafter of this Agreement or any provisions thereof, and it shall not be interpreted or construed more or less

favorably for any party because of its status as a drafter of the Agreement or any provision thereof.

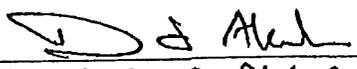
IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed as of the date first written above.

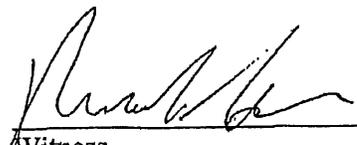
JOEL S. ARIO,
Insurance Commissioner of the Commonwealth
of Pennsylvania as Liquidator of Legion Insurance
Company (in Liquidation) and Villanova Insurance
Company (in Liquidation)

By: 
Name: BRUCE M DALEY
Title: CHIEF, TAKEOVER REG. DIV.
Date: 11/2/08
Executed in Philadelphia, Pennsylvania


Witness

MUTUAL INDEMNITY LIMITED

By: 
Name: DAVID ALEXANDER
Title: PRESIDENT
Date: November 14, 2008
Executed in Hamilton, Bermuda


Witness

Schedule 1

Mutual Indemnity Reinsurer

Mutual Indemnity Limited

Schedule 2

GC Reinsurance Agreement

REINSURANCE AGREEMENT

Effective

January 1, 1988

REINSURANCE AGREEMENT

REINSURANCE CONTRACT between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania (hereinafter called the "Company") on the one part and Mutual Indemnity Ltd. of Hamilton, Bermuda, and Mutual Indemnity (Barbados) Ltd. of Bridgetown, Barbados (hereinafter called the "Reinsurer") of the other part.

The Reinsurer being constituted of more than one corporation, whose names are set forth above, this Agreement shall apply severally as between the Company and each such corporation with respect to the policy or policies reinsured by each such corporation as specified in each of the Exhibits attached to this Agreement. The rights and obligations provided for herein of any one corporation constituting the Reinsurer will not be as held, assumed or guaranteed by any other corporation constituting the Reinsurer.

BY THIS AGREEMENT the COMPANY agrees to cede and the REINSURER agrees to accept, a portion of the COMPANY'S Liability provided by the COMPANY'S policies as specified in the Exhibits attached to this Agreement, subject to the following terms and conditions:

ARTICLE I - Term

This Agreement shall take effect as of 12:01 a.m. Standard Time on January 1, 1988 at the place of the issuance of the policies, and shall remain in force thereafter until terminated as provided in Article IX.

ARTICLE II - Definitions

For the purposes of this Agreement, the following terms shall have these meanings:

1. "Policy" - Company policy(ies) number(s) as set forth in the various Exhibits attached to this Agreement, and any binder extension or renewal thereof and endorsement or alteration thereto issued to those named insureds designated in each of the Exhibits attached to this Agreement.
2. "Incurred Losses" - All Paid Losses, plus case reserves for unpaid losses and a reserve for losses incurred but not reported ("IBNR") under the Policy as estimated by the Company.
3. "Paid Losses" - Claims under the Policy paid by the Company; plus all Allocated Claims Expense paid by the Company in connection with the Policy, whether or not related to claims paid.
4. "Allocated Claims Expense" - Such claims expenses that the Company, under its accounting practices, directly allocated to a particular claim. Such expenses include, but are not limited to attorney's fees for claims in suit, court costs, and related costs such as filing fees, and the costs of medical examination, expert medical or other testimony, laboratory services and x-rays, autopsies, stenographic services, witnesses and summonses and copies of documents; but shall not include the salaries and traveling expenses of the Company's employees and the Company's overhead.

5. "Net Premium Paid" - The premium paid to the Reinsurer after all deductions by the Company plus the amount of additional premium paid to the Reinsurer (after all deductions) minus the return premium paid by the Reinsurer to the Company.
6. Other terms used in this agreement shall have the definition first appearing in the Insurance Code of the Commonwealth of Pennsylvania, the NAIC Examiners Handbook, NAIC Accounting Practices and Procedures Manual for Fire and Casualty Insurance Companies or the Reinsurance and the Reinsurance Association of America, Glossary of Reinsurance Terms.

ARTICLE III - Loss Settlements

1. While the Reinsurer does not undertake to investigate or defend claims or suits under the Policy, it shall where permitted by law, have the right and opportunity to associate at its own expense, with the Company and its representatives in the defense of any claim, suit or proceeding involving this reinsurance. Except as otherwise specifically provided for herein, the Reinsurer's liability shall follow that of the Company under the Policy. All settlements by the Company of claims involving this reinsurance, including voluntary Compromise and Release, when made by the Company, shall be unconditionally binding on the Reinsurer.
2. The Company shall furnish the Reinsurer a copy of the Policy and all endorsements thereto which in any manner affect this Agreement and shall make available for inspection to the Reinsurer, at reasonable times, any of its records relating to this reinsurance or claims in connection therewith.
3. The Company will pay or credit the Reinsurer up to the amount of the Reinsurer's interest for amounts attributable to salvage, reimbursement obtained or recovery made by the Company relating to the Policy, after deducting the actual cost (excluding Company salaries and office expenses) of obtaining such salvage or reimbursement or making such recovery, and after the Company has been reimbursed up to the amount of its interest.

ARTICLE IV - Loss Deposit Fund

1. The Company will, with funds to be provided by the Reinsurer, establish and maintain a Paid Loss Deposit Fund, the purpose of which is to provide a source of funds for payment of Reinsurer's liability under this Agreement. The initially required level of the Paid Loss Deposit Fund shall be the amount specified in each Exhibit attached to this Agreement. The Company and Reinsurer agree, if necessary, to adjust the required level of the Paid Loss Deposit Fund monthly in order to maintain the Paid Loss Deposit Fund at a level equal to two (2) months' average Paid Losses. Average Paid Losses shall be mutually agreed upon by the parties.

2. If, following the effective date appearing on an Exhibit attached to this agreement, the Company becomes obligated to pay amounts representing the Reinsurer's liability under this Agreement that exceed the then-current initially required or adjusted required level of the Paid Loss Deposit Fund, the Reinsurer shall immediately, after receipt of a written demand by the Company, forward funds to the Company sufficient to cover such amounts greater than the Paid Loss Deposit Fund balance. The Reinsurer will be credited for the forwarding of such funds (less any interest paid) in a subsequent Reconciliation Statement.

ARTICLE V - Premium

1. The premium for this reinsurance shall be equal to the defined term "Reinsurer Premium", as set forth in the Exhibits attached to this Agreement.
2. Reinsurance premium shall be payable to the Reinsurer within the time specified in ARTICLE VI. The amounts owed by the parties to each other shall be reconciled as provided in paragraph 3 immediately below:
3. The reinsurance premium payable to the Reinsurer shall be reconciled against the following items to the extent that such items were not previously reconciled under this Agreement:
 - (a) the amount of the initially required level of the Paid Loss Deposit Fund;
 - (b) the amount necessary to establish or maintain any adjusted required level of the Paid Loss Deposit Fund; and
 - (c) that portion of the Reinsurer's liability under each Exhibit attached to this Agreement represented by Paid Losses.
4. The Company shall withhold and pay the applicable United States Federal Excise Tax, if any. It is further understood that the Company shall not be liable to the Reinsurer for any unrecoverable amounts of Federal Excise Tax paid on such premiums and subsequently determined not to have been payable thereon and that the Reinsurer shall indemnify the Company for any Federal Excise Tax liability in excess of the allowance provided herein. The Company shall make a good faith effort to recover any excise tax erroneously withheld or paid over and shall return any amount so recovered to the Reinsurer.

5. It is understood that from time to time the Reinsurer may but shall not be obligated to make premium refunds to the Company based upon the Reinsurer's experience under each Exhibit. Any such premium refunds paid to the Company will be applied by the Company to the use and benefit of the named insured stated in the Exhibits as participating in the insurance program subject to this Agreement.

ARTICLE VI - Reconciliation

1. Within sixty (60) days after each payment of premium is received by the Company in accordance with the terms and conditions of the Policy, the Company will issue to the Reinsurer a Reconciliation Statement reflecting items a, b, and c described in ARTICLE V, paragraph 3. If the result of any such reconciliation is that the Reinsurer owes money to the Company, the Reinsurer will pay the amount so owed within the time required by this Agreement, or if not otherwise specified, within 20 days after the receipt of the Reconciliation Statement. If the result of any such reconciliation is that the Company owes money to the Reinsurer the Company will pay the amount so owed at the time the Reconciliation Statement is issued. All payments hereunder shall be made in United States currency.
2. The parties hereto recognize and agree that the Reinsurer's liability hereunder will probably extend beyond the time that the Company is receiving premiums under the Policy, and possibly beyond the expiration date of the Policy and this Agreement; and that in such an event the reconciliations may involve only a computation of the Reinsurer's liability to the Company, if any.
3. Within 60 days after the end of each calendar month the Company shall provide monthly loss statements to the Reinsurer for settlement of losses paid during that reporting period. The Reinsurer will pay the amount so owed within 20 days after receipt of the statement.

ARTICLE VII - Letter of Credit

1. In connection with each of the Exhibits hereto, the Reinsurer will furnish to the Company a clean irrevocable Letter of Credit from a U.S. Bank which is a member of the Federal Reserve System or other deposits or guarantees acceptable to the Company, in an amount equal to the Company's reserve for outstanding losses, IBNR, Allocated Loss Adjustment Expense ("ALAE"), and unearned premiums. The Letter of Credit shall be in a form acceptable to the Company and in compliance with the statutes and regulations of the Commonwealth of Pennsylvania, for the purpose of securing the obligations of the Reinsurer hereunder, providing that at no time shall the Reinsurer be obligated to provide a Letter of Credit in connection with any of the Exhibits hereto which exceeds the Reinsurer's maximum liability, at any point, to the Company. During the term of this Agreement, the amount of such security may be adjusted by the Company to secure the obligations of the Reinsurer hereunder. If the Company deems

such an adjustment necessary, the Reinsurer will, within thirty (30) days of receipt of written request by the Company, obtain and deliver an amendment to such Letter of Credit or will obtain an excess Letter of Credit to cover the increased amount of such Letter of Credit. If the said Letter of Credit terminates or expires for any reason, other than the termination of this Agreement, Reinsurer will, thirty (30) days prior to termination or expiration, deliver to the Company a substitute in an amount and form acceptable to the Company which will become effective immediately upon the termination or expiration of the prior irrevocable Letter of Credit.

2. Upon the termination of this Agreement, any security furnished by Reinsurer to the Company shall expire concurrently with such termination; provided, however, as of such termination date Reinsurer shall furnish to the Company, in lieu of such prior security, a clean irrevocable Letter of Credit in a form acceptable to Company, in an amount equal to the outstanding losses subject to this Agreement and the amount of such security shall be adjusted each November 30 to reflect the outstanding claims.

ARTICLE VIII - Arbitration

1. As a condition precedent to any right of action hereunder, any dispute arising out of this Agreement shall be submitted to the decision of a Board of Arbitration composed of two (2) arbitrators and an umpire, meeting in Philadelphia, Pennsylvania unless otherwise agreed by the Company and the Reinsurer.
2. The members of the Board of Arbitration shall be active or retired disinterested officials of insurance or reinsurance companies. Each party shall appoint its arbitrator and the two arbitrators shall choose an umpire before instituting the hearing. If the respondent fails to appoint its arbitrator within sixty (60) days after being requested to do so by the claimant, the latter shall also appoint the second arbitrator. If the two arbitrators fail to agree upon the appointment of an umpire within four (4) weeks after their nominations, each of them shall name three (3), of whom the other shall decline two (2). The two remaining names shall be submitted to the then current President of the Reinsurance Association of America, who shall pick the umpire from those names.
3. The claimant shall submit its initial brief within twenty (20) days from appointment of the umpire. The respondent shall submit its brief within twenty (20) days thereafter and the claimant may submit a reply brief within ten (10) days after filing of the respondent's brief.
4. The board shall make an award with regard to the custom and usage of the insurance business. The board shall issue its award in writing based upon a hearing in which evidence may be introduced without following strict rules of evidence but in which cross examination and rebuttal shall be allowed. The board shall make its award within sixty (60) days following the termination of the hearing unless the parties consent to an extension. A decision by the majority of the members of the board shall become the award of the board and shall be final and binding upon all parties to the proceeding.

5. If more than one (1) reinsurer is involved in the same dispute all such reinsurers shall constitute and act as one (1) party for purposes of this clause and communications shall be made by Company to each of the reinsurers constituting the one (1) party; provided, however, that nothing therein shall impair the rights of such reinsurers to assert several, rather than joint, defenses or claims, nor be construed as changing the liability of the reinsurers under the terms of this Agreement from several to joint.
6. Each party shall bear the expense of its own arbitrator and shall jointly and equally bear with the other party the expense of the umpire. The remaining costs of the arbitration proceedings shall be allocated by the board.

ARTICLE IX - Termination

1. This Agreement as to any Exhibit, may be cancelled in whole or in part by the Company by giving ninety (90) days prior written notice to the Reinsurer. The Reinsurer shall have the right to cancel this Agreement as to any Exhibit by giving a number of days prior written notice to the Company which shall be not less than thirty (30) days more than the longest prior notice of cancellation required by any Named Insured or Insureds under the Policy specified in the Exhibit which is the subject of the cancellation.
2. In the event a Policy reinsured under this Agreement is cancelled, this Agreement shall automatically be cancelled with respect to that Policy as of the effective date of the cancellation of the Policy.
3. In either such event, the Reinsurer will be paid a pro rata portion of the reinsurance premium to which it would have been entitled had this Agreement or any Exhibit to this Agreement not been cancelled.
4. In the event of cancellation or termination of this Agreement in whole or in respect to specific policies, the Reinsurer's liability with respect to losses incurred prior to date of cancellation shall continue. However, the Reinsurer's maximum aggregate liability set forth in each Exhibit shall be prorated in the event of cancellation of the Policy(ies) underlying the Exhibit unless otherwise specified in the Exhibit. The Reinsurer recognizes that the Company's obligations which accrue during the term of the Policy will correspondingly survive the termination of the Policy and the termination of this Agreement. If any Exhibit to this Agreement terminates, the Reinsurer's liability under each terminated Exhibit will continue with respect to losses incurred prior to the effective date of termination of the Exhibit, and the Reinsurer will pay the Company for Paid Losses, and short term cancellation penalty if applicable, and allocated claims expense until there are not more Incurred Losses outstanding; unless the Company and Reinsurer agree at mutual terms to discontinue any liability hereunder.

ARTICLE X - Errors and Omissions

1. Inadvertent delays, errors or omissions made by the Company or Reinsurer in connection with this Agreement or any transaction hereunder shall not relieve the other party from any liability which would have attached, had such delay, error or omission not occurred, provided that such error or omission will be rectified as soon as possible after discovery.
2. In the event of the failure of Reinsurer hereon to pay any amount claimed to be due hereunder, Reinsurer hereon, at the request of the Reassured, will submit to the jurisdiction of any court of competent jurisdiction within the United States and will comply with all requirements necessary to give such Court jurisdiction; and all matters arising hereunder shall be determined in accordance with the law and practice of such Court.

Service of process in such suit may be made upon Dunnington, Bartholomew and Miller, 666 Third Avenue, New York, New York 10017 and in any suit instituted against the Reinsurer upon this Contract. Reinsurer will abide by the final decision of such Court or of any Appellate Court in the event of an appeal. The above-named are authorized and directed to accept service of process on behalf of Reinsurer in any such suit and/or upon the request of the Reassured to give a written undertaking to the Reassured that they will enter a general appearance upon Reinsurers' behalf in the event such suit shall be instituted. Further, pursuant to any statute of any State, Territory, or District of the United States which makes provision therefore, Reinsurers hereon hereby designate the Superintendent, Commissioner, or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Reassured or any beneficiary hereunder arising out of this Contract and hereby designate the above-named Dunnington, Bartholomew and Miller, as the firm to whom the said officer is authorized to mail such process or a true copy thereof.

ARTICLE XI - Insolvency

The Reinsurer hereby agrees that, as to all reinsurance made, ceded, renewed or otherwise becoming effective hereunder, the reinsurance shall be payable by the Reinsurer on the basis of the liability of Company under the Policy without diminution because of the insolvency of Company.

It is further agreed and understood that in the event of insolvency of Company, the liquidator or receiver or statutory successor of Company shall give written notice to the Reinsurer of the pendency of any claim against the insolvent Company under the Policy within a reasonable time after such claim is filed in the insolvency proceeding; that during the pendency of any such claim the Reinsurer may investigate and interpose, at its own expense, in the proceeding where any such claim is to be adjudicated any defense or defenses

which it may deem available to the Company or its liquidator or receiver of statutory successor; that the expense thus incurred by the Reinsurer as the assuming insurer shall be chargeable subject to court approval against the insolvent Company as part of the expense of liquidation to the extent of a proportionate share of the benefit which may accrue to Company solely as a result of the defense undertaken by the Reinsurer as the assuming insurer.

It is further agreed and understood that as to all reinsurance made, ceded, renewed or otherwise becoming effective hereunder, the reinsurance shall be payable by the Reinsurer to Company or to its liquidator or receiver or statutory successor, except (a) where the contract specifically provides another payee of such reinsurance in the event of the insolvency of Company or (b) where the Reinsurer with the consent of the direct insured or insureds have assumed the obligations of the Company to the payees under the Policy and in substitution for the obligations of Company to such payees.

ARTICLE XII - Conditions

1. This Agreement shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.
2. This Agreement may not be released, discharged, changed or modified except by an instrument in writing by a duly authorized representative of both of the Parties.
3. Any notices, requests or other communications hereunder will be in writing and addressed as follows:

If to the Reinsurer, then to:

Mutual Indemnity Ltd.
Fifth Floor, The Emporium Building
69 Front Street
Hamilton, Bermuda

If to the Company, then to:

Legion Insurance Company
Three Mellon Center, Suite 800
15th Street and South Penn Square
Philadelphia, PA 19102

IN WITNESS WHEREOF the parties have set their hand,
At Hamilton, Bermuda

on the 17th day of September, 1988

MUTUAL INDEMNITY LTD.

By: [Signature]
President

MUTUAL INDEMNITY (BARBADOS) LTD.

By: [Signature]
President

At Philadelphia, Pennsylvania

on the 1ST day of September, 1988

LEGION INSURANCE COMPANY

By: [Signature]
Senior Vice President

ADDENDUM TO REINSURANCE AGREEMENT

This Addendum is to a Reinsurance Agreement (the "Reinsurance Agreement") dated effective January 1, 1988 by and among Legion Insurance Company ("Legion"), Mutual Indemnity, Ltd. and Mutual Indemnity (Barbados) Ltd. (the "Mutual Indemnity Companies").

WHEREAS, Mutual Indemnity (US) Ltd., a reinsurance company domiciled in Bermuda, became an affiliate of the Mutual Indemnity Companies on January 1, 1989; and

WHEREAS, Mutual Indemnity (US) Ltd. has agreed to participate in the Reinsurance Agreement as of January 1, 1989.

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the parties hereto agree as follows:

1. HML agrees to participate in the Reinsurance Agreement on all the terms and conditions of the Reinsurance Agreement, effective January 1, 1989.
2. Legion agrees to the participation of Mutual Indemnity (US) Ltd. in the Reinsurance Agreement.

IN WITNESS WHEREOF, Mutual Indemnity (US) Ltd. and Legion Insurance Company have caused this Addendum to be executed by their duly authorized representative as of January 1, 1989.

LEGION INSURANCE COMPANY

BY: *Glenn K. Pardo*
TITLE: VICE PRESIDENT

MUTUAL INDEMNITY (US) LTD.

BY: *[Signature]*
TITLE: President

AMENDMENT

This Amendment is made to a reinsurance agreement (the "Agreement") dated as of January 1, 1988, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follows:

1. A new paragraph is added to the end of Article XII and shall read as follows:

The portion of any risk or obligation, assumed by the reinsurer, when such portion is ascertained, shall be payable on demand of the ceding insurer at the same time as the ceding insurer shall pay its net retained portion of such risk or obligation with reasonable provision for verification before payment.

2. Effective Date - As respects Legion Insurance Company, Mutual Indemnity, Ltd. and Mutual Indemnity (Barbados), Ltd., this Amendment shall be effective as of January 1, 1988, and as respects Mutual Indemnity (US) Ltd., this Amendment shall be effective as of January 1, 1989.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date set forth above.

At Philadelphia, Pennsylvania
on the day of , 1990

LEGION INSURANCE COMPANY

By: _____
Glenn R. Partridge
Senior Vice President

At Hamilton, Bermuda
on the day of , 1990

MUTUAL INDEMNITY, LTD.

By: _____
Robert A. Mulderig
President

At Bridgetown, Barbados
on the day of , 1990

MUTUAL INDEMNITY
(BARBADOS), LTD.

By: _____
Robert A. Mulderig
President

At Hamilton, Bermuda
on the day of , 1990

MUTUAL INDEMNITY (US), LTD.

By: _____
Robert A. Mulderig
President

AMENDMENT

This Amendment is made to a reinsurance agreement (the "Agreement") dated as of January 1, 1988, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follows:

1. A new Article II, Section 7 is added and shall read as follows:

7. "Ultimate Net Loss" - The actual loss paid by the Company, or for which the Company becomes liable to pay, not exceeding \$250,000 any net loss (or such higher or lower loss limit as may be set forth in the Limits of Liability section of each Exhibit to this Agreement) plus all Allocated Claims Expense paid by the company in connection with the Policies subject to such Exhibit, whether related or not to claims actually paid.

2. A new Article V-A is added and shall read as follows:

Article V-A - Cover/Limits of Liability

- a. With respect to all losses for each Policy reinsured hereunder, the Reinsurer will be liable for losses as set forth in the Limits of Liability section of each Exhibit to this Agreement.
- b. Notwithstanding the maximum aggregate limit of liability set forth in each of the Exhibits to this Agreement, with respect to all losses occurring (Ultimate Net Loss) for each program set forth in each Exhibit to this Agreement, the Reinsurer will be liable for the amount by which the Ultimate Net Loss exceeds:
 1. The maximum aggregate limit of liability set forth in each Exhibit;
plus
 2. \$5,000,000.
- c. The Reinsurer's Liability shall not exceed \$10,000,000 Ultimate Net Loss in the aggregate for all Ultimate Net Loss ascribed to all programs, any one underwriting year.

2. Article IX, Section 3 of the Agreement is deleted in its entirety and replaced with a new Section 3 which shall read as follows:

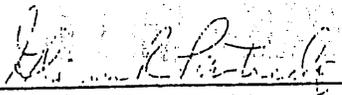
3. In either such event, the Reinsurer will return the unearned premium (on a pro-rata basis) less the unearned ceding commission.

4. Effective Date - As respects Legion Insurance Company, Mutual Indemnity, Ltd. and Mutual Indemnity (Barbados), Ltd., this Amendment shall be effective as of January 1, 1988, and as respects Mutual Indemnity (US) Ltd., this Amendment shall be effective as of January 1, 1989.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date set forth above.

At Philadelphia, Pennsylvania
on the 31st day of August, 1990

LEGION INSURANCE COMPANY

By: 
Glenn R. Partridge
Senior Vice President

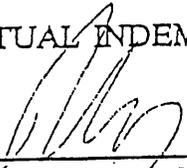
At Hamilton, Bermuda
on the 24th day of August, 1990
(US)

MUTUAL INDEMNITY, LTD.

By: 
Robert A. Mulderig
President

At Hamilton, Bermuda
on the 24th day of August, 1990

MUTUAL INDEMNITY, LTD.

By: 
Robert A. Mulderig
President

At Bridgetown, Barbados
on the 25th day of August, 1990

MUTUAL INDEMNITY
(BARBADOS), LTD.

By: 
Robert A. Mulderig
President

AMENDMENT

This Amendment is made to a reinsurance agreement (the "Agreement") dated as of January 1, 1988, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follow:

1. Article V-A, paragraph (b) is amended and replaced by the following:
 - b. In addition to the maximum aggregate limit of liability set forth in each of the Exhibits to this Agreement, with respect to all losses occurring (Ultimate Net Loss) for each program set forth in each Exhibit to this Agreement, the Reinsurer will also be liable for Reinsurer's Additional Liability, which for any program shall be the amount by which the Ultimate Net Loss exceeds:
 1. The maximum aggregate limit of liability set forth in each Exhibit; plus
 2. \$5,000,000.
2. Article V-A, paragraph (c) is amended and replaced by the following:
 - c. The Reinsurer's Additional Liability shall not exceed \$5,000,000 Ultimate Net Loss any one program, \$10,000,000 Ultimate Net Loss in the aggregate for all programs, any one underwriting year.
3. Effective Date - As respects Legion Insurance Company, Mutual Indemnity Ltd. and Mutual Indemnity (Barbados) Ltd., this Amendment shall be effective as of January 1, 1988, and as respects Mutual Indemnity (US) Ltd., this Amendment shall be effective as of January 1, 1989.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

At Philadelphia, Pennsylvania
on the 5th day of August, 1991

LEGION INSURANCE COMPANY

By: Glenn R. Partridge
Glenn R. Partridge
Senior Vice President

At Hamilton, Bermuda
on the 20th day of August, 1991

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson
Executive Vice President

At Hamilton, Bermuda
on the 20th day of August, 1991

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson
Executive Vice President

At Hamilton, Bermuda
on the 20th day of August, 1991

MUTUAL INDEMNITY (BARBADOS) LTD.

By: Paul Watson
Paul Watson
Executive Vice President

AMENDMENT

This Amendment is made to a reinsurance agreement (the "Agreement") dated as of January 1, 1988, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follow:

1. Article V-A, paragraph (c) is amended and replaced by the following:

- c. The Reinsurer's Additional Liability combined under this Agreement and the reinsurance agreement between the parties dated January 1, 1991, as amended, shall not exceed \$5,000,000 Ultimate Net Loss any one program, \$10,000,000 Ultimate Net Loss in the aggregate for all programs, any one underwriting year.

2. Effective Date - As respects Legion Insurance Company, Mutual Indemnity Ltd. and Mutual Indemnity (Barbados) Ltd., this Amendment shall be effective as of January 1, 1988, and as respects Mutual Indemnity (US) Ltd., this Amendment shall be effective as of January 1, 1989.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

At Philadelphia, Pennsylvania
on the 26TH day of JANUARY, 1993

LEGION INSURANCE COMPANY

By: Glenn R. Partridge
Glenn R. Partridge
Senior Vice President

At Hamilton, Bermuda
on the 4 day of Feb, 1993

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson
President

At Hamilton, Bermuda
on the 4 day of Feb, 1993

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson
President

At Hamilton, Bermuda
on the 4 day of Feb, 1993

MUTUAL INDEMNITY (BARBADOS) LTD.

By: Paul Watson
Paul Watson
President

REINSURANCE TREATY NO. 103

LEGION INSURANCE COMPANY
("COMPANY")
and

MUTUAL INDEMNITY LTD.,
MUTUAL INDEMNITY (BARBADOS) LTD. AND
MUTUAL INDEMNITY (US) LTD.
("REINSURER")

AGGREGATE EXCESS OF LOSS

REINSURANCE AGREEMENT

EFFECTIVE: January 1, 1991

LEGION INSURANCE COMPANY and
MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD. AND
MUTUAL INDEMNITY (US) LTD.

AGGREGATE EXCESS OF LOSS REINSURANCE AGREEMENT

EFFECTIVE: January 1, 1991

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AGGREGATE EXCESS OF LOSS REINSURANCE AGREEMENT

This Agreement is made and entered into by and between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania (hereinafter called the "Company") on the one part and MUTUAL INDEMNITY LTD., Hamilton, Bermuda, MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados and MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda (hereinafter severally and not jointly called the "Reinsurer") of the other part.

The Reinsurer, being constituted of more than one corporation, whose names are set forth above, this Agreement shall apply severally as between the Company and each such corporation with respect to each Program (as defined below) as set forth in each of the Exhibits signed by such corporation and attached to this Agreement. The rights and obligations provided for herein of any one such corporation will not be as held, assumed or guaranteed by any other corporation constituting the Reinsurer.

ARTICLE 1

BUSINESS REINSURED

- A. By this Agreement, and subject to the limitations set forth herein, Reinsurer agrees to reinsure the Company in respect of the excess aggregate liability which may accrue to the Company under its policies, contracts and binders of insurance (hereinafter called "Policies") issued or renewed on or after the effective date hereof, and classified by the Company and Reinsurer as part of a Program (the "Program"), as defined below, and subject to the terms, conditions, and limitations set forth herein and in the Exhibits attached hereto.

ARTICLE 2

COMMENCEMENT AND TERMINATION

- A. This Agreement shall become effective at 12:01 a.m., Eastern Standard Time, January 1, 1991, with respect to losses arising out of occurrences commencing on or after that date on Policies issued or renewed under Programs on or after that date, and shall continue in force thereafter until terminated as provided in the following paragraph.

- B. Either the Company or the Reinsurer shall have the right to terminate this Agreement as of 12:01 a.m. Eastern Standard Time, any January 1, by giving 90 days' prior notice in writing via either Certified or Registered Mail, return receipt requested.
- C. This Agreement as to any Program may be canceled in whole or in part by the Company by giving ninety (90) days prior written notice to the Reinsurer. The Reinsurer shall have the right to cancel this Agreement as to any Program by giving a number of days prior written notice to the Company which shall be not less than thirty (30) days more than the longest prior notice of cancellation required by any named insured or insureds under policies issued under the Program.
- D. In the event of termination of this Agreement the Reinsurer will continue to cover all Policies coming within the scope of this Agreement, including those written or renewed during the period of notice, until the natural expiration or anniversary of such Policies plus odd time, whichever occurs first, but in no event longer than 15 months from the date of termination.
- E. The Reinsurer shall also remain liable for all losses and allocated loss adjustment and claim expense incurred against the reinsured policies covered by this agreement, whether or not such losses and expenses are reported after the termination of the Agreement or the termination date of such reinsured policies. However, for any terminated program, the Reinsurer's maximum aggregate liability set forth in each Exhibit shall be based only on the earned premium under the Program, unless otherwise set forth in such Exhibit, provided, however, that such maximum aggregate liability shall not be less than the dollar minimum set forth in each such Exhibit.
- F. Alternatively, at the option of the Company, coverage hereunder may be terminated as respects policies in force as of the date of termination and Reinsurers will return all unearned premium.

ARTICLE 3

RETENTION/LIMITS

As respects any Program, the Company and the Reinsurer shall determine an annual aggregate retention ("Annual Aggregate Retention") applicable to the aggregate of Net Losses in any one account year to Net losses from Workers' Compensation and Employer Liability for such Program for any one account year, which Annual Aggregate Retention shall be set forth in an exhibit for that Program, attached to this Agreement and made a part hereof (an "Exhibit").

The Company's losses subject to the Annual Aggregate Retention for each Program shall be limited to losses not exceeding the Loss Limit as set forth in the Exhibit for such Program.

As respects the Company's Net Losses subject to the aggregate retention within any Program, the Company shall retain an amount of Ultimate Net Loss which in the aggregate in any one Account Year is equal to the Annual Aggregate Retention as set forth in that Program's Exhibit.

For any Program, the Reinsurer shall indemnify the Company for the amount by which such aggregate Ultimate Net Losses in any one account year exceed the Annual Aggregate Retention set forth in that Program's Exhibit up to but not to exceed the maximum limit of liability as respects Ultimate Net Loss any one Account Year for the aggregate retention within such Program, as set forth in that Program's Exhibit.

ARTICLE 4

TERRITORY

This Agreement shall apply to losses covered by the Policies wherever occurring.

ARTICLE 5

DEFINITIONS

- A. The Term "Workers' Compensation and Employers' Liability Business" as used in the Agreement shall mean all insurance or reinsurance written by the Company and classified by the Company as workers' compensation and employers' liability, including death, dismemberment, permanent and total disability, permanent partial disability, temporary total disability and medical expenses as a result of an occupational accident; such benefits forming part of the Company's portfolio in respect of statutory and voluntary workers' compensation including United States Longshoremen and Harborworkers, employers' liability, admiralty and Jones act, and maritime endorsement. Coverage is extended to business relating to U.S. aviation and aerospace industry including any parent and/or subsidiary.
- B. The terms "Net Loss" or "Ultimate Net Loss" as used in this Agreement shall mean the actual loss paid by the Company, or for which the Company becomes liable to pay not exceeding the "Loss Limit" set for any Program as set forth in the Exhibit for such Program, plus a pro rata share (for Minnesota losses a 100% share) of all interest and adjustment expenses including cost of litigation, in proportion that the amount not exceeding the said Loss Limit bears to the total amount of the loss, but

salvages and all recoveries, including recoveries under all reinsurance which inure to the benefit of this Agreement (whether recovered or not), shall be first deducted from such loss to arrive at the amount of liability attaching hereunder.

All salvages, recoveries or payments recovered or received subsequent to loss settlements hereunder shall be applied as if recovered or received prior to the aforesaid settlement and all necessary adjustments shall be made by the parties hereto.

Nothing in this clause shall be construed to mean that losses are not recoverable hereunder until the Company's Ultimate Net Loss has been ascertained.

- C. The term "Policy" as used in this Agreement shall mean any binder, policy, or contract of insurance or reinsurance issued, accepted or held covered provisionally or otherwise, by or on behalf of the Company.
- D. The term "Program" as used in this Agreement shall mean a policy or group of Policies for one insured or a group of insureds separately identified by the Company as a Program. The Company will be the sole judge of what constitutes one insured or one group of insureds, and will have the prerogative of including in one program only policies which are ascribed to the same underwriting year.
- E. The term "Account Year" as used in this Agreement shall mean the period (not exceeding one year in duration, plus odd time, not to exceed 18 months in all) of the policy or policies issued by the Company in respect of any one Insured Program.
- F. Other terms used in this agreement shall have the definition first appearing in the Insurance Code of the Commonwealth of Pennsylvania, or the NAIC Examiners Handbook, or the NAIC Accounting Practices and Procedures Manual for Fire and Casualty Insurance Companies or the Reinsurance Association of America, Glossary of Reinsurance Terms.

ARTICLE 6

PREMIUM

1. The premium for each Program shall be as set forth in the Exhibit for such Program (hereinafter the "Reinsurer's Premium").
2. The Reinsurer's Premium shall be payable within the time specified in Article 7. The amounts owed by the parties to each other shall be reconciled as provided in paragraph 3 of this Article 6.

3. The Reinsurer's Premium payable shall be reconciled against (i) the amount necessary to establish or maintain any required level of Paid Loss Deposit Funds and (ii) that portion of the Reinsurer's liability under each of the Exhibits attached to this Agreement represented by Paid Losses to the extent that such item was not previously reconciled under this Agreement.
4. The Company shall withhold and pay the applicable United States Federal Excise Tax, if any. It is further understood that the Company shall not be liable to the Reinsurer for any unrecoverable amounts of Federal Excise Tax paid on such premiums and subsequently determined not to have been payable thereon and that the Reinsurer shall indemnify the Company for any Federal Excise Tax liability in excess of the amount set forth in each Exhibit. The Company shall make a good faith effort to recover any Federal Excise Tax erroneously withheld or paid over and shall return any amount so recovered to the Reinsurer.
5. The Reinsurer shall allow the Company a ceding commission as set forth in each Exhibit. The Reinsurer understands and agrees that the ceding commission set forth in each Exhibit is based in part on an estimate of certain expenses incurred by the Company, and agrees to allow such additional ceding commission to pay the actual expenses incurred by Company in excess of such estimate. In return for accepting 100% of the liability for such excess expenses, if the actual expenses are determined by the Company to be less than the estimate, the Reinsurer shall receive as an experience credit an amount equal to 100% of the difference between the actual and estimated expenses.

ARTICLE 7

RECONCILIATION/PAID LOSS DEPOSIT FUND

1. Within thirty (30) days after each payment of premium is received by the Company in accordance with the terms of the Policy, the Company will issue to the Reinsurer a reconciliation statement (the "Reconciliation Statement") setting forth the reinsurance payable as reconciled against the items described in ARTICLE 6 paragraph 3. If the result of the reconciliation is that one party owes money to the other, the responsible party shall pay the amount so owed within the time required by this Agreement, or if not otherwise specified, within 20 days after the receipt of the Reconciliation Statement. All payments hereunder shall be made in United States currency.
2. The parties hereto recognize and agree that each party's liability hereunder shall extend beyond the time that each party is receiving premiums under their respective Policy, and possibly beyond the expiration date of the Policies and this Agreement;

and that in such an event the reconciliations may involve only a computation of the Reinsurer's liability to the Company for losses, if any.

3. Within 60 days after the end of each calendar month Legion shall provide monthly loss statements to the Reinsurer for the settlement of losses paid during that reporting period. The Reinsurer will pay the amount so owed within 20 days after receipt of the statement, provided, however, that when as a result of any one loss the total amount due from the Reinsurer exceeds \$10,000, the Reinsurer will upon demand and receipt of satisfactory proof of loss, remit its proportion forthwith.
4. Legion will, with funds (i) to be withheld from premium cessions due to the Reinsurer or (ii) provided by the Reinsurer, establish and maintain a Paid Loss Deposit Fund, the purpose of which is to provide a source of funds for payment of Reinsurer's liability under this Agreement. This paid loss deposit fund shall be established for each Program once losses incurred exceed Legion's retention as set forth in each Exhibit to this Agreement, and shall be adjusted on a monthly basis to the average of two months paid losses based on the most recent three months paid losses.

ARTICLE 8

LETTER OF CREDIT

1. In connection with each Program, the Reinsurer will furnish to the Company a clean, irrevocable, evergreen Letter of Credit from a U.S. Bank (which is a member of the Federal Reserve System) acceptable to Legion in its sole discretion (hereinafter the "Issuing Bank"), or other deposits or guarantees acceptable to the Company, in an amount equal to the Company's ceded reserve for outstanding losses, losses incurred but not yet reported, allocated loss adjustment expense, and unearned premium. The Letter of Credit, or any replacement or renewal thereof, shall be in a form acceptable to the Company and in compliance with the statutes and regulations of the Commonwealth of Pennsylvania, for the purpose of securing the obligations of the Reinsurer under this Agreement, provided that at no time shall the Reinsurer be obligated to provide a Letter of Credit in connection with any of the Programs which exceed the Reinsurer's maximum liability, at any point, to the Company for such Program, unless otherwise required by state regulatory authorities. During the term of this Agreement, the amount of such security may be adjusted by the Company to secure the obligations of the Reinsurer hereunder. If the Company deems such an adjustment necessary, the Reinsurer will, within thirty (30) days of receipt of written request by the Company, obtain and deliver an amendment to such Letter of Credit or will obtain an excess Letter of Credit to cover the increased amount of such security. If the Letter of Credit terminates or expires for any reason, while the

Reinsurer remains liable for losses under this Agreement, the Reinsurer shall, thirty (30) days prior to termination or expiration, deliver to the Company a substitute in an amount and form acceptable to the Company which shall become effective immediately upon the termination or expiration of the prior irrevocable Letter of Credit.

ARTICLE 9

CURRENCY

All of the provisions of this Agreement involving dollar amounts are expressed in terms of United States dollars and are premium and loss payments hereunder shall be made in United States dollars.

ARTICLE 10

TAXES

The Company will be liable for state and local premium taxes on premiums reported to the Reinsurer hereunder.

ARTICLE 11

REPORTS

It is understood and agreed that the Company will report to the Reinsurer any information which the Reinsurer may require to prepare its Annual Statement and other regulatory filings which is reasonably available to the Company.

ARTICLE 12

NOTICE OF LOSS AND LOSS SETTLEMENTS

The Company will advise the Reinsurer promptly of all claims which in the opinion of the Company may involve the Reinsurer, and of all subsequent developments on these claims which may materially affect the position of the Reinsurer.

The Reinsurer agrees to abide by the loss settlements of the Company, it being understood, however, that when so requested the Company will afford the Reinsurer an opportunity to be associated with the Company, at the expense of the Reinsurer, in the defense of any claim or suit or proceeding involving this reinsurance and that the Company will cooperate in every respect in the defense or control of such claim, suit or proceeding. All settlements by the Company of claims involving this reinsurance, including voluntary Compromise and Release, when made by the Company, shall be unconditionally binding on the Reinsurer.

The Reinsurer will pay its share of loss settlements in accordance with Article 7(3) of this Agreement.

This Agreement shall protect the Company, subject to the Loss Limit set forth in each Exhibit, where the loss includes any Extra Contractual Obligations for 100% of such Extra Contractual Obligations. "Extra Contractual Obligations" are defined as those liabilities not covered under any other provision of this Agreement and which arise from handling of any claim on business covered hereunder, such liabilities arising because of, but not limited to, the following: failure by the Company to settle within the Policy limit, or by reason of alleged or actual negligence, fraud or bad faith in rejecting an offer of settlement or in the preparation of the defense or in the trial of any action against its insured or in the preparation or prosecution of any appeal consequent upon such action.

The date on which any Extra Contractual Obligation is incurred by the Company shall be deemed, in all circumstances, to be the date of the original Loss Occurrence, and the Reinsurer's Loss Limit referred to in the preceding paragraph shall separately apply to Extra Contractual Obligations and any other covered loss of the Company relating thereto.

However, this Article shall not apply where the loss has been incurred due to the fraud of a member of the Board of Directors or a corporate officer of the Company acting individually or collectively or in collusion with any individual or corporation or any other organization or party involved in the presentation, defense or settlement of any claim covered hereunder.

One Hundred percent of expenses attributable to any portion of loss designated as an Extra Contractual Obligation will be subject to proration in accordance with the other terms of this Article.

ARTICLE 13

SALVAGE AND SUBROGATION

Should the Company effect subrogation or salvage recovery or receive reimbursement of loss subject to this Agreement, then such recovery, less all expenses incurred in effecting the recovery (excluding salaries and expenses of officials and employees of the Company not

classified as loss adjusters) will be applied between the parties having interest in the loss in the order inverse to that in which their respective liability attached.

Should a recovery effect be unsuccessful, or should the expense of making a recovery exceed the recovery, then the Company and the Reinsurer shall share such expense in proportion to their interest in the loss.

ARTICLE 14

ERRORS AND OMISSIONS/SERVICE OF SUIT

1. Any inadvertent delay, omission or error shall not be held to relieve either party hereto from any liability which would attach to it hereunder if such delay, omission or error had not been made, providing such delay, omission or error is rectified upon discovery.
2. In the event of the failure of the Reinsurer to pay any amount claimed to be due hereunder or to provide any Letter of Credit required under Article 8, the Reinsurer shall, at the request of Company, submit to the jurisdiction of any court of competent jurisdiction within the United States and shall comply with all requirements necessary to give such Court jurisdiction; and all matters arising hereunder shall be determined in accordance with the law and practice of such Court.
3. Service of process in such suit(s) against the Reinsurer may be made upon Dunnington, Bartholow & Miller, 666 Third Avenue, New York, New York 10017, Attention: Richard E. O'Brien, Esq. and that in any suit instituted against the Reinsurer upon this Contract, Reinsurer shall abide by the final decision of such Court or of any Appellate Court in the event of an appeal. The above-named are authorized and directed to accept service of process on behalf of Reinsurer in any such suit and/or upon the request of the Company to give a written undertaking to the Company that they shall enter a general appearance upon Reinsurer's behalf in the event such suit shall be instituted. Further, pursuant to any statute of any State, Territory, or District of the United States which makes provision therefore, Reinsurer herein hereby designate the Superintendent, Commissioner, or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Company or any beneficiary hereunder arising out of this Contract and hereby designate the above-named Dunnington, Bartholow & Miller as the firm to whom the said officer is authorized to mail such process or a true copy thereof.

ARTICLE 15

INSPECTION

The Company shall place at the disposal of the Reinsurer at all reasonable times, and the Reinsurer shall have the right to inspect, through its authorized representatives, all books, records and papers of the Company in connection with any reinsurance hereunder, or claims in connection herewith.

ARTICLE 16

INSOLVENCY

In the event of the insolvency of the Company, reinsurance under this Agreement shall be payable by the Reinsurer on the basis of the liability of the Company under Policy or Policies reinsured without diminution because of the insolvency of the Company to the Company or its liquidator, receiver, or statutory successor, except as provided by Section 4118(a) of the New York Insurance Law or except where the Agreement specifically provides another payee of such reinsurance in the event of the insolvency of the Company, and where the Reinsurer with the consent of the direct insured or insureds has assumed such Policy obligations of the Company as direct obligations of the Reinsurer to the payee under such Policies and in substitution for the obligations of the Company to such payees.

It is agreed, however, that the liquidator or receiver or statutory successor of the insolvent Company shall give written notice to the Reinsurer of the pendency of a claim against the insolvent Company on the Policy or Policies reinsured within a reasonable time after such claim is filed in the insolvency proceeding and that during the pendency of such claim the Reinsurer may investigate such claim and interpose, at its own expense, in the proceeding where such claim is to be adjudicated, any defense or defenses which it may deem available to the Company or its liquidator or receiver or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to court approval, against the insolvent Company as part of the expense of liquidation to the extent of a proportionate share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

Where two or more Reinsurers are involved in the same claim and a majority in interest elect to interpose defense to such claim the expense shall be apportioned in accordance with the terms of this Agreement as though such expense had been incurred by the insolvent Company.

Should the Company go into liquidation or should a receiver be appointed the Reinsurer shall be entitled to deduct from any sums which may be due or may become due to the Company under this Reinsurance Agreement, any sums which are due to the Reinsurer by the Company under this Reinsurance Agreement and which are payable at a fixed or stated date, as well as any other sums due the Reinsurer which are permitted to be offset under applicable law.

ARTICLE 17

ARBITRATION

As a condition precedent to any right of action hereunder, any irreconcilable dispute between the parties to this Agreement will be submitted for decision to a board of arbitration composed of two arbitrators and an umpire.

Arbitration shall be initiated by the delivery of a written notice of demand for arbitration by one party to the other within a reasonable time after the dispute has arisen.

The members of the board of arbitration shall be active or retired disinterested officers of insurance or reinsurance companies or Underwriters at Lloyd's London, not under control of or a former officer of either party to this Agreement. Each party shall appoint its arbitrator and the two arbitrators shall choose an umpire before instituting the hearing. If the respondent fails to appoint its arbitrator within four weeks after being requested to do so by the claimant, the latter shall also appoint the second arbitrator. If the two arbitrators fail to agree upon the appointment of an umpire within four weeks after their nominations, each of them shall name three, of whom the other shall decline two, and the decision shall be made by the then current President of the Reinsurance Association of America.

The claimant shall submit its pre-hearing brief within 45 days from appointment of the umpire. The respondent shall submit its brief within 45 days thereafter and the claimant may submit a reply brief within 30 days after filing of the respondent's brief.

The board shall make its decision with regard to the custom and usage of the insurance and reinsurance business. The board shall issue its decision in writing based upon a hearing in which evidence may be introduced without following strict rules of evidence but in which cross-examinations and rebuttal shall be allowed. The board shall make its decision within 60 days following the termination of the hearing unless the parties consent to an extension. The majority decision of the board shall be final and binding upon all parties to the proceeding. Judgement may be entered upon the award of the board in any court having jurisdiction.

If more than one Reinsurer is involved in the same dispute, all such reinsurers shall constitute and act as one party for the purpose of this clause, and communications shall be made by the Company to each of the Reinsurers constituting the one party, provided, however, that nothing therein shall impair the rights of such Reinsurers to assert several, rather than joint, defenses or claims, nor be construed as changing the liability of the Reinsurers under the terms of this Agreement from several to joint. If more than one Reinsurer is involved in the arbitration as respondent, the time for appointing the arbitrators will be extended to six weeks.

Each party shall bear the expense of its own arbitrator and shall jointly and equally bear with the other party the expense of the umpire. The remaining costs of the arbitration proceedings shall be allocated by the board.

ARTICLE 18

CONDITIONS

1. This Agreement shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.
2. This Agreement may not be released, discharged, changed or modified except by an instrument in writing by a duly authorized representative of all of the Parties.
3. All notices, requests, demands or other communications made hereunder shall be in writing and shall be deemed duly given on the date of receipt when personally delivered or sent by telex, facsimile transmission, overnight courier or registered or certified mail, postage pre-paid and return receipt requested, to the persons and addresses set forth below, or to such other address or person as either party may hereafter designate by notice to the other party:

If to the Company, then to:

Legion Insurance Company
One Liberty Place, Suite 2200
1650 Market Street
Philadelphia, PA 19103
Attention: Andrew S. Walsh

If to the Reinsurers:

Mutual Indemnity Ltd.
Mutual Indemnity (US) Ltd.
Mutual Indemnity (Barbados) Ltd.
44 Church Street
P.O. Box 2064
Hamilton, Bermuda
Attention: Paul Watson

IN WITNESS WHEREOF, the parties hereto have signed this Reinsurance Agreement as of the dates set forth below.

In Hamilton, Bermuda,
this 16th day of December 1991.

MUTUAL INDEMNITY LTD.

By: Paul Watson

In Philadelphia, Pennsylvania,
this 18th day of December, 1991.

LEGION INSURANCE COMPANY

By: Glenn Harshbarger

In Hamilton, Bermuda,
this 16th day of December 1991.

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson

In Hamilton, Bermuda,
this 16th day of December 1991.

MUTUAL INDEMNITY
(BARBADOS) LTD.

By: Paul Watson

EXHIBIT XXX-XXX-95

TO REINSURANCE TREATY NO. 103.

BETWEEN

LEGION INSURANCE COMPANY ("COMPANY").

AND

MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD.
MUTUAL INDEMNITY (BERMUDA) LTD.

AND

MUTUAL INDEMNITY (US) LTD.
("REINSURER")

This Exhibit shall be between Legion Insurance Company and Mutual Indemnity (Bermuda) Ltd., to be effective _____ and shall be subject to all terms and conditions of the Reinsurance Agreement (the "Agreement") to which it is attached.

The Reinsurer shall be liable to the Company under terms and conditions of this Agreement for the following:

| | |
|-----------------|--|
| COVERAGES: | Workers' Compensation and Employer's Liability |
| POLICY NUMBERS: | WC1 XXX XXX |
| PROGRAM: | XXXXXXXXXXXXXXXXXXXXXXXXXXXX |
| TERM: | X/XX/XX to X/XX/XX |

LOSS LIMIT

| | |
|-------------------------------|--|
| All states except Minnesota - | \$250,000 per occurrence plus proportional allocated loss adjustment expense |
| Minnesota - | \$250,000 per occurrence plus 100% of allocated loss adjustment expense + |

+ The loss limit for losses occurring in Minnesota shall be adjusted effective January 1, 1996 for losses occurring after that date to the retention chosen by the Company under its reinsurance agreement with the Minnesota Workers' Compensation Reinsurance Association.

ANNUAL AGGREGATE RETENTION

The Annual Aggregate Retention referred to in Article 3 of the Agreement shall be XX.X% of Gross Written Premium.

REINSURER'S MAXIMUM LIMIT OF LIABILITY

The Reinsurer's maximum aggregate liability for the term for all items including but not limited to Net losses or Ultimate Net Losses, Allocated Claims Expense and punitive or exemplary damages is limited to an amount equal to XX.XX% of the Gross Written Premium of the Program.

REINSURER'S PREMIUM

Reinsurer's Premium shall equal XX.XXX% of Gross Written Premium to the Program.

CEDING COMMISSION

The Reinsurer shall allow the Company a commission equal to XX.XXX% of Gross Written Premium. This ceding commission includes an estimated percentage of taxes, licenses, fees, assessments, guaranty funds, assigned risk pool charges, and unallocated claims expenses not paid by Insured which shall be adjusted pursuant to Article 6(5) of the Agreement to cover actual expenses by the Company for such items.

IN WITNESS WHEREOF, the parties have set their hand:

At Hamilton, Bermuda,

At Philadelphia, Pennsylvania

On the _____ day of _____,
1995

On the _____ day of _____,
1995

MUTUAL INDEMNITY (BERMUDA)
LTD.

LEGION INSURANCE COMPANY

By: _____
Paul Watson
President

By: _____
Allen G. Barry, III
Vice President

AMENDMENT

This Amendment is made to an aggregate excess of loss reinsurance agreement (the "Agreement") dated as of January 1, 1991, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follow:

1. Article 8, Reconciliation/Paid Loss Deposit Fund is amended as follows:
 - a. The first sentence of the section shall read: "Within 30 days after the end of each calendar month Legion shall provide monthly loss statements to the Reinsurer for the settlement of losses paid during that reporting period."

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

At Philadelphia, Pennsylvania
on the 7th day of December, 1992

LEGION INSURANCE COMPANY

By: Glenn R. Partridge
Glenn R. Partridge
Senior Vice President

At Hamilton, Bermuda
on the 7th day of Dec, 1992

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson
President

At Hamilton, Bermuda
on the 7th day of Dec, 1992

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson
President

At Hamilton, Bermuda
on the 7th day of Dec, 1992

MUTUAL INDEMNITY
(BARBADOS) LTD.

By: Paul Watson
Paul Watson
President

AMENDMENT

This Amendment is made to a reinsurance agreement (the "Agreement") dated as of January 1, 1991, as amended, by and between LEGION INSURANCE COMPANY ("LEGION") on the one part and Mutual Indemnity, Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In Consideration of the mutual promises contained herein, and intending to be legally bound hereby, the parties agree to amend the Agreement as follow:

1. A new ARTICLE 3-A is added and shall read as follows:

ADDITIONAL LIMITS OF LIABILITY

- A. In addition to the amount by which the aggregate Ultimate Net Losses in any one Account Year exceed the Annual Aggregate Retention set forth in each of the Program Exhibits to this Agreement, up to but not exceeding the maximum limit of liability as respects Ultimate Net Loss any one Account Year for the aggregate retention within each program, as set forth in the Program's Exhibit, the Reinsurers will also be liable for Reinsurers' Additional Liability, which for any program shall be the amount by which the Ultimate Net Loss exceeds:

1. The maximum aggregate limit of liability set forth in each Exhibit, plus

2. \$5,000,000.

- B. The Reinsurer's Additional Liability combined under this Agreement and the reinsurance agreement between the parties dated January 1, 1988, as amended, shall not exceed \$5,000,000 Ultimate Net Loss any one program, \$10,000,000 Ultimate Net Loss in the aggregate for all programs, any one underwriting year.

2. Effective Date - As respects Legion Insurance Company, Mutual Indemnity Ltd., Mutual Indemnity (Barbados) Ltd. and Mutual Indemnity (US) Ltd., this Amendment shall be effective as of January 1, 1991.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

At Philadelphia, Pennsylvania
on the 26 day of February, 1993

LEGION INSURANCE COMPANY

By: _____

Glenn R. Partridge
Senior Vice President

At Hamilton, Bermuda
on the 1 day of February, 1993

MUTUAL INDEMNITY LTD.

By: _____

Paul Watson
President

At Hamilton, Bermuda
on the 11 day of July, 1993

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson
President

At Hamilton, Bermuda
on the 11 day of July, 1993

MUTUAL INDEMNITY (BARBADOS) LTD.

By: Paul Watson
Paul Watson
President

AMENDMENT

This Amendment is made to Reinsurance Agreement No. 103 dated as of January 1, 1991, as amended (the "Agreement"), by and between Legion Insurance Company ("Legion") on the one part and Mutual Indemnity Ltd., Mutual Indemnity (US) Ltd., Mutual Indemnity (Barbados) Ltd. (collectively referred to as the "Reinsurers") on the other part.

In consideration of the mutual promises contained herein and intending to be legally bound hereby, the parties agree to amend the Agreement as follows:

1. The first paragraph of Article 16 - Insolvency is deleted in its entirety and replaced with the following:

"The portion of any risk or obligation assumed by the Reinsurer, when such portion is ascertained, shall be payable on demand of the Company at the same time as the Company shall pay its net retained portion of such risk or obligation, with reasonable provision for verification before payment, and the reinsurance shall be payable by the Reinsurer, on the basis of the liability of the Company under the contract or contracts reinsured without diminution because of the insolvency of the Company. In the event of insolvency and the appointment of a conservator, liquidator or statutory successor of the ceding company, such portion shall be payable to such conservator, liquidator, or statutory successor immediately upon demand, with reasonable provision for verification, on the basis of claims allowed against the insolvent company by any court of competent jurisdiction or by any conservator, liquidator or statutory successor of the company having authority to allow such claims, without diminution because of such insolvency or because such conservator, liquidator or statutory successor of the company has failed to pay all or a portion of any claims. Payments by the reinsurer as above set forth shall be made directly to the Company or to its conservator, liquidator or statutory successor, except where the contract of insurance or reinsurance specifically provides another payee of such reinsurance in the event of the insolvency of the Company."

2. The last paragraph of Article 16 - Insolvency is deleted in its entirety.
3. A new Article 19 is added as follows:

OFFSET

Legion and the Reinsurers shall have the right to offset any balance or amount due from one party to the other under this Agreement or any other agreement heretofore or hereafter entered into between the parties or their assignees, provided that the parties stand in the same capacity as herein. The party asserting the right of offset may exercise such right at any time whether the balance(s) due are on account of premiums or losses or otherwise. In the event of the insolvency of a party hereto, offsets shall only be allowed in accordance with the provisions of applicable insurance law and regulation.

DEC 20 04 110 12110
SENT BY: LEGION

MUTUAL INDEMNITY
12-27-94 12:27PM

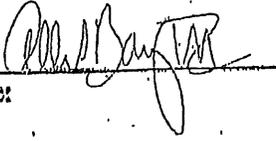
THE MUTUAL INDEMNITY
LEGION

1,007,000
R 28 #1/017232808

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth above.

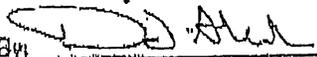
At Philadelphia, Pennsylvania
this ___ day of December, 1994

LEGION INSURANCE COMPANY

By: 
Title:

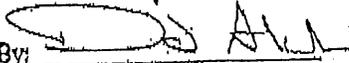
At Hamilton, Bermuda
this 29 day of December, 1994

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: 
Title: VICE PRESIDENT.

At Hamilton, Bermuda
this 29 day of December, 1994

MUTUAL INDEMNITY LTD.

By: 
Title: VICE PRESIDENT

At Hamilton, Bermuda
this 29 day of December, 1994

MUTUAL INDEMNITY (US) LTD.

By: 
Title: VICE PRESIDENT

At Hamilton, Bermuda
this 29 day of December, 1994

MUTUAL INDEMNITY (BERMUDA)
LTD.

By: 
Title: VICE PRESIDENT

AMENDMENT 4 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY (the "Reinsurer") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BARBADOS) LTD., AND MUTUAL INDEMNITY (US) LTD. (collectively the "Company") dated as of January 1, 1991.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

1. EFFECTIVE DATE. This amendment shall be effective as of April 1, 1993.
2. Paragraph 1 of Introduction is amended to read as follows:

The Agreement is made and entered into by and between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania (hereinafter called the "Reinsurer") on the one part and MUTUAL INDEMNITY LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados; MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda; and MUTUAL INDEMNITY (BERMUDA) LTD. of Hamilton, Bermuda (hereinafter severally and not jointly called the "Company") on the other part.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this 3 day of Oct, 1996

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 3 day of Oct, 1996

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 3 day of Oct, 1996

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson

at Philadelphia, Pennsylvania
this 24th day of Sept., 1996

LEGION INSURANCE COMPANY

By: Allen G. Barry, III
Allen G. Barry, III
Vice President

AMENDMENT 5 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY (the "Reinsurer") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BERMUDA), MUTUAL INDEMNITY (BARBADOS) LTD., AND MUTUAL INDEMNITY (US) LTD. (collectively the "Company") dated as of January 1, 1991 as amended.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

1. EFFECTIVE DATE. This amendment shall be effective as of November 1, 1996.
2. Paragraph 1 of Introduction is amended to read as follows:

The Agreement is made and entered into by and between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania (hereinafter called the "Reinsurer") on the one part and MUTUAL INDEMNITY LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados; MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BERMUDA) LTD. of Hamilton, Bermuda and MUTUAL INDEMNITY (DUBLIN) LTD. of Dublin, Ireland (hereinafter severally and not jointly called the "Company") on the other part.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this 20 day of Nov, 1996

MUTUAL INDEMNITY LTD.

By: [Signature]
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1996

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: [Signature]
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1996

MUTUAL INDEMNITY (US) LTD.

By: [Signature]
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1996

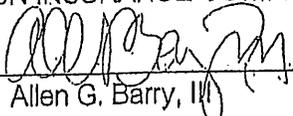
MUTUAL INDEMNITY (BERMUDA) LTD.

By: [Signature]
Paul Watson

Handwritten notes and stamps at the bottom left of the page, including a date stamp "Nov 1 1996" and a reference "ml103am.ra".

at Philadelphia, Pennsylvania
this 7th day of Nov., 1996

LEGION INSURANCE COMPANY

By: 
Allen G. Barry, III

AMENDMENT 6 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY (the "Reinsurer") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BERMUDA), MUTUAL INDEMNITY (BARBADOS) LTD., MUTUAL INDEMNITY (US) LTD. and MUTUAL INDEMNITY (DUBLIN) LTD. (collectively the "Company") dated as of January 1, 1991 as amended.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

1. EFFECTIVE DATE. This amendment shall be effective as of May 15, 1996.
2. Paragraph 1 of Introduction is amended to read as follows:

The Agreement is made and entered into by and between LEGION INSURANCE COMPANY, Philadelphia, Pennsylvania and LEGION INDEMNITY COMPANY of Philadelphia, Pennsylvania (hereinafter severally and not jointly called the "Reinsurer") on the one part and MUTUAL INDEMNITY LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados; MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BERMUDA) LTD. of Hamilton, Bermuda and MUTUAL INDEMNITY (DUBLIN) LTD. of Dublin, Ireland (hereinafter severally and not jointly called the "Company") on the other part.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this _____ day of _____, 1997

MUTUAL INDEMNITY LTD.

By: _____
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1997

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: _____
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1997

MUTUAL INDEMNITY (US) LTD.

By: _____
Paul Watson

at Hamilton, Bermuda
this _____ day of _____, 1997

MUTUAL INDEMNITY (BERMUDA) LTD.

By: _____
Paul Watson

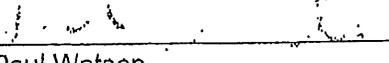
at Philadelphia, Pennsylvania
this 9th day of January, 1997

LEGION INSURANCE COMPANY

By: 
Allen G. Barry, III

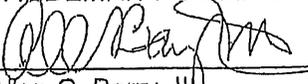
at Hamilton, Bermuda
this 9th day of January, 1997

MUTUAL INDEMNITY (DUBLIN) LTD.

By: 
Paul Watson

at Philadelphia, Pennsylvania
this 9th day of January, 1997

LEGION INDEMNITY COMPANY

By: 
Allen G. Barry, III

AMENDMENT 7 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY, and LEGION INDEMNITY COMPANY (collectively the "Company") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BERMUDA), MUTUAL INDEMNITY (BARBADOS) LTD., MUTUAL INDEMNITY (US) LTD. and MUTUAL INDEMNITY (DUBLIN) LTD. (collectively the "Reinsurer") dated as of January 1, 1991 as amended.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

ARTICLE 8 is amended to add the following language:

1. (Continued) The Company and the Reinsurer agree that the letter of credit provided by the Reinsurer may be drawn upon at any time and be used by the Company or its successors in interest only for one or more of the following reasons:
 - a. To reimburse the Company for the Reinsurer's share of premiums returned to the owners of policies reinsured under the Reinsurance Agreement due to the cancellation of such policies;
 - b. To reimburse the Company for the Reinsurer's share of surrenders and benefits or losses paid by the Company under the terms and provisions of the policies reinsured under the Reinsurance Agreement;
 - c. To fund an account with the Company in an amount at least equal to the deduction for reinsurance ceded from the Company's liabilities for policies ceded under the Reinsurance Agreement.
 - d. To pay any other amounts the Company claims are due under the Reinsurance Agreement
 - e. To pay existing liabilities between the Company and the Reinsurer upon commutation of one or more reinsurance contracts.
 - f. The above provisions (sections a. through e.) shall be applied without diminution because of insolvency on the part of the Company or Reinsurer.
2. The parties also agree to provide for:
 - a. an interest payment, at a rate not in excess of the prime rate of interest, on the amounts held pursuant to section c. above, and/or

- b. the return of any amounts drawn down on the letters of credit in excess of the actual amounts required for the above or, in the case of section d., above, any amounts that are subsequently determined not to be due.

ARTICLE 18 CONDITIONS is amended to include the following Section:

- 4 This Agreement represents the entire agreement and understanding among the parties. No other oral or written agreements or contracts relating to the risks reinsured hereunder currently exist and/or are contemplated between the parties.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this 15 day of Nov, 1997

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson

at Philadelphia, Pennsylvania
this 19th day of Nov., 1997

LEGION INSURANCE COMPANY

By: Allen G. Barry, III
Allen G. Barry, III

at Hamilton, Bermuda
this 25 day of Nov, 1997

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 15 day of Nov, 1997

MUTUAL INDEMNITY (DUBLIN) LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 25 day of Nov, 1997

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: Paul Watson
Paul Watson

at Philadelphia, Pennsylvania
this 19th day of Nov., 1997

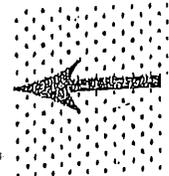
LEGION INDEMNITY COMPANY

By: Allen G. Barry, III
Allen G. Barry, III

at Hamilton, Bermuda
this 25 day of Nov, 1997

MUTUAL INDEMNITY (BERMUDA) LTD.

By: Paul Watson
Paul Watson



AMENDMENT 8 TO REINSURANCE AGREEMENT TREATY NO. 103

This Amendment is to a Reinsurance Agreement (the "Reinsurance Agreement") between LEGION INSURANCE COMPANY (the "Company") and MUTUAL INDEMNITY LTD., MUTUAL INDEMNITY (BERMUDA), MUTUAL INDEMNITY (BARBADOS) LTD., MUTUAL INDEMNITY (US) LTD. and MUTUAL INDEMNITY (DUBLIN) LTD. (collectively the "Reinsurer") dated as of January 1, 1991 as amended.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and intending to be legally bound hereby, the parties agree to amend the Reinsurance Agreement as follows:

1. EFFECTIVE DATE. This amendment shall be effective as of July 15, 1997.
2. Paragraph 1 of Introduction is amended to read as follows:

The Agreement is made and entered into by and between LEGION INSURANCE COMPANY of Philadelphia, Pennsylvania, LEGION INDEMNITY COMPANY of Philadelphia, Pennsylvania and Villanova Insurance Company of Philadelphia, Pennsylvania (hereinafter severally and not jointly called the "Company") on the one part and MUTUAL INDEMNITY LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BARBADOS) LTD. of Bridgetown, Barbados; MUTUAL INDEMNITY (US) LTD. of Hamilton, Bermuda; MUTUAL INDEMNITY (BERMUDA) LTD. of Hamilton, Bermuda and MUTUAL INDEMNITY (DUBLIN) LTD. of Dublin, Ireland (hereinafter severally and not jointly called the "Reinsurer") on the other part.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date set forth in paragraph 1, above.

at Hamilton, Bermuda
this 26 day of Feb, 1998

MUTUAL INDEMNITY LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 26 day of Feb, 1998

MUTUAL INDEMNITY (BARBADOS)
LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 26 day of Feb, 1998

MUTUAL INDEMNITY (US) LTD.

By: Paul Watson
Paul Watson

at Hamilton, Bermuda
this 26 day of Feb, 1998

MUTUAL INDEMNITY (BERMUDA) LTD.

By: Paul Watson
Paul Watson

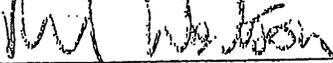
at Philadelphia, Pennsylvania
this 3rd day of Feb., 1998

LEGION INSURANCE COMPANY

By: 
Allen G. Barry III

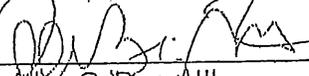
at Hamilton, Bermuda
this 3rd day of Feb, 1998

MUTUAL INDEMNITY (DUBLIN) LTD.

By: 
Paul Watson

at Philadelphia, Pennsylvania
this 3rd day of Feb., 1998

LEGION INDEMNITY COMPANY

By: 
Allen G. Barry III

at Philadelphia, Pennsylvania
this 3rd day of Feb., 1998

VILLANOVA INSURANCE COMPANY

By: 
Allen G. Barry, III

REINSURANCE AGREEMENT

No. 301

This Agreement is made and entered into by and between Legion Insurance Company, Philadelphia, PA and Legion Indemnity Company, Chicago, IL (hereinafter the "Company") on the one part and Mutual Indemnity Ltd., Hamilton, Bermuda, Mutual Indemnity (Barbados) Ltd. of Bridgetown, Barbados, Mutual Indemnity (Bermuda) Ltd., Mutual Indemnity (Dublin) Ltd., and Mutual Indemnity (US) Ltd., of Hamilton, Bermuda (hereinafter severally and not jointly called the "Reinsurer") of the other part.

Article 1 - Business Reinsured

By this Agreement and subject to the limitations set forth herein, the Reinsurer agrees to indemnify the Company in respect of the liability which may accrue to the Company as a result of Loss under Policies set forth in the Exhibits attached hereto.

Article 2 - Cover

The Company shall cede and the Reinsurer shall accept by way of reinsurance a 100% quota share of all Loss in respect of Policies coming within the scope of this Agreement. Loss shall include loss, loss adjustment expense and punitive damages.

Article 3 - Term

This Agreement shall be effective on the effective date and time as provided in the Exhibit(s) to this Agreement and shall continue in force until all liabilities under Policy(ies) set forth in the Exhibits are extinguished or terminated.

Article 4 - Collateral

The Reinsurer agrees that it will furnish at its option to the Company cash and/or a Letter of Credit (or Letters of Credit) drawn upon a bank approved by the Company and in an amount as set forth in the Exhibits attached hereto. Such Letter of Credit shall be existing and valid so long as the Company shall be exposed to any liability under its Policies and upon the notice of termination of any Letter of Credit, unless the Reinsurer substitutes a new and valid Letter of Credit in the amount required to be maintained hereunder or any other satisfactory security, the Company may draw down the funds under such Letter of Credit.

The Reinsurer and the Company agree that the Letter of Credit may be drawn upon at any time, notwithstanding any other provision of this Agreement, and be utilized by the Company or any successor, by operation of law, of the Company including, without limitation, any liquidator, rehabilitator, receiver or conservator of the Company only to reimburse the Company for the Reinsurer's obligations, the payment of which is due under the terms of this Agreement and which has not been otherwise paid after ten (10) days notice thereof from the Company to the Reinsurer.

In the event the amount drawn by the Company on any Letter of Credit is in excess of the actual amount that the Company is permitted to withdraw hereunder, the Company shall promptly return to the Reinsurer the excess amount so drawn. All of the foregoing shall be applied without diminution because of the insolvency on the part of the Company or the Reinsurer.

The issuing bank shall have no responsibility whatsoever in connection with the propriety of withdrawals made by the Company or the disposition of funds withdrawn, except to ensure that withdrawals are made only upon the order of properly authorized representatives of the Company.

The Company agrees that prior to the withdrawal of any funds under the Letter of Credit or any other collateral provided by the Reinsurer it shall deliver to the Reinsurer ten (10) days advance notice specifying the amount and reason thereafter.

At the request of the Reinsurer, the Letter of Credit will be adjusted quarterly by any amounts paid by the Reinsurer during the quarter by notice from the Company to the issuing bank of the amount thereof. In connection with all payments of losses for which the Company has an indemnity obligation under the Policy and Loss Adjustment Expenses (as defined in the Policy) and provided the Company is in compliance with this Agreement, the Company may make such payments and call upon the Reinsurer to reimburse the Company and in the event of failure of the Reinsurer to make reimbursement within thirty (30) days after demand the Company may draw upon a Letter of Credit or use other security held by it. In the event that any bank issuing any Letter of Credit furnishes notice of the termination of a Letter of Credit, the Reinsurer agrees to provide a substitute Letter of Credit or other security satisfactory to the Company immediately and failure to do so shall entitle the Company to draw upon such Letter of Credit.

In the event that the Company shall hold funds of the Reinsurer either as a result of direct payment or by reason of drawing down a part of or all of a Letter of Credit the Company agrees to pay to the Reinsurer the earning rate on the funds held. Such earning rate shall be computed by multiplying the average rate of U.S. 6 month Treasury Bills during the quarter by the average funds held by the Company.

Article 6 - Access to Records

The Company and the Reinsurer each agree that the other will have access to the books and records of the other at reasonable times for the purpose of obtaining information such as shall be required under this Agreement, the Policy or the subject matter thereof.

Article 7 - Follow the Fortunes

The Reinsurer agrees to follow the fortunes of the Company and indemnify the Company in all respects in connection with the Policies herein reinsured, including, but not limited to, any award and/or settlement of punitive damages, judgments in excess of the limits of the liability, the holding by any court of any portion of the Policy invalid (for example, the invalidation of the requirement that coverage is limited to occurrences reported during the policy period), costs associated with disputes between the Company and the Insured, and any other similar happening. In all such cases the Reinsurer accepts, without limitation of any kind, its liability as provided herein.

Article 8 - Arbitration

- A. As a condition precedent to any right of action hereunder, any dispute or difference between the Company and the Reinsurer relating to the interpretation or performance of this Agreement, including its formation or its validity, or any transaction under this Agreement, whether arising before or after termination, shall be submitted to binding arbitration.
- B. Upon written request of any party, each party shall choose an arbitrator and the two chosen shall select a third arbitrator. If either party refuses or neglects to appoint an arbitrator within thirty (30) days after receipt of the written request for arbitration, the requesting party may appoint a second arbitrator. If the two arbitrators fail to agree on the selection of the third arbitrator within thirty (30) days of their appointment, each of them shall name three individuals, the other shall decline two, and the selection of the third arbitrator from those remaining shall be made by the Federal District Court for the Eastern District of Pennsylvania. All arbitrators shall be disinterested active or retired executive officials of insurance or reinsurance companies or underwriters at Lloyd's, London. Each party shall submit its case to the arbitrators within thirty (30) days of the appointment of the third arbitrator.
- C. The parties hereby waive all objections to the method of selection of the arbitrators, it being the intention of both sides that all the arbitrators be chosen from those submitted by the parties.
- D. The arbitrators shall have the power to determine all procedural rules for the holding of the arbitration including but not limited to inspection of documents, examinations of witnesses and any other matter relating to the conduct of the arbitration. The arbitrators shall interpret this Agreement as an honorable engagement and not as merely a legal obligation; they are relieved of all judicial formalities and may abstain from following the strict rules of law. The arbitrators may award interest and costs, but in no event shall punitive or exemplary damages be awarded. Each party shall bear the expense of its own arbitrator and shall share equally with the other party in the expense of the third arbitrator and of the arbitration.

Arbitration hereunder shall take place in Philadelphia, Pennsylvania unless both parties otherwise agree. Except as provided above, the arbitration shall be in accordance with the rules and procedures established by the Uniform Arbitration Act as enacted in Pennsylvania

Article 9 – Service of Suit

It is agreed that in the event of the failure of the Reinsurer hereon to pay any amount claimed to be due hereunder, the Reinsurer hereon, at the request of the Company, will, subject to Article 8, submit to the jurisdiction of a Court of competent jurisdiction with the United States. Nothing in this clause constitutes or should be understood to constitute a waiver of Reinsurer's rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon Mendes & Mount, 750 Seventh Avenue, New York, NY 10019-6829 and that in any suit instituted against any one of them upon this Agreement, Reinsurer will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Reinsurer in any such suit and/or upon the request of the Company to give a written undertaking to the Company that they will enter a general appearance upon Reinsurer's behalf in the event such a suit shall be instituted. Nothing shall prevent Reinsurer from changing counsel or engaging any party it chooses to represent its interests.

Further, pursuant to any Statute of any state, territory or district of the United States which makes provision therefore, Reinsurer hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Company or any beneficiary hereunder arising out of this Agreement of reinsurance, and hereby designate the above-named Mendes & Mount as the person to whom the said officer is authorized to mail such process or a true copy thereof.

Article 10 – Premium and Commission

The Company shall pay to the Reinsurer premium as set forth in the Exhibits attached to this Agreement.

The Reinsurer shall allow the Company a ceding commission as set forth in the Exhibits attached to this Agreement.

Article 11 – Notice of Loss and Loss Settlements

The Reinsurer agrees to abide by the loss settlements of the Company, it being understood, however, that when so requested the Company will afford the Reinsurer an opportunity to be

associated with the Company, at the expense of the Reinsurer, in the defense of any claim or suit or proceeding involving this reinsurance and that the Company will cooperate in every respect in the defense or control of such claim, suit or proceeding. All settlements by the Company of claims involving this reinsurance, including voluntary Compromise and Release, when made by the Company shall be unconditionally binding on the Reinsurer.

Article 12 - Currency

Whenever the word "Dollars" or the "\$" sign appears in this Agreement, they shall be construed to mean United States Dollars and all transactions under this Agreement shall be in the United States Dollars. Amounts paid or received by the Company in any other currency shall be converted to United States Dollars at the rate of exchange at the date such transaction is entered on the books of the Company.

Article 13 - Insolvency

In the event of the insolvency of the Company, this reinsurance shall be payable directly to the Company, or to its liquidator, receiver, conservator or statutory successor on the basis of the liability of the Company without diminution because of the insolvency of the Company or because the liquidator, receiver, conservator or statutory successor of the Company has failed to pay all or a portion of any claim or except (a) where the Agreement specifically provides another payee of such reinsurance in the event of insolvency of the Company, and (b) where the Reinsurer with the consent of the direct insured or insureds have voluntarily assumed such policy obligations of the Company as direct obligation of the Reinsurer to the payees under such policies and in substitution for the obligations of the Company to the payees. It is agreed, however, that the liquidator, receiver, conservator or statutory successor of the Company shall give written notice to the Reinsurer of the pendency of a claim against the Company indicating the policy insured which claim would involve a possible liability on the part of the Reinsurer within a reasonable time after such claim is filed in the conservation or liquidation proceeding or in the receivership, and that during the pendency of such claim, the Reinsurer may investigate such claim and interpose, at their own expense, in the proceeding where such claim is to be adjudicated, any defense or defenses that it may deem available to the Company or its liquidator, receiver, conservator or statutory successor. The expense thus incurred by the Reinsurer shall be chargeable, subject to the approval of the court, against the Company as part of the expense of conservation or liquidation to the extent of a pro rata share of the benefit which may accrue to the Company solely as a result of the defense undertaken by the Reinsurer.

Article 14 - Errors & Omissions

Any inadvertent delay, omission or error shall not relieve either party hereto from any liability which would attach to it hereunder if such delay, omission or error had not been made, provided such delay, omission or error is rectified immediately upon discovery.

Article 15 - Federal Excise Tax

(Federal Excise Tax applies only to those Reinsurers, excepting Underwriters at Lloyds and other Reinsurers exempt from Federal Excise Tax, who are domiciled outside the United States of America.)

- A. The Reinsurer has agreed to allow for the purpose of paying the Federal Excise Tax 1% of the premium payable hereon to the extent that such premium is subject to Federal Excise Tax.
- B. In the event of any return of premium becoming due hereunder the Reinsurer will deduct 1% from the return premium payable hereon and the Company or its agent should take steps to recover the Tax from the United States Government.

Article 16 - Tax

In consideration of the terms under which this Agreement is issued, the Company undertakes not to claim any deduction of the premium hereon when making Canadian tax or when making tax returns, other than income or profits tax returns, to any state or territory of the United States of America or to the District of Columbia.

Article 17 - Miscellaneous

- A. This Agreement represents the sole and exclusive agreement among the parties concerning the subject matter hereof and shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.
- B. This Agreement may not be released, discharged, changed or modified except by an instrument in writing signed by a duly authorized representative of all of the Parties.
- C. All notices, requests, demands or other communications made hereunder shall be in writing and shall be deemed duly given on the date of receipt when personally delivered or sent by telex, facsimile transmission, overnight courier or registered or certified mail, postage pre-paid and return receipt requested, to the persons and addresses set forth below, or to such other address or person as either party may hereafter designate by notice to the other party:
- D.

If to the Company, then to:
 LEGION INSURANCE COMPANY
 One Logan Square, suite 1400
 Philadelphia, PA 19103

Attention: Andrew S. Walsh,
 General Counsel

If to the Reinsurer, then to:
 MUTUAL INDEMNITY LIMITED
 44 Church Street
 PO Box 2064
 Hamilton, HM, HX, Bermuda

Attention: David Alexander, President

In Witness Whereof to the Parties have executed this Agreement
on the ____ day of _____, 2002, in Philadelphia., PA

LEGION INSURANCE COMPANY
LEGION INDEMNITY COMPANY
VILLANOVA INSURANCE COMPANY
("Company")

By: _____

In Witness Whereof to the Parties have executed this Agreement
on the ____ day of _____, 2002 in Hamilton, Bermuda

MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD.
MUTUAL INDEMNITY (BERMUDA) LTD.
MUTUAL INDEMNITY (DUBLIN) LTD.
MUTUAL INDEMNITY (US) LTD
("Reinsurer")

By: _____

EXHIBIT _____

TO REINSURANCE AGREEMENT NO. 301

BETWEEN

LEGION INSURANCE COMPANY
LEGION INDEMNITY INSURANCE COMPANY
VILLANOVA INSURANCE COMPANY
("COMPANY")

AND

MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD.
MUTUAL INDEMNITY (BERMUDA) LTD.
MUTUAL INDEMNITY (DUBLIN) LTD.
MUTUAL INDEMNITY (US) LTD
("Reinsurer")

This Exhibit shall be effective XXXXXXXXXXXX and shall be subject to all terms and conditions of the Reinsurance Agreement (the "Agreement") to which it is attached.

The Reinsurer shall be liable to the Company under terms and conditions of this Agreement for the following Policy:

POLICY NUMBER(S): XXXXXXXXXXXX

NAME INSURED: XXXXXXXXXXXX

COVERAGES: XXXXXXXXXXXX

POLICY PERIOD: XXXXXXXXXXXX

POLICY PREMIUM: The Company shall pay to the Reinsurer \$XXXXXXX less a ceding commission provided herein.

CEDING COMMISSION

The Reinsurer shall allow the Company a flat commission equal to \$XXXXXXXX. The Reinsurer understands and agrees that the ceding commission is based in part on an estimate of certain expenses incurred by the Company, including but not limited to, taxes (including Federal Excise Tax), licenses, assigned risk assessments, boards, bureau, (which represent an amount equal to \$ XXXXXXXX and unallocated claims expenses not paid by insured and agrees to allow such additional ceding commission to pay the actual expenses incurred by Company in excess of such estimate. In return for accepting 100% of the liability for such excess expenses, if the actual expenses are determined by the Company to be less than the estimate, the Reinsurer shall receive an amount equal to 100% of the difference between the actual and estimated expenses.

COLLATERAL

The initial collateral shall be in the amount of \$XXXXXXXX and shall be posted prior to the inception of the Policy. The collateral shall be subject to quarterly adjustments in accordance with Article 4.

INFORMATION

Policy Limits at Inception Date of the Policy:

IN WITNESS WHEREOF, the parties hereto have signed this Reinsurance Agreement as of the dates set forth below.

In Philadelphia, PA

In _____, _____

On the _____ day of _____, 2002

On the _____ day of _____, 2002

LEGION INSURANCE COMPANY
LEGION INDEMNITY
VILLANOVA INSURANCE COMPANY

MUTUAL INDEMNITY LTD.
MUTUAL INDEMNITY (BARBADOS) LTD.
MUTUAL INDEMNITY (BERMUDA) LTD.
MUTUAL INDEMNITY (DUBLIN) LTD.
MUTUAL INDEMNITY (US) LTD

By: _____

By: _____

Title: _____

Title: _____

Schedule 3

Terminated GC Programs

| Program Name | Termination Date | Reason for Termination | Responsible Party |
|--------------|------------------|---------------------------------|-------------------|
| Program A | 2023-01-15 | Insufficient funding | John Doe |
| Program B | 2023-02-20 | Change in priorities | Jane Smith |
| Program C | 2023-03-10 | Non-compliance with regulations | Michael Johnson |
| Program D | 2023-04-05 | Redundant services | Sarah Lee |
| Program E | 2023-05-25 | Low participation rates | David Kim |
| Program F | 2023-06-18 | Exceeded budget | Emily White |
| Program G | 2023-07-30 | Outdated curriculum | Robert Brown |
| Program H | 2023-08-12 | Staff shortages | Lisa Green |
| Program I | 2023-09-01 | Poor student outcomes | James Black |
| Program J | 2023-10-20 | Facility issues | Amanda Gray |

**Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity, LTD**

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|----------------------|--------------|-----------------------|----------------|
| 567142 | A&K RAILROAD | T15 | Guar Cost & Large Ded | Legion |
| 567253 | A&K RAILROAD | T15 | Guar Cost & Large Ded | Legion |
| 567364 | A&K RAILROAD | T15 | Guar Cost & Large Ded | Legion |
| 567475 | A&K RAILROAD | T15 | Guar Cost & Large Ded | Legion |
| 567697 | A&K RAILROAD | T15 | Guar Cost Only | Legion |
| 456009 | A.G. SPANOS | P10 | Guar Cost & Large Ded | Legion |
| 456012 | A.G. SPANOS | P10 | Guar Cost & Large Ded | Legion |
| 456190 | A.G. SPANOS | P10 | Guar Cost Only | Legion |
| 456221 | A.G. SPANOS | P10 | Guar Cost Only | Legion |
| 456332 | A.G. SPANOS | P10 | Guar Cost & Large Ded | Legion |
| 456443 | A.G. SPANOS | P10 | Guar Cost & Large Ded | Legion |
| 456554 | A.G. SPANOS | P10 | Guar Cost & Large Ded | Legion |
| 456998 | A.G. SPANOS | P10 | Guar Cost & Large Ded | Legion |
| 539132 | ADELPHIA | W14 | Guar Cost & Large Ded | Legion |
| 539243 | ADELPHIA | W14 | Guar Cost & Large Ded | Legion |
| 539354 | ADELPHIA | W14 | Guar Cost & Large Ded | Legion |
| 539465 | ADELPHIA | W14 | Guar Cost & Large Ded | Legion |
| 539576 | ADELPHIA | W14 | Guar Cost & Large Ded | Legion |
| 600143 | AEGON | P16 | Guar Cost & Large Ded | Legion |
| 471110 | AGENCY RENT A CAR | P12 | Guar Cost Only | Legion |
| 471231 | AGENCY RENT A CAR | P12 | Guar Cost Only | Legion |
| 471342 | AGENCY RENT A CAR | P12 | Guar Cost & Large Ded | Legion |
| 471453 | AGENCY RENT A CAR | P12 | Guar Cost & Large Ded | Legion |
| 471554 | AGENCY RENT A CAR | P12 | Guar Cost & Large Ded | Legion |
| 554132 | AMER HEALTHCARE | J15 | Guar Cost & Large Ded | Legion |
| 554243 | AMER HEALTHCARE | J15 | Guar Cost & Large Ded | Legion |
| 581142 | AMERICAN STUDIO | E16 | Guar Cost & Large Ded | Legion |
| 581253 | AMERICAN STUDIO | E16 | Guar Cost & Large Ded | Legion |
| 581364 | AMERICAN STUDIO | E16 | Guar Cost & Large Ded | Legion |
| 581475 | AMERICAN STUDIO | E16 | Guar Cost & Large Ded | Legion |
| 581586 | AMERICAN STUDIO | E16 | Guar Cost & Large Ded | Legion |
| 570142 | ATLANTICARE | V15 | Guar Cost Only | Legion |
| 570253 | ATLANTICARE | V15 | Guar Cost Only | Legion |
| 570364 | ATLANTICARE | V15 | Guar Cost Only | Legion |
| 570475 | ATLANTICARE | V15 | Guar Cost Only | Legion |
| 424008 | ATLAS VAN LINES | S9 | Guar Cost & Large Ded | Legion |
| 424012 | ATLAS VAN LINES | S9 | Guar Cost & Large Ded | Legion |
| 424013 | ATLAS VAN LINES | S9 | Guar Cost & Large Ded | Legion |
| 424119 | ATLAS VAN LINES | S9 | Guar Cost & Large Ded | Legion |
| 424189 | ATLAS VAN LINES | S9 | Guar Cost Only | Legion |
| 424210 | ATLAS VAN LINES | S9 | Guar Cost Only | Legion |
| 424331 | ATLAS VAN LINES | S9 | Guar Cost & Large Ded | Legion |
| 424442 | ATLAS VAN LINES | S9 | Guar Cost & Large Ded | Legion |
| 424553 | ATLAS VAN LINES | S9 | Guar Cost & Large Ded | Legion |
| 424664 | ATLAS VAN LINES | S9 | Guar Cost & Large Ded | Legion |
| 424775 | ATLAS VAN LINES | S9 | Guar Cost & Large Ded | Legion |
| 424886 | ATLAS VAN LINES | S9 | Guar Cost & Large Ded | Legion |
| 424997 | ATLAS VAN LINES | S9 | Guar Cost & Large Ded | Legion |
| 702154 | ATLAS VAN LINES | S9 | Guar Cost & Large Ded | Legion |
| 602143 | BARBOZA | Q16 | Guar Cost Only | Legion |
| 632143 | BEAUCHAMP REALTY | U14 | Guar Cost Only | Legion |
| 632254 | BEAUCHAMP REALTY | U14 | Guar Cost Only | Legion |
| 632365 | BEAUCHAMP REALTY | U14 | Guar Cost Only | Legion |
| 632476 | BEAUCHAMP REALTY | U14 | Guar Cost Only | Legion |
| 632587 | BEAUCHAMP REALTY | U14 | Guar Cost Only | Legion |
| 506121 | BELMONT CONSTRUCTION | V13 | Guar Cost Only | Legion |
| 506343 | BELMONT CONSTRUCTION | V13 | Guar Cost & Large Ded | Legion |

**Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity, LTD**

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|---------------------------|--------------|-----------------------|----------------|
| 506565 | BELMONT CONSTRUCTION | V13 | Guar Cost & Large Ded | Legion |
| 506787 | BELMONT CONSTRUCTION | V13 | Guar Cost & Large Ded | Legion |
| 627143 | BOSOVICH FARMS /VCAA | B17 | Guar Cost Only | Legion |
| 465190 | BRECKENRIDGE | E12 | Guar Cost Only | Legion |
| 465231 | BRECKENRIDGE | E12 | Guar Cost Only | Legion |
| 465342 | BRECKENRIDGE | E12 | Guar Cost Only | Legion |
| 612008 | CA CHRISTIAN BENEFIT | S16 | Guar Cost Only | Legion |
| 612143 | CA CHRISTIAN BENEFIT | S16 | Guar Cost Only | Legion |
| 612254 | CA CHRISTIAN BENEFIT | S16 | Guar Cost Only | Legion |
| 612365 | CA CHRISTIAN BENEFIT | S16 | Guar Cost Only | Legion |
| 612476 | CA CHRISTIAN BENEFIT | S16 | Guar Cost Only | Legion |
| 612587 | CA CHRISTIAN BENEFIT | S16 | Guar Cost Only | Legion |
| 612698 | CA CHRISTIAN BENEFIT | S16 | Guar Cost Only | Legion |
| 612709 | CA CHRISTIAN BENEFIT | S16 | Guar Cost Only | Legion |
| 511131 | CANDLE CORP | A14 | Guar Cost Only | Legion |
| 511242 | CANDLE CORP | A14 | Guar Cost & Large Ded | Legion |
| 511353 | CANDLE CORP | A14 | Guar Cost & Large Ded | Legion |
| 511464 | CANDLE CORP | A14 | Guar Cost & Large Ded | Legion |
| 511575 | CANDLE CORP | A14 | Guar Cost & Large Ded | Legion |
| 430189 | CEBCOR | I9 | Guar Cost Only | Legion |
| 430290 | CEBCOR | I9 | Guar Cost Only | Legion |
| 430321 | CEBCOR | I9 | Guar Cost Only | Legion |
| 417189 | CENTRAL DIAGNOSTIC | V8 | Guar Cost Only | Legion |
| 416189 | CH AIS (HOSPITALS) | I5 | Guar Cost Only | Legion |
| 416290 | CH AIS (HOSPITALS) | I5 | Guar Cost Only | Legion |
| 416321 | CH AIS (HOSPITALS) | I5 | Guar Cost Only | Legion |
| 416432 | CH AIS (HOSPITALS) | I5 | Guar Cost Only | Legion |
| 416543 | CH AIS (HOSPITALS) | I5 | Guar Cost Only | Legion |
| 416654 | CH AIS (HOSPITALS) | I5 | Guar Cost Only | Legion |
| 416754 | CH AIS (HOSPITALS) | I5 | Guar Cost Only | Legion |
| 477321 | CH AIS (SNF) | W12 | Guar Cost Only | Legion |
| 477432 | CH AIS (SNF) | W12 | Guar Cost Only | Legion |
| 477543 | CH AIS (SNF) | W12 | Guar Cost Only | Legion |
| 477654 | CH AIS (SNF) | W12 | Guar Cost Only | Legion |
| 477754 | CH AIS (SNF) | W12 | Guar Cost Only | Legion |
| 524432 | CH AIS ADV HEALTH SYS | M14 | Guar Cost Only | Legion |
| 500121 | CH AIS BERRYMAN | R13 | Guar Cost Only | Legion |
| 500232 | CH AIS BERRYMAN | R13 | Guar Cost Only | Legion |
| 500343 | CH AIS BERRYMAN | R13 | Guar Cost Only | Legion |
| 525432 | CH AIS LELAND MED CTR | O14 | Guar Cost Only | Legion |
| 525643 | CH AIS LELAND MED CTR | O14 | Guar Cost Only | Legion |
| 525654 | CH AIS LELAND MED CTR | O14 | Guar Cost Only | Legion |
| 498121 | CH AIS N.M.HEALTH&MGT | S13 | Guar Cost Only | Legion |
| 498232 | CH AIS N.M.HEALTH&MGT | S13 | Guar Cost Only | Legion |
| 498343 | CH AIS N.M.HEALTH&MGT | S13 | Guar Cost Only | Legion |
| 498454 | CH AIS N.M.HEALTH&MGT | S13 | Guar Cost Only | Legion |
| 523432 | CH AIS NORTHBAY HEALTHARE | N14 | Guar Cost Only | Legion |
| 523543 | CH AIS NORTHBAY HEALTHARE | N14 | Guar Cost Only | Legion |
| 523654 | CH AIS NORTHBAY HEALTHARE | N14 | Guar Cost Only | Legion |
| 497121 | CH AIS UNITED W MED | X12 | Guar Cost Only | Legion |
| 497232 | CH AIS UNITED W MED | X12 | Guar Cost Only | Legion |
| 497343 | CH AIS UNITED W MED | X12 | Guar Cost Only | Legion |
| 526432 | CH AIS WILSHIRE FND | P14 | Guar Cost Only | Legion |
| 526543 | CH AIS WILSHIRE FND | P14 | Guar Cost Only | Legion |
| 526654 | CH AIS WILSHIRE FND | P14 | Guar Cost Only | Legion |
| 516132 | CHAMBERS DEVELOPMENT | J14 | Guar Cost & Large Ded | Legion |
| 448190 | CHARGERS FOOTBALL | H5 | Guar Cost Only | Legion |
| 448221 | CHARGERS FOOTBALL | H5 | Guar Cost Only | Legion |
| 448332 | CHARGERS FOOTBALL | H5 | Guar Cost Only | Legion |

**Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity, LTD**

| Agency Code | Account Name | Share Class | Account Type | Legion Company |
|-------------|-----------------------|-------------|-----------------------|----------------|
| 448443 | CHARGERS FOOTBALL | H5 | Guar Cost Only | Legion |
| 448554 | CHARGERS FOOTBALL | H5 | Guar Cost Only | Legion |
| 585254 | CHILDRENS HOSP SD | G16 | Guar Cost Only | Legion |
| 585143 | CHILDRENS HOSP SD | G16 | Guar Cost & Large Ded | Legion |
| 585365 | CHILDRENS HOSP SD | O16 | Guar Cost Only | Legion |
| 595143 | CHRISTY'S MARKET | O16 | Guar Cost Only | Legion |
| 595254 | CHRISTY'S MARKET | O16 | Guar Cost & Large Ded | Legion |
| 595365 | CHRISTY'S MARKET | O16 | Guar Cost & Large Ded | Legion |
| 595476 | CHRISTY'S MARKET | O16 | Guar Cost & Large Ded | Legion |
| 595587 | CHRISTY'S MARKET | O16 | Guar Cost Only | Legion |
| 493010 | CHURCH OF SCIENTOLOGY | J13 | Guar Cost Only | Legion |
| 493121 | CHURCH OF SCIENTOLOGY | J13 | Guar Cost Only | Legion |
| 493232 | CHURCH OF SCIENTOLOGY | J13 | Guar Cost Only | Legion |
| 493343 | CHURCH OF SCIENTOLOGY | J13 | Guar Cost Only | Legion |
| 493454 | CHURCH OF SCIENTOLOGY | J13 | Guar Cost Only | Legion |
| 493565 | CHURCH OF SCIENTOLOGY | J13 | Guar Cost Only | Legion |
| 493676 | CHURCH OF SCIENTOLOGY | J13 | Guar Cost Only | Legion |
| 493787 | CHURCH OF SCIENTOLOGY | J13 | Guar Cost Only | Legion |
| 493898 | CHURCH OF SCIENTOLOGY | J13 | Guar Cost Only | Legion |
| 493909 | CHURCH OF SCIENTOLOGY | J13 | Guar Cost & Large Ded | Legion |
| 587143 | CLOTHES TIME | F16 | Guar Cost Only | Legion |
| 401188 | COASTAL CARE | BB | Guar Cost & Large Ded | Legion |
| 591143 | COLLEY MCCOY (MCD'S) | K16 | Guar Cost & Large Ded | Legion |
| 591254 | COLLEY MCCOY (MCD'S) | K16 | Guar Cost & Large Ded | Legion |
| 591365 | COLLEY MCCOY (MCD'S) | K16 | Guar Cost & Large Ded | Legion |
| 591476 | COLLEY MCCOY (MCD'S) | K16 | Guar Cost & Large Ded | Legion |
| 591587 | COLLEY MCCOY (MCD'S) | K16 | Guar Cost & Large Ded | Legion |
| 514131 | COMP ADVANTAGE | E14 | Guar Cost Only | Legion |
| 514243 | COMP ADVANTAGE | E14 | Guar Cost Only | Legion |
| 514354 | COMP ADVANTAGE | E14 | Guar Cost Only | Legion |
| 560132 | CONS PERS | P15 | Guar Cost & Large Ded | Legion |
| 560243 | CONS PERS | P15 | Guar Cost & Large Ded | Legion |
| 560354 | CONS PERS | P15 | Guar Cost & Large Ded | Legion |
| 560465 | CONS PERS | P15 | Guar Cost & Large Ded | Legion |
| 412188 | CONSOLIDATED FAB | N8 | Guar Cost Only | Legion |
| 412289 | CONSOLIDATED FAB | N8 | Guar Cost Only | Legion |
| 412310 | CONSOLIDATED FAB | N8 | Guar Cost Only | Legion |
| 568132 | COUNTRY VILLA | U15 | Guar Cost Only | Legion |
| 568253 | COUNTRY VILLA | U15 | Guar Cost Only | Legion |
| 568354 | COUNTRY VILLA | U15 | Guar Cost Only | Legion |
| 420189 | CREEKSIDE REDWOOD | X8 | Guar Cost Only | Legion |
| 454190 | CROCKETT | T10 | Guar Cost & Large Ded | Legion |
| 562142 | CROP PROD | N15 | Guar Cost Only | Legion |
| 583142 | D'ANGELO'S (DELOPS) | D16 | Guar Cost & Large Ded | Legion |
| 583253 | D'ANGELO'S (DELOPS) | D16 | Guar Cost & Large Ded | Legion |
| 583364 | D'ANGELO'S (DELOPS) | D16 | Guar Cost & Large Ded | Legion |
| 453009 | DART CONTAINER | G7 | Guar Cost & Large Ded | Legion |
| 453011 | DART CONTAINER | G7 | Guar Cost & Large Ded | Legion |
| 453012 | DART CONTAINER | G7 | Guar Cost & Large Ded | Legion |
| 453190 | DART CONTAINER | G7 | Guar Cost Only | Legion |
| 453221 | DART CONTAINER | G7 | Guar Cost & Large Ded | Legion |
| 453332 | DART CONTAINER | G7 | Guar Cost & Large Ded | Legion |
| 453443 | DART CONTAINER | G7 | Guar Cost & Large Ded | Legion |
| 453554 | DART CONTAINER | G7 | Guar Cost & Large Ded | Legion |
| 453887 | DART CONTAINER | G7 | Guar Cost & Large Ded | Legion |
| 453998 | DART CONTAINER | G7 | Guar Cost Only | Legion |
| 472121 | DELAWARE VALLEY | R12 | Guar Cost Only | Legion |
| 442190 | DISALVO | D9 | Guar Cost Only | Legion |
| 610143 | DOLCO | U16 | Guar Cost & Large Ded | Legion |

**Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity, LTD**

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|-----------------------|--------------|-----------------------|----------------|
| 610254 | DOLCO | U16 | Guar Cost & Large Ded | Legion |
| 610365 | DOLCO | U16 | Guar Cost & Large Ded | Legion |
| 449190 | E.L. FARMER | H10 | Guar Cost Only | Legion |
| 449221 | E.L. FARMER | H10 | Guar Cost Only | Legion |
| 431189 | EL PASO HEALTH | K9 | Guar Cost Only | Legion |
| 431290 | EL PASO HEALTH | K9 | Guar Cost Only | Legion |
| 501121 | EMSA | P13 | Guar Cost & Large Ded | Legion |
| 501232 | EMSA | P13 | Guar Cost & Large Ded | Legion |
| 501343 | EMSA | P13 | Guar Cost & Large Ded | Legion |
| 501454 | EMSA | P13 | Guar Cost & Large Ded | Legion |
| 419097 | EQUIFAX | F | Guar Cost Only | Legion |
| 419188 | EQUIFAX | F | Guar Cost Only | Legion |
| 419289 | EQUIFAX | F | Guar Cost Only | Legion |
| 419390 | EQUIFAX | F | Guar Cost Only | Legion |
| 419491 | EQUIFAX | F | Guar Cost Only | Legion |
| 419592 | EQUIFAX | F | Guar Cost Only | Legion |
| 419693 | EQUIFAX | F | Guar Cost Only | Legion |
| 419794 | EQUIFAX | F | Guar Cost Only | Legion |
| 419895 | EQUIFAX | F | Guar Cost Only | Legion |
| 419996 | EQUIFAX | F | Guar Cost Only | Legion |
| 490121 | ERICKSON | N13 | Guar Cost Only | Legion |
| 490232 | ERICKSON | N13 | Guar Cost Only | Legion |
| 490343 | ERICKSON | N13 | Guar Cost Only | Legion |
| 588143 | FILM PAYROLL | J16 | Guar Cost Only | Legion |
| 588254 | FILM PAYROLL | J16 | Guar Cost Only | Legion |
| 852176 | FOX VALLEY CORP. | E17 | Guar Cost Only | Legion |
| 479010 | FRANKLIN LOGISTICS | V12 | Guar Cost & Large Ded | Legion |
| 479011 | FRANKLIN LOGISTICS | V12 | Guar Cost & Large Ded | Legion |
| 479121 | FRANKLIN LOGISTICS | V12 | Guar Cost Only | Legion |
| 446190 | FREEDOM COMMUNICATION | I10 | Guar Cost Only | Legion |
| 446210 | FREEDOM COMMUNICATION | I10 | Guar Cost Only | Legion |
| 446331 | FREEDOM COMMUNICATION | I10 | Guar Cost & Large Ded | Legion |
| 446442 | FREEDOM COMMUNICATION | I10 | Guar Cost & Large Ded | Legion |
| 446553 | FREEDOM COMMUNICATION | I10 | Guar Cost & Large Ded | Legion |
| 446664 | FREEDOM COMMUNICATION | I10 | Guar Cost & Large Ded | Legion |
| 446775 | FREEDOM COMMUNICATION | I10 | Guar Cost & Large Ded | Legion |
| 446886 | FREEDOM COMMUNICATION | I10 | Guar Cost & Large Ded | Legion |
| 446997 | FREEDOM COMMUNICATION | I10 | Guar Cost & Large Ded | Legion |
| 606009 | FRIT | T16 | Guar Cost & Large Ded | Legion |
| 606010 | FRIT | T16 | Guar Cost & Large Ded | Legion |
| 606143 | FRIT | T16 | Guar Cost & Large Ded | Legion |
| 606254 | FRIT | T16 | Guar Cost & Large Ded | Legion |
| 606587 | FRIT | T16 | Guar Cost & Large Ded | Legion |
| 606687 | FRIT | T16 | Guar Cost & Large Ded | Legion |
| 606798 | FRIT | T16 | Guar Cost & Large Ded | Legion |
| 606809 | FRIT | T16 | Guar Cost & Large Ded | Legion |
| 478121 | GENERAL WELDING | U12 | Guar Cost Only | Legion |
| 561132 | GIBBON PACKING | R15 | Guar Cost & Large Ded | Legion |
| 561243 | GIBBON PACKING | R15 | Guar Cost Only | Legion |
| 561354 | GIBBON PACKING | R15 | Guar Cost & Large Ded | Legion |
| 441189 | GILLETTE | C10 | Guar Cost Only | Legion |
| 441210 | GILLETTE | C10 | Guar Cost Only | Legion |
| 441331 | GILLETTE | C10 | Guar Cost Only | Legion |
| 466190 | GOODWAY | H12 | Guar Cost Only | Legion |
| 466231 | GOODWAY | H12 | Guar Cost & Large Ded | Legion |
| 466342 | GOODWAY | H12 | Guar Cost & Large Ded | Legion |
| 466453 | GOODWAY | H12 | Guar Cost & Large Ded | Legion |
| 466564 | GOODWAY | H12 | Guar Cost & Large Ded | Legion |
| 470110 | GULF COAST | O12 | Guar Cost Only | Legion |

Legion Insurance Company (In Liquidation)
 Villanova Insurance Company (In Liquidation)
 Listing of Commuted Accounts with Mutual Indemnity, LTD

| Accty Code | Account Name | Share Series | Account Type | Legion Company |
|------------|--------------------|--------------|-----------------------|----------------|
| 470231 | GULF COAST | O12 | Guar Cost Only | Legion |
| 515131 | HEALTH ENTERPRISES | D14 | Guar Cost & Large Ded | Legion |
| 515242 | HEALTH ENTERPRISES | D14 | Guar Cost & Large Ded | Legion |
| 515353 | HEALTH ENTERPRISES | D14 | Guar Cost & Large Ded | Legion |
| 515688 | HEALTH ENTERPRISES | D14 | Guar Cost & Large Ded | Legion |
| 460190 | HEALTHCARE INT'L | X10 | Guar Cost Only | Legion |
| 566142 | HEAVENLY VALLEY | A16 | Guar Cost Only | Legion |
| 566253 | HEAVENLY VALLEY | A16 | Guar Cost Only | Legion |
| 507353 | HERMAN EWELL | U13 | Guar Cost & Large Ded | Legion |
| 507464 | HERMAN EWELL | U13 | Guar Cost & Large Ded | Legion |
| 507575 | HERMAN EWELL | U13 | Guar Cost & Large Ded | Legion |
| 507686 | HERMAN EWELL | U13 | Guar Cost & Large Ded | Legion |
| 507797 | HERMAN EWELL | U13 | Guar Cost & Large Ded | Legion |
| 450190 | HERMANN HOSPITAL | L10 | Guar Cost Only | Legion |
| 450221 | HERMANN HOSPITAL | L10 | Guar Cost Only | Legion |
| 403087 | HOBELMANN SERVICES | O4 | Guar Cost & Large Ded | Legion |
| 403188 | HOBELMANN SERVICES | O4 | Guar Cost Only | Legion |
| 403198 | HOBELMANN SERVICES | O4 | Guar Cost & Large Ded | Legion |
| 403289 | HOBELMANN SERVICES | O4 | Guar Cost Only | Legion |
| 403390 | HOBELMANN SERVICES | O4 | Guar Cost Only | Legion |
| 403421 | HOBELMANN SERVICES | O4 | Guar Cost Only | Legion |
| 403532 | HOBELMANN SERVICES | O4 | Guar Cost & Large Ded | Legion |
| 403643 | HOBELMANN SERVICES | O4 | Guar Cost & Large Ded | Legion |
| 577142 | HORIZON HEALTHCARE | Y15 | Guar Cost & Large Ded | Legion |
| 577254 | HORIZON HEALTHCARE | Y15 | Guar Cost & Large Ded | Legion |
| 577365 | HORIZON HEALTHCARE | Y15 | Guar Cost & Large Ded | Legion |
| 577475 | HORIZON HEALTHCARE | Y15 | Guar Cost & Large Ded | Legion |
| 496121 | ICO INC. | L13 | Guar Cost Only | Legion |
| 496232 | ICO INC. | L13 | Guar Cost & Large Ded | Legion |
| 496343 | ICO INC. | L13 | Guar Cost & Large Ded | Legion |
| 496454 | ICO INC. | L13 | Guar Cost & Large Ded | Legion |
| 496565 | ICO INC. | L13 | Guar Cost & Large Ded | Legion |
| 496676 | ICO INC. | L13 | Guar Cost & Large Ded | Legion |
| 496787 | ICO INC. | L13 | Guar Cost & Large Ded | Legion |
| 496898 | ICO INC. | L13 | Guar Cost & Large Ded | Legion |
| 496909 | ICO INC. | L13 | Guar Cost & Large Ded | Legion |
| 890176 | INPHYNET MEDICAL | P13 | Guar Cost & Large Ded | Legion |
| 413188 | INTERNATIONAL PKG | R | Guar Cost Only | Legion |
| 445190 | JACK B. KELLEY | G10 | Guar Cost Only | Legion |
| 418189 | JAMES LUMBER | U8 | Guar Cost Only | Legion |
| 418290 | JAMES LUMBER | U8 | Guar Cost Only | Legion |
| 559132 | JPM HEALTH | S15 | Guar Cost Only | Legion |
| 679007 | KEYSTONE CARE | G12 | Guar Cost & Large Ded | Legion |
| 679487 | KEYSTONE CARE | G12 | Guar Cost & Large Ded | Legion |
| 679598 | KEYSTONE CARE | G12 | Guar Cost & Large Ded | Legion |
| 679609 | KEYSTONE CARE | G12 | Guar Cost & Large Ded | Legion |
| 596143 | KRAPF'S COACHES | E14 | Guar Cost Only | Legion |
| 596254 | KRAPF'S COACHES | E14 | Guar Cost Only | Legion |
| 596365 | KRAPF'S COACHES | E14 | Guar Cost Only | Legion |
| 596476 | KRAPF'S COACHES | E14 | Guar Cost Only | Legion |
| 596587 | KRAPF'S COACHES | E14 | Guar Cost Only | Legion |
| 545132 | LA RAMS | E15 | Guar Cost Only | Legion |
| 545243 | LA RAMS | E15 | Guar Cost Only | Legion |
| 545354 | LA RAMS | E15 | Guar Cost Only | Legion |
| 589143 | LANDRY SERVICES | H16 | Guar Cost & Large Ded | Legion |
| 589254 | LANDRY SERVICES | H16 | Guar Cost & Large Ded | Legion |
| 589365 | LANDRY SERVICES | H16 | Guar Cost & Large Ded | Legion |
| 459190 | LEO'S INDUSTRIES | U10 | Guar Cost Only | Legion |
| 459221 | LEO'S INDUSTRIES | U10 | Guar Cost Only | Legion |

**Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity, LTD**

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|--------------------|--------------|-----------------------|----------------|
| 586143 | LODI MEMORIAL HOSP | I16 | Guar Cost Only | Legion |
| 586254 | LODI MEMORIAL HOSP | I16 | Guar Cost Only | Legion |
| 400086 | MAMMOTH MOUNTAIN | Y7 | Guar Cost Only | Legion |
| 400188 | MAMMOTH MOUNTAIN | Y7 | Guar Cost Only | Legion |
| 400197 | MAMMOTH MOUNTAIN | Y7 | Guar Cost Only | Legion |
| 400288 | MAMMOTH MOUNTAIN | Y7 | Guar Cost Only | Legion |
| 400389 | MAMMOTH MOUNTAIN | Y7 | Guar Cost Only | Legion |
| 400410 | MAMMOTH MOUNTAIN | Y7 | Guar Cost Only | Legion |
| 400531 | MAMMOTH MOUNTAIN | Y7 | Guar Cost Only | Legion |
| 400642 | MAMMOTH MOUNTAIN | Y7 | Guar Cost Only | Legion |
| 400753 | MAMMOTH MOUNTAIN | Y7 | Guar Cost Only | Legion |
| 400975 | MAMMOTH MOUNTAIN | Y7 | Guar Cost Only | Legion |
| 400864 | MAMMOTH MOUNTAIN | Y7 | Guar Cost Only | Legion |
| 467190 | MANCHESTER/CHESTER | G12 | Guar Cost & Large Ded | Legion |
| 467221 | MANCHESTER/CHESTER | G12 | Guar Cost & Large Ded | Legion |
| 467332 | MANCHESTER/CHESTER | G12 | Guar Cost & Large Ded | Legion |
| 467443 | MANCHESTER/CHESTER | G12 | Guar Cost & Large Ded | Legion |
| 467554 | MANCHESTER/CHESTER | G12 | Guar Cost & Large Ded | Legion |
| 467665 | MANCHESTER/CHESTER | G12 | Guar Cost & Large Ded | Legion |
| 467776 | MANCHESTER/CHESTER | G12 | Guar Cost & Large Ded | Legion |
| 543132 | MANPOWER | C15 | Guar Cost Only | Legion |
| 543243 | MANPOWER | C15 | Guar Cost Only | Legion |
| 543354 | MANPOWER | C15 | Guar Cost Only | Legion |
| 543465 | MANPOWER | C15 | Guar Cost Only | Legion |
| 486121 | MAY TRUCKING | F13 | Guar Cost Only | Legion |
| 486232 | MAY TRUCKING | F13 | Guar Cost Only | Legion |
| 486343 | MAY TRUCKING | F13 | Guar Cost Only | Legion |
| 486454 | MAY TRUCKING | F13 | Guar Cost Only | Legion |
| 455190 | MCGILL MAINTENANCE | R10 | Guar Cost Only | Legion |
| 455221 | MCGILL MAINTENANCE | R10 | Guar Cost & Large Ded | Legion |
| 444009 | MIDWEST INDUSTRIAL | F10 | Guar Cost & Large Ded | Legion |
| 444011 | MIDWEST INDUSTRIAL | F10 | Guar Cost & Large Ded | Legion |
| 444012 | MIDWEST INDUSTRIAL | F10 | Guar Cost Only | Legion |
| 444190 | MIDWEST INDUSTRIAL | F10 | Guar Cost Only | Legion |
| 444221 | MIDWEST INDUSTRIAL | F10 | Guar Cost & Large Ded | Legion |
| 444332 | MIDWEST INDUSTRIAL | F10 | Guar Cost & Large Ded | Legion |
| 444443 | MIDWEST INDUSTRIAL | F10 | Guar Cost & Large Ded | Legion |
| 444554 | MIDWEST INDUSTRIAL | F10 | Guar Cost & Large Ded | Legion |
| 444675 | MIDWEST INDUSTRIAL | F10 | Guar Cost & Large Ded | Legion |
| 444786 | MIDWEST INDUSTRIAL | F10 | Guar Cost & Large Ded | Legion |
| 444897 | MIDWEST INDUSTRIAL | F10 | Guar Cost & Large Ded | Legion |
| 444908 | MIDWEST INDUSTRIAL | F10 | Guar Cost & Large Ded | Legion |
| 605365 | MONON CORP | L16 | Guar Cost & Large Ded | Legion |
| 605476 | MONON CORP | L16 | Guar Cost & Large Ded | Legion |
| 402188 | MONTGOMERY | AA | Guar Cost Only | Legion |
| 402289 | MONTGOMERY | AA | Guar Cost Only | Legion |
| 461190 | NEW LONDON | Y10 | Guar Cost Only | Legion |
| 461221 | NEW LONDON | Y10 | Guar Cost & Large Ded | Legion |
| 608008 | NEW YORK YANKEES | V16 | Guar Cost & Large Ded | Legion |
| 608009 | NEW YORK YANKEES | V16 | Guar Cost & Large Ded | Legion |
| 608010 | NEW YORK YANKEES | V16 | Guar Cost & Large Ded | Legion |
| 608143 | NEW YORK YANKEES | V16 | Guar Cost & Large Ded | Legion |
| 608254 | NEW YORK YANKEES | V16 | Guar Cost & Large Ded | Legion |
| 608365 | NEW YORK YANKEES | V16 | Guar Cost & Large Ded | Legion |
| 608476 | NEW YORK YANKEES | V16 | Guar Cost & Large Ded | Legion |
| 608587 | NEW YORK YANKEES | V16 | Guar Cost & Large Ded | Legion |
| 608698 | NEW YORK YANKEES | V16 | Guar Cost & Large Ded | Legion |
| 608709 | NEW YORK YANKEES | V16 | Guar Cost & Large Ded | Legion |
| 512010 | PA AMBULANCE | C14 | Guar Cost Only | Legion |

**Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity, LTD**

| Agency Code | Account Name | Share Series | Account Type | Legion Company |
|-------------|------------------|--------------|-----------------------|----------------|
| 512011 | PA AMBULANCE | C14 | Guar Cost Only | Legion |
| 512131 | PA AMBULANCE | C14 | Guar Cost Only | Legion |
| 512242 | PA AMBULANCE | C14 | Guar Cost Only | Legion |
| 512353 | PA AMBULANCE | C14 | Guar Cost Only | Legion |
| 512464 | PA AMBULANCE | C14 | Guar Cost Only | Legion |
| 512575 | PA AMBULANCE | C14 | Guar Cost Only | Legion |
| 512686 | PA AMBULANCE | C14 | Guar Cost Only | Legion |
| 512797 | PA AMBULANCE | C14 | Guar Cost Only | Legion |
| 512808 | PA AMBULANCE | C14 | Guar Cost Only | Legion |
| 512909 | PA AMBULANCE | C14 | Guar Cost Only | Legion |
| 541132 | PA ASSOC RES | X14 | Guar Cost Only | Legion |
| 541243 | PA ASSOC RES | X14 | Guar Cost & Large Ded | Legion |
| 541354 | PA ASSOC RES | X14 | Guar Cost & Large Ded | Legion |
| 551132 | PA BOROUGH | I15 | Guar Cost Only | Legion |
| 551243 | PA BOROUGH | I15 | Guar Cost Only | Legion |
| 551354 | PA BOROUGH | I15 | Guar Cost Only | Legion |
| 551465 | PA BOROUGH | I15 | Guar Cost Only | Legion |
| 421189 | PALM HARBOR | A9 | Guar Cost Only | Legion |
| 421290 | PALM HARBOR | A9 | Guar Cost Only | Legion |
| 421321 | PALM HARBOR | A9 | Guar Cost Only | Legion |
| 421432 | PALM HARBOR | A9 | Guar Cost & Large Ded | Legion |
| 421543 | PALM HARBOR | A9 | Guar Cost & Large Ded | Legion |
| 421654 | PALM HARBOR | A9 | Guar Cost & Large Ded | Legion |
| 447190 | PANPHA | E10 | Guar Cost Only | Legion |
| 447221 | PANPHA | E10 | Guar Cost Only | Legion |
| 447332 | PANPHA | E10 | Guar Cost Only | Legion |
| 447443 | PANPHA | E10 | Guar Cost Only | Legion |
| 447554 | PANPHA | E10 | Guar Cost Only | Legion |
| 447665 | PANPHA | E10 | Guar Cost Only | Legion |
| 447776 | PANPHA | E10 | Guar Cost Only | Legion |
| 549132 | PARF | D15 | Guar Cost Only | Legion |
| 549243 | PARF | D15 | Guar Cost Only | Legion |
| 549354 | PARF | D15 | Guar Cost Only | Legion |
| 518131 | PECK FOODS | H14 | Guar Cost Only | Legion |
| 408188 | PICS | P | Guar Cost Only | Legion |
| 408289 | PICS | P | Guar Cost Only | Legion |
| 408390 | PICS | P | Guar Cost Only | Legion |
| 408421 | PICS | P1 | Guar Cost Only | Legion |
| 408532 | PICS | P1 | Guar Cost Only | Legion |
| 408643 | PICS | P1 | Guar Cost Only | Legion |
| 513121 | PLOTT NURSING | Y13 | Guar Cost Only | Legion |
| 492121 | PRO FOOTBALL | G13 | Guar Cost & Large Ded | Legion |
| 414188 | PROF HEALTH CARE | P3 | Guar Cost Only | Legion |
| 480121 | PST VANS | B14 | Guar Cost Only | Legion |
| 480232 | PST VANS | B14 | Guar Cost & Large Ded | Legion |
| 480343 | PST VANS | B14 | Guar Cost & Large Ded | Legion |
| 443190 | REGENCY HEALTH | A8 | Guar Cost Only | Legion |
| 443221 | REGENCY HEALTH | A8 | Guar Cost Only | Legion |
| 443332 | REGENCY HEALTH | A8 | Guar Cost Only | Legion |
| 443443 | REGENCY HEALTH | A8 | Guar Cost Only | Legion |
| 558132 | REGENCY OAKS | M15 | Guar Cost Only | Legion |
| 552132 | R & L TRANSFER | K15 | Guar Cost & Large Ded | Legion |
| 440190 | SAFEWAY PLUMBING | D10 | Guar Cost Only | Legion |
| 594143 | SAN DIEGO PADRES | N16 | Guar Cost Only | Legion |
| 594254 | SAN DIEGO PADRES | N16 | Guar Cost Only | Legion |
| 594365 | SAN DIEGO PADRES | N16 | Guar Cost & Large Ded | Legion |
| 484121 | SECURITY BUREAU | E13 | Guar Cost Only | Legion |
| 484232 | SECURITY BUREAU | E13 | Guar Cost & Large Ded | Legion |
| 458190 | SESCO | M10 | Guar Cost Only | Legion |

**Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity, LTD**

| Agency Code | Account Name | State/Class | Account Type | Legion Company |
|-------------|--------------------|-------------|-----------------------|----------------|
| 458221 | SESCO | M10 | Guar Cost Only | Legion |
| 474121 | SIGN OF THE DOVE | S12 | Guar Cost Only | Legion |
| 569142 | SIGNAL | X15 | Guar Cost Only | Legion |
| 569253 | SIGNAL | X15 | Guar Cost Only | Legion |
| 569364 | SIGNAL | X15 | Guar Cost Only | Legion |
| 574142 | SIGNAL FL | X15 | Guar Cost Only | Legion |
| 574253 | SIGNAL FL | X15 | Guar Cost Only | Legion |
| 574364 | SIGNAL FL | X15 | Guar Cost Only | Legion |
| 535132 | SIMMONDS | R14 | Guar Cost Only | Legion |
| 535243 | SIMMONDS | R14 | Guar Cost Only | Legion |
| 535354 | SIMMONDS | R14 | Guar Cost Only | Legion |
| 535465 | SIMMONDS | R14 | Guar Cost Only | Legion |
| 547009 | SITTON MOTOR LINES | F15 | Guar Cost & Large Ded | Legion |
| 547132 | SITTON MOTOR LINES | F15 | Guar Cost Only | Legion |
| 547243 | SITTON MOTOR LINES | F15 | Guar Cost & Large Ded | Legion |
| 547809 | SITTON MOTOR LINES | F15 | Guar Cost & Large Ded | Legion |
| 435189 | SKI LTD | O9 | Guar Cost Only | Legion |
| 435290 | SKI LTD | O9 | Guar Cost Only | Legion |
| 435321 | SKI LTD | O9 | Guar Cost & Large Ded | Legion |
| 435432 | SKI LTD | O9 | Guar Cost & Large Ded | Legion |
| 468110 | SNOW SUMMIT SKI | J12 | Guar Cost Only | Legion |
| 468231 | SNOW SUMMIT SKI | J12 | Guar Cost Only | Legion |
| 468342 | SNOW SUMMIT SKI | J12 | Guar Cost Only | Legion |
| 468453 | SNOW SUMMIT SKI | J12 | Guar Cost Only | Legion |
| 491121 | SONIC | C13 | Guar Cost Only | Legion |
| 491232 | SONIC | C13 | Guar Cost Only | Legion |
| 491343 | SONIC | C13 | Guar Cost Only | Legion |
| 564132 | SPARTAN PRINTING | O15 | Guar Cost & Large Ded | Legion |
| 564243 | SPARTAN PRINTING | O15 | Guar Cost & Large Ded | Legion |
| 555132 | SPECTAGUARD | L15 | Guar Cost & Large Ded | Legion |
| 555243 | SPECTAGUARD | L15 | Guar Cost & Large Ded | Legion |
| 555354 | SPECTAGUARD | L15 | Guar Cost & Large Ded | Legion |
| 555465 | SPECTAGUARD | L15 | Guar Cost & Large Ded | Legion |
| 508131 | SSI | X13 | Guar Cost Only | Legion |
| 464190 | ST MARY'S | C12 | Guar Cost Only | Legion |
| 464221 | ST MARY'S | C12 | Guar Cost & Large Ded | Legion |
| 520132 | SUNBELT HOTELS | F14 | Guar Cost & Large Ded | Legion |
| 505131 | SUNSOURCE | M13 | Guar Cost & Large Ded | Legion |
| 505242 | SUNSOURCE | M13 | Guar Cost & Large Ded | Legion |
| 505353 | SUNSOURCE | M13 | Guar Cost & Large Ded | Legion |
| 505464 | SUNSOURCE | M13 | Guar Cost & Large Ded | Legion |
| 546465 | SUPERIOR AIR | H15 | Guar Cost & Large Ded | Legion |
| 429098 | SUPERIOR PRODUCTS | J9 | Guar Cost Only | Legion |
| 429109 | SUPERIOR PRODUCTS | J9 | Guar Cost Only | Legion |
| 429189 | SUPERIOR PRODUCTS | J9 | Guar Cost Only | Legion |
| 429290 | SUPERIOR PRODUCTS | J9 | Guar Cost Only | Legion |
| 429321 | SUPERIOR PRODUCTS | J9 | Guar Cost Only | Legion |
| 429432 | SUPERIOR PRODUCTS | J9 | Guar Cost Only | Legion |
| 429543 | SUPERIOR PRODUCTS | J9 | Guar Cost & Large Ded | Legion |
| 429654 | SUPERIOR PRODUCTS | J9 | Guar Cost & Large Ded | Legion |
| 429765 | SUPERIOR PRODUCTS | J9 | Guar Cost & Large Ded | Legion |
| 429876 | SUPERIOR PRODUCTS | J9 | Guar Cost & Large Ded | Legion |
| 429987 | SUPERIOR PRODUCTS | J9 | Guar Cost Only | Legion |
| 503121 | SWIFT TRANS | T13 | Guar Cost Only | Legion |
| 611143 | SYRATECH CORP | X16 | Guar Cost & Large Ded | Legion |
| 611254 | SYRATECH CORP | X16 | Guar Cost & Large Ded | Legion |
| 611364 | SYRATECH CORP | X16 | Guar Cost & Large Ded | Legion |
| 533132 | TETRA TECHNOLOGIES | S14 | Guar Cost & Large Ded | Legion |
| 533243 | TETRA TECHNOLOGIES | S14 | Guar Cost & Large Ded | Legion |

**Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Listing of Commuted Accounts with Mutual Indemnity, LTD**

| Agency Code | Account Name | Share Series | Account Type | Legion/Company |
|-------------|------------------------|--------------|-----------------------|----------------|
| 533354 | TETRA TECHNOLOGIES | S14 | Guar Cost & Large Ded | Legion |
| 532132 | THE PHILLIES | V14 | Guar Cost & Large Ded | Legion |
| 532243 | THE PHILLIES | V14 | Guar Cost & Large Ded | Legion |
| 532354 | THE PHILLIES | V14 | Guar Cost & Large Ded | Legion |
| 532465 | THE PHILLIES | V14 | Guar Cost & Large Ded | Legion |
| 532576 | THE PHILLIES | V14 | Guar Cost & Large Ded | Legion |
| 607143 | THE STORE 24, INC. | A17 | Guar Cost & Large Ded | Legion |
| 607254 | THE STORE 24, INC. | A17 | Guar Cost & Large Ded | Legion |
| 607365 | THE STORE 24, INC. | A17 | Guar Cost & Large Ded | Legion |
| 601254 | TOWNE AIR FREIGHT | R16 | Guar Cost & Large Ded | Legion |
| 540132 | TRANSSYSTEMS | T14 | Guar Cost Only | Legion |
| 423189 | UNITED NEWS | PP | Guar Cost Only | Legion |
| 423290 | UNITED NEWS | PP | Guar Cost Only | Legion |
| 423321 | UNITED NEWS | PP | Guar Cost Only | Legion |
| 452190 | UPWARD/CONEX | O10 | Guar Cost Only | Legion |
| 452221 | UPWARD/CONEX | O10 | Guar Cost Only | Legion |
| 433189 | UTICA PACKING | L9 | Guar Cost Only | Legion |
| 433290 | UTICA PACKING | L9 | Guar Cost Only | Legion |
| 488011 | VAN ENTERPRISES | I13 | Guar Cost & Large Ded | Legion |
| 488121 | VAN ENTERPRISES | I13 | Guar Cost Only | Legion |
| 488232 | VAN ENTERPRISES | I13 | Guar Cost & Large Ded | Legion |
| 488343 | VAN ENTERPRISES | I13 | Guar Cost & Large Ded | Legion |
| 488454 | VAN ENTERPRISES | I13 | Guar Cost & Large Ded | Legion |
| 488898 | VAN ENTERPRISES | I13 | Guar Cost & Large Ded | Legion |
| 485121 | VCAA | Z12 | Guar Cost Only | Legion |
| 485232 | VCAA | Z15 | Guar Cost Only | Legion |
| 485343 | VCAA | Z17 | Guar Cost Only | Legion |
| 485454 | VCAA | Z18 | Guar Cost Only | Legion |
| 485565 | VCAA | Z19 | Guar Cost Only | Legion |
| 485676 | VCAA | A19 | Guar Cost Only | Legion |
| 563132 | VISTA HOSP | Y14 | Guar Cost Only | Legion |
| 563243 | VISTA HOSP | Y14 | Guar Cost Only | Legion |
| 509131 | VNA OF TX | Z13 | Guar Cost Only | Legion |
| 609143 | VOS | Z16 | Guar Cost & Large Ded | Legion |
| 609254 | VOS | Z16 | Guar Cost & Large Ded | Legion |
| 439190 | WAL/NH SKI | A10 | Guar Cost Only | Legion |
| 439210 | WAL/NH SKI | A10 | Guar Cost Only | Legion |
| 439331 | WAL/NH SKI | A10 | Guar Cost Only | Legion |
| 439442 | WAL/NH SKI | A10 | Guar Cost Only | Legion |
| 521132 | WESTBROOKE HOSPITAL | G14 | Guar Cost & Large Ded | Legion |
| 537132 | WESTERN DENTAL | U14 | Guar Cost Only | Legion |
| 537243 | WESTERN DENTAL | U14 | Guar Cost Only | Legion |
| 537354 | WESTERN DENTAL | U14 | Guar Cost Only | Legion |
| 537465 | WESTERN DENTAL | U14 | Guar Cost & Large Ded | Legion |
| 537576 | WESTERN DENTAL | U14 | Guar Cost Only | Legion |
| 537687 | WESTERN DENTAL | U14 | Guar Cost Only | Legion |
| 537798 | WESTERN DENTAL | U14 | Guar Cost Only | Legion |
| 462190 | WYATT FIELD SERVICES | Z10 | Guar Cost Only | Legion |
| 462221 | WYATT FIELD SERVICES | Z10 | Guar Cost & Large Ded | Legion |
| 469110 | ZIMMERMAN SIGN | M12 | Guar Cost Only | Legion |
| 493011 | CHURCH OF SCIEN TOLOGY | J13 | Guar Cost Only | Villanova |
| 679008 | KEYSTONE CARE | G12 | Guar Cost & Large Ded | Villanova |
| 612009 | CA CHRISTIAN BENEFIT | S16 | Guar Cost Only | Both LIC/VIC |

Schedule 4

Settlement Amount

| Line Item | Description | Amount |
|-----------|-------------|--------|
| 1 | ... | ... |
| 2 | ... | ... |
| 3 | ... | ... |
| 4 | ... | ... |
| 5 | ... | ... |
| 6 | ... | ... |
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| 8 | ... | ... |
| 9 | ... | ... |
| 10 | ... | ... |
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| 12 | ... | ... |
| 13 | ... | ... |
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| 90 | ... | ... |
| 91 | ... | ... |
| 92 | ... | ... |
| 93 | ... | ... |
| 94 | ... | ... |
| 95 | ... | ... |
| 96 | ... | ... |
| 97 | ... | ... |
| 98 | ... | ... |
| 99 | ... | ... |
| 100 | ... | ... |

Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Commutation Summary with Mutual Indemnity Limited

| | <u>Legion</u> | <u>Villanova</u> | <u>Total</u> |
|---|------------------|------------------|------------------|
| Expected Ultimate Loss Reserves (Remaining Exposure) | 5,848,280 | 451,720 | 6,300,000 |
| Discount of Reserves for Present Value | (549,713) | (86,886) | (636,599) |
| Discounted Ultimate Loss reserves | <u>5,298,567</u> | <u>364,834</u> | <u>5,663,401</u> |
| Reinsurance Contract Adjustments- Including (Payables) Receivables | (388,338) | 520,311 | 131,973 |
| Total | <u>4,910,229</u> | <u>885,145</u> | <u>5,795,374</u> |

EXHIBIT B

Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Commutation Summary with Mutual Indemnity Limited

| | <u>Legion</u> | <u>Villanova</u> | <u>Total</u> |
|--|------------------|------------------|------------------|
| Expected Ultimate Loss Reserves (Remaining Exposure) | 5,848,280 | 451,720 | 6,300,000 |
| Discount of Reserves for Present Value | (549,713) | (86,886) | (636,599) |
| Discounted Ultimate Loss reserves | <u>5,298,567</u> | <u>364,834</u> | <u>5,663,401</u> |
| Reinsurance Contract Adjustments- Including (Payables) Receiva | (388,338) | 520,311 | 131,973 |
| Total | <u>4,910,229</u> | <u>885,145</u> | <u>5,795,374</u> |

Legion Insurance Company (In Liquidation)
Commutation Summary with Mutual Barbados, LTD

| | Total |
|---------------------------------|--------------|
| Expected Ultimate Losses | \$ 285,688 |
| Discount of Reserves | (31,824) |
| Commutation Value | \$ 253,864 |

Legion Insurance Company (In Liquidation)
Villanova Insurance Company (In Liquidation)
Commutation Summary with Mutual Indemnity Bermuda, LTD

| | <u>Legion</u> | <u>Villanova</u> | <u>Total</u> |
|--|------------------|------------------|-------------------|
| Expected Ultimate Loss Reserves (Remaining Exposure) | 7,981,713 | 1,081,647 | 9,063,360 |
| Discount of Reserves for Present Value | (1,234,300) | (176,618) | (1,410,918) |
| Discounted Ultimate Loss reserves | <u>6,747,413</u> | <u>905,029</u> | <u>7,652,442</u> |
| Reinsurance Contract Adjustments- Including (Payables) Receivables | 3,104,987 | 373,788 | 3,478,775 |
| Total | <u>9,852,400</u> | <u>1,278,817</u> | <u>11,131,217</u> |