

**ARTICLES OF ADMINISTRATION
FOR
THE INDIANA ASSIGNED RISK REINSURANCE POOL**

THESE ARTICLES FOR ADMINISTRATION OF THE INDIANA ASSIGNED RISK REINSURANCE POOL, are made to be effective as of January 1, 2005, subject to their acceptance and approval by the Indiana Department of Insurance and, upon such acceptance and approval, shall be binding on each and every insurance company that shall, from time to time, be or become a Member of the Indiana Compensation Rating Bureau, and evidences that:

RECITALS:

WHEREAS, pursuant to Ind. Code §27-7-2-28.1, the Indiana Worker's Compensation Insurance Plan (hereinafter defined as the "Plan") was established to provide for worker's compensation insurance for employers in the State of Indiana, but who are unable to procure such insurance in the voluntary market;

WHEREAS, upon payment of the premium fixed by the Bureau, the Bureau will designate a Servicing Carrier to issue a policy of worker's compensation insurance to each such employer that qualifies for participation in the Plan;

WHEREAS, pursuant to Ind. Code §27-7-2-29, with respect to the employers insured under the Plan, all Members shall be reinsurers as among themselves in the amount which the worker's compensation insurance written in the State of Indiana during the preceding calendar year by each Member bears to the total worker's compensation insurance written in the State of Indiana during the preceding year by all Members;

WHEREAS, to effect the quota share reinsurance within the Plan as required by Indiana law, the Bureau's Members had participated in the National Worker's Compensation Reinsurance Pool (hereinafter defined as the "National Pool");

WHEREAS, the Bureau and its Members desire to participate in the Indiana Assigned Risk Reinsurance Pool (hereinafter defined as the "Indiana Pool") to satisfy the requirements of Ind. Code §27-7-2-29 and which will serve as a reinsurance mechanism for the Plan;

WHEREAS, the Members shall create a trust for the sole purposes of holding, investing and managing each Member's allocable portion of the revenues and expenses for each particular policy year that will be administered by the Bureau, and which will have as its Trustees, three (3) individuals appointed by the Bureau from the members of the Governing Board; and

WHEREAS, the establishment and operation of an Indiana Pool does not result in the creation of an insurance company, but merely satisfies the requirements of Indiana law to provide a mechanism whereby Members are mandated to be quota share reinsurers as among themselves within the Plan.

NOW THEREFORE, in consideration of premises, the following hereby establishes the Indiana Assigned Risk Reinsurance Pool and constitutes the Articles of Administration of the Indiana Assigned Risk Reinsurance Pool:

ARTICLE I

DEFINITIONS

As used in these Articles, the following terms shall have the meanings set forth opposite each:

1.01 “Articles”: These Articles of Administration of the Indiana Assigned Risk Reinsurance Pool for the Indiana Worker’s Compensation Insurance Plan.

1.02 “Bureau”: The Indiana Compensation Rating Bureau, the rating organization or advisory organization licensed in the State of Indiana under Ind. Code §27-7-2-5 to make and file rates, rating values, classifications, and rating plans for worker’s compensation insurance in the State of Indiana pursuant to Ind. Code §27-7-2 et seq.

1.03 “Commissioner”: The Commissioner of the Indiana Department of Insurance.

1.04 “Department”: The Indiana Department of Insurance.

1.05 “Effective Date”: The Effective Date of these Articles, subject to approval by the Department, shall be January 1, 2005.

1.06 “Governing Board”: The Governing Board of the Indiana Compensation Rating Bureau.

1.07 “Indiana Pool”: The Indiana Assigned Risk Reinsurance Pool as provided under and pursuant to Ind. Code §27-7-2-29(b) and as established by these Articles.

1.08 “Insolvent”/“Insolvency”: For purposes of these Articles, “insolvent/insolvency” means being the subject of a receivership, conservatorship, liquidation or similar proceedings, whether voluntary or involuntary, in any jurisdiction.

1.09 “Member”: A member of the Bureau as defined pursuant to Ind. Code §27-7-2 et seq.

1.10 “National Pool”: The National Worker’s Compensation Reinsurance Pool.

1.11 “Net Premiums Written”: The gross direct premiums charged less all premiums (except dividends and savings refunded under participating policies) returned to insureds for all worker’s compensation and employer’s liability insurance, exclusive of premiums for employers subject to the Plan, and for employers written under the National Defense Projects Rating Plan and under excess policies.

1.12 “Plan”: The Indiana Worker’s Compensation Insurance Plan as established under Ind. Code §27-7-2-28.1, and any regulations promulgated pursuant thereto. The Plan is described, operated and incorporates all of the terms and provisions contained in the Plan of Operations document, these Articles, the Trust, the Servicing Carrier Agreement, Quota Share Agreement, Interest and Liabilities Agreement, and all rules and regulations pertaining thereto as adopted by the Bureau from time to time.

1.13 “Plan Administrator”: The Indiana Compensation Rating Bureau.

1.14 “Quota Share Agreement”: The Quota Share Agreement by and between the Bureau, acting on behalf of the members, and each Servicing Carrier appointed by the Bureau. The Quota Share Agreement reinsures the direct insurance obligations of the Servicing Carriers, who issue insurance policies in their own names directly to policyholders under the Plan.

1.15 “Servicing Carrier”: A Member that has been appointed by the Plan Administrator to receive assignments and provide coverage to eligible employers pursuant to the Plan.

1.16 “Trust”: That certain revocable grantor trust established by the Members to hold and administer the funds of the Indiana Pool for and on behalf of the Members.

1.17 “Trust Funds”: All monies, from whatever source, held in the Trust, subject to the obligations of the Members under the Plan. All such Trust Funds are owned by and allocable to each of the Members.

1.18 “Trustees”: The individuals appointed by the Plan Administrator from among the members of the Governing Board to act as Trustees of the Trust.

ARTICLE II

ESTABLISHMENT AND ADMINISTRATION OF TRUST

2.01 Establishment of Trust; Participation. The Members, upon the approval of these Articles by the Department, shall collectively be deemed the “grantor” of the Trust attached hereto as Exhibit “A” and made a part hereof. The Members shall be the beneficial owner of the Trust and all of the Trust Funds that will be held in the Trust from time to time for and on behalf of the Members in their capacity as reinsurers as among themselves. The legal title to the Trust and the Trust Funds shall be in the name of the Trustees of the Trust. The Trust is expressly made a revocable trust and may be amended and/or terminated by the Bureau, as set forth in the Trust instrument. A certificate of ownership issued by the Plan Administrator shall evidence each Member’s status as a grantor of the Trust and a beneficial owner of the Trust Funds. The purpose of the Trust shall be to receive, hold, invest and manage for the benefit of the Members acting as reinsurers among themselves, the premiums and other monies that comprise the Trust Funds that are paid into the Plan and allocated to each of the Members.

2.02 Administration of Trust. The Bureau shall act on behalf of the Members in such Members' collective capacity as the grantor of the Trust. The Bureau, in its capacity as the Plan Administrator, shall carry out certain administrative duties with respect to the operation of the Trust, as are more specifically set forth and described in the attached Trust instrument. The Plan Administrator shall appoint three (3) individuals to serve as the Trustees of the Trust. Each Trustee must be an employee and/or a director of a member of the Governing Board and shall serve, as set forth in the Trust, successive one (1) year terms consistent with the fiscal year of the Trust.

ARTICLE III

ESTABLISHMENT AND ADMINISTRATION OF INDIANA POOL

3.01 Establishment of Indiana Pool; Participation. Subject to the approval of these Articles by the Department, the Indiana Pool shall be established as of the Effective Date, and each of the Members shall be deemed to be participants. As participants, each of the Members shall, as among themselves, act within the Indiana Pool as reinsurers for each of the insurance policies issued under the Plan through Reinsurance Agreements with the Servicing Carriers for the purpose of sharing, through reinsurance, the premiums, losses, costs and/or expenses of the policies assigned to the Servicing Carriers. The premiums collected for such policies shall be delivered into and held by the Trust for the benefit of each of the Members, and applied or distributed by the Trust as set forth and described in these Articles, the Plan and/or the Reinsurance Agreement.

3.02 Administration of Indiana Pool. The Indiana Pool shall be operated, managed and controlled by the Bureau, which shall, acting in its capacity as the Plan Administrator, also provide pool administration services. The Plan Administrator shall be authorized to:

- (a) enter into agreements on behalf of the Indiana Pool to carry out the purposes of these Articles, including, but not limited to, Reinsurance Agreements;
- (b) hire specialists or other professionals to provide additional services necessary for the administration of the Indiana Pool, the Reinsurance Agreements and these Articles, including, without limitation, consultants, accountants, actuaries, attorneys and auditors;
- (c) act on behalf of the Indiana Pool to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of, or against the Indiana Pool based on or involving any matter relating to these Articles or the Reinsurance Agreements, or to intervene in any action or proceeding related thereto;
- (d) direct the payment of claims, expenses, assessments and other necessary charges or obligations arising from or related to the establishment, administration and/or operation of the Indiana Pool;

(e) promulgate and adopt procedures for the purposes of implementing the terms of these Articles; and

(e) take such actions as set forth in the Trust instrument, including the appointment and removal of the Trustees of the Trust.

3.03 Fees. The fees for services of specialists, including consultants, accountants, actuaries, attorneys and auditors, as well as others deemed necessary by the Plan Administrator shall be a proper charge against and an obligation of the Indiana Pool.

3.04 Fiscal Year. The fiscal year of the Indiana Pool shall be the calendar year, unless otherwise established by the Plan Administrator.

ARTICLE IV

MEMBERSHIP; MEMBERSHIP OBLIGATIONS

4.01 Membership. Each Member of the Bureau shall be a participant in the Indiana Pool and the Plan, and shall be bound by these Articles as a condition of its authority to transact worker's compensation and employers liability insurance in the State of Indiana.

4.02 Termination of Membership. A Member's participation in the Indiana Pool shall be terminated upon the occurrence of one or more of the following:

(a) withdrawal or non-renewal of the Member's license to write worker's compensation insurance in the State of Indiana;

(b) revocation of the Member's license to write worker's compensation insurance in the State of Indiana by the Commissioner; or

(c) adjudication of Insolvency of the Member.

Any provision herein to the contrary notwithstanding, a Member shall be deemed to be a Member of the Indiana Pool for any policy year corresponding to a calendar year during which such Member has positive Net Premiums Written in the State of Indiana as reported in its annual statement to the Department.

4.03 Member Obligations. Each Member shall:

(a) designate and provide to the Plan Administrator the name and address of an official of the Member's organization with authority to represent the Member in its dealings with the Indiana Pool and to whom all correspondence from the Indiana Pool shall be sent;

(b) report to the Plan Administrator, in the form and manner prescribed by the Plan Administrator, the Net Premiums Written by such Member during each calendar year;

(c) provide to the Plan Administrator such other information as the Plan Administrator may require to administer the affairs of the Indiana Pool and to determine the Member's allocable share of the Indiana Pool's surplus or deficit or the Member's ability to meet its obligations to the Indiana Pool;

(d) promptly pay, when required by the Plan Administrator, all assessments; and

(e) comply with such operational or administrative procedures as the Plan Administrator may from time to time prescribe.

4.04 Obligations after Termination. Any Member whose participation in the Indiana Pool is terminated shall nevertheless continue to be governed by the Indiana Pool and Plan rules for the policy year(s) for which the Member was a participant in the Indiana Pool. The Plan Administrator shall, as soon as reasonably practicable following a Member's termination, estimate the balance of the Member's account in the Indiana Pool based on the information then available. At the option of the Plan Administrator, the Member's account shall be settled either by: (i) payment in full by the Indiana Pool of the estimated amount due to the Member; (ii) payment in full by the Member of the estimated amount due to the Indiana Pool; (iii) an offset against the Member's allocable portion of the Trust Funds as provided in these Articles; or, (iv) periodic distributions from and/or offset assessments against, the Member's allocable portion of the Trust Funds at the time and in the manner applicable to other Members for the policy years for which the Member was a participant in the Indiana Pool.

ARTICLE V

INDIANA POOL FUNDS

5.01 Trust Funds. All monies of the Indiana Pool shall be held in the Trust and considered part of the Trust Funds, which shall include funds remitted by Servicing Carriers in accordance with the Reinsurance Agreement and funds withheld pursuant to the provisions of these Articles.

5.02 Investment of Trust Funds. The Trustees shall invest, or cause the investment of, the Trust Funds. Such investments shall be made pursuant to Ind. Code §27-1-13 et seq. The Trustees shall make disbursements from the Trust as directed by the Plan Administrator. The Trustees may retain in cash so much of the Trust Funds as they may deem advisable to satisfy liquidity needs of the Plan and to deposit any cash held in the Trust Funds in interest-bearing and non-interest-bearing bank accounts administered by financial institutions located in the State of Indiana. Provided, further, that to the extent the trust facilities of any such financial institution are used, such facilities and their respective trust departments must also be located within the State of Indiana.

5.03 Investment Income. The Plan Administrator shall hold income earned on the Trust Funds in the same manner as premiums remitted by Servicing Carriers under the Reinsurance Agreement. Such income shall be included in the determination of the Indiana Pools' operating results in accordance with the terms provided in these Articles. Investment income from the Trust Funds shall be apportioned among policy years based on the relationship which a given policy year's allocable portion of the Trust Funds available for investment bears to all policy years' Trust Funds available for investment.

5.04 Allocation to Members. The Trust Funds, including any investment income earned thereon, shall be allocated to and held for and on behalf of each of the Members in the Trust. The Trust Funds will, however, not be segregated, but may be commingled with all other monies comprising the Trust Funds. Distributions from the Trust Funds, if any, shall be made at the discretion of the Trustees, subject to the oversight of the Plan Administrator.

5.05 Pledge of Security Interest. Each Member's allocable portion of the Trust Funds shall be pledged as security for the payment and performance by the Members of its obligations under the Plan, including, specifically, the Reinsurance Agreements, and shall be subject to offset as set forth in 5.06 hereof. In the event of the Insolvency of a Member, the Insolvent Member's allocable portion of the Trust Funds shall continue to be held in trust as security against such Member's obligations until such time as the Plan Administrator, in its sole discretion, decides to offset or distribute such funds in the manner and as set forth in these Articles.

5.06 Right of Offset and Withdrawal. Each Member's allocable portion of the Trust Funds shall be, and it is anticipated will be in the normal course of the operation of the Indiana Pool, subject to offset and withdrawal by the Plan Administrator to pay the ongoing expenses of administration, claims and other sums due arising from the operation of the Indiana Pool, Plan or under the Reinsurance Agreements. Further, at the option of the Plan Administrator, the amount of any Member assessment made by the Indiana Pool or the Plan may be deducted from each Member's allocable portion of the Trust Funds.

5.07 Expenses of Administration. Expenses incurred by the Plan Administrator in the administration of the affairs of the Indiana Pool shall be a proper charge against the Indiana Pool. A record shall be kept of all such expenses, and the amount thereof shall be included in financial statements to Members along with other transactions of the Indiana Pool. Such expenses may be paid out of the Trust Funds as provided and authorized by these Articles, or may be assessed against the Members.

5.08 Examinations and Reserves. There shall be an annual independent actuarial evaluation of loss payments and reserves for outstanding claims as reported to the Plan Administrator by the Servicing Carrier for the purpose of determining the underwriting results from policies issued pursuant to the Plan.

5.09 Transactions, Accounts, and Financial Statements. Separate accounts shall be maintained by the Plan Administrator covering transactions for each policy year based on the

information provided by Servicing Carriers pursuant to the Reinsurance Agreements. The revenues and expenses of a policy year shall consist of the premiums earned and losses and expenses incurred with respect to policies issued during the calendar year corresponding to the policy year, including administration expenses, and shall include investment income attributed to the policy year as herein provided. The Plan Administrator shall prepare and deliver to each active Member an annual report of the transactions and status of each policy year and each Member's proportion of the Trust Funds.

5.10 Allocation of Pool Revenues and Expenses. The operating revenues and expenses of the Indiana Pool for each policy year shall be allocated to Members in proportion to their positive Net Premiums Written in Indiana during the calendar year corresponding to the policy year as reported by Members in their Annual Statements to the Department for such calendar year. Members which voluntarily write worker's compensation insurance policies, which would otherwise have been renewed through the Plan, shall be allowed a deduction from the amount of the Net Premiums Written in Indiana as reported in their Annual Statement, subject to rules prescribed by the Plan Administrator and approved by the Commissioner. In no event shall the amount of the deduction allowed hereunder during any calendar year exceed the amount of Net Premiums Written in Indiana during the same calendar year.

To the extent that an allocation required hereunder must be made prior to the availability of the report of actual Net Premiums Written for the calendar year to which such allocation applies, the Net Premiums Written for the preceding calendar year shall serve as the temporary basis for such allocation. Allocations so made shall be adjusted to reflect actual Net Premiums Written when the actual amounts are available. If for any reason the foregoing basis should prove inappropriate in a given case, the Plan Administrator shall make an equitable adjustment in the basis for allocation.

5.11 Distributions and Assessments. The Plan Administrator shall establish and maintain an account for each Member in which the Member's share of each policy year's revenues and expenses shall be recorded. At the end of each calendar year, the Plan Administrator shall examine the status of each policy year and determine whether a distribution or assessment is appropriate.

The Indiana Pool, through the Trust, shall always maintain Trust Funds adequate to meet the Indiana Pool's cash flow obligations. Projections of anticipated cash requirements shall be made to assure the adequacy of the Trust Funds. The Plan Administrator may levy interim assessments at any time that it is deemed necessary to meet the obligations of the Indiana Pool.

5.12 Termination of Pool. Any portion of the Trust Funds remaining on hand in the Indiana Pool on the date of final termination, after the payment and/or the establishment of appropriate reserves of any and all outstanding expenses and claims, shall be remitted to the Members, in the sole discretion of the Plan Administrator, either in proportion to their Net Premiums Written in Indiana during the calendar year corresponding to the final policy year of the Indiana Pool as reported by Members in their Annual Statements to the Indiana Department of Insurance for such calendar year, or in accordance with such other dissolution scheme as developed by the Plan Administrator and approved by the Plan Administrator.

5.13 Reports to the Commissioner. On or before June 30th of each calendar year, the Plan Administrator shall file with the Commissioner a report of the Indiana Pool's financial condition at the end of the immediately preceding calendar year and the results of Indiana Pool operations for such immediately preceding calendar year. The report shall include information regarding the Trust Funds, condition of Members' accounts, the make-up and character of the Trust's investment portfolio, and accident year development of the Indiana Pool's losses.

5.14 Audits. The accounts of the Indiana Pool, and the Plan Administrator's reports to the Commissioner shall be annually audited on a statutory accounting basis by an independent certified public accounting firm.

ARTICLE VI

INDEMNIFICATION

6.01 Indemnification. Any person or insurer against whom any claim, demand, action, suit or proceeding is made, commenced, asserted or threatened by reason of or relating to the fact that such person or insurer in his, her or its capacity as: (i) a member of the Governing Board; (ii) a Trustee of the Trust; (iii) a Plan Administrator; or (vii) an officer, partner, employee or agent of any of the foregoing (the "Indemnified Parties"), shall be indemnified against all judgments, fines, amounts paid in settlement, reasonable costs and expenses, including attorneys' fees, and any other liabilities that may be incurred and/or suffered as a result of such claim, demand, action, suit or proceeding made, commenced, asserted or threatened except with respect to matters: as to which the Indemnified Party or Parties shall be adjudged to be liable by reason of willful misconduct in the performance of his, her or its duties or obligations to the Indiana Pool or the Members; and any criminal actions or proceedings, where such person or insurer had reasonable cause to believe that his, her or its conduct was unlawful. Such indemnification shall be provided whether or not such person or insurer is one of the Indemnified Parties described above at the time such claim, demand, action, suit or proceeding is made, commenced, asserted or threatened. Such indemnification shall be limited to only those claims, demands, actions, suits and proceedings relating to or arising from the Indiana Pool or the Plan, including, but not limited to, the establishment, administration and operation of the Indiana Pool and the Plan. Such indemnification shall not be exclusive of other rights such person or insurer may have, and shall pass to and benefit the respective successors, heirs, executors or administrators of such person or insurer. The termination of any such civil or criminal action, suit or proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not in itself, create a presumption that any such person or insurer was liable by reason of willful misconduct, or that he, she or it had reasonable cause to believe that his, her or its conduct was unlawful. If any such claim, demand, action, suit or proceeding is compromised, it must be with the approval of the Governing Board.

6.02 Entitlement to Indemnification. In each instance in which a question of indemnification arises, entitlement thereto, pursuant to the conditions set forth in 6.01 above, shall be determined by the Plan Administrator who shall also determine the time and manner of payment of such indemnification; provided, however, that a person or insurer who has been

wholly successful, on the merits or otherwise, in the defense of a civil or criminal action, suit or proceeding of the character described in 6.01 above shall be entitled to indemnification as provided in said section. The rights provided under Article VI shall not be exclusive of the rights to which any person or insurer may be entitled as a matter of law.

6.03 Indemnification Expenses. All indemnity payments or expenses incurred by the Indiana Pool by reason of the indemnification provided above, shall be an operating expense of the Indiana Pool. To the extent that the action giving rise to the indemnity payment or expense can be attributed to a particular policy year, the expense shall be a charge against that policy year. Otherwise, the Plan Administrator shall make a good faith effort to allocate such indemnity payment or expense among policy years in a manner deemed appropriate by the Plan Administrator.

ARTICLE VII

INSOLVENCY

7.01 Member Insolvency. If at the time of a Member's Insolvency, the Insolvent Member's account in the Indiana Pool reflects a net balance due to the Indiana Pool and the liquidator or receiver of the Insolvent Member does not have sufficient funds available to make a final adjustment of the account, the Insolvent Member's share of the undistributed surplus and/or uncollected deficits for each policy year for which the Insolvent Member was a participant in the Indiana Pool shall be reallocated to the remaining Members as if the Insolvent Member had not been a participant of the Indiana Pool for such policy years.

7.02 Insolvency of Servicing Carrier. In the event that a Servicing Carrier becomes Insolvent, the Plan Administrator shall have the option to:

(a) pay to the receiver, conservator, rehabilitator, liquidator or other appropriate representative of the Insolvent Servicing Carrier the losses and expenses for which the Indiana Pool is liable under the Reinsurance Agreement; or

(b) subject to the approval of the receiver, conservator, rehabilitator, liquidator or other appropriate representative, and subject to the approval of any court having jurisdiction over the proceedings, assume the policy obligations of the Insolvent Servicing Carrier for policies written pursuant to the Plan and reinsured by the Indiana Pool.

If option (b) above is exercised, the Plan Administrator shall make arrangements to have all policies that have been assigned to and are being serviced by the Insolvent Servicing Carrier reassigned to another Servicing Carrier. The successor Servicing Carrier shall assume all of the duties and obligations of the Insolvent Servicing Carrier and shall be entitled to the reinsurance provided by the Indiana Pool. Payment made on account of such policies, including expenses for the servicing thereof, shall be reimbursed by the Indiana Pool and apportioned to the policy years for which such policies were originally issued.

All amounts due an Insolvent Servicing Carrier from the Indiana Pool as a result of the reinsurance provided to such Servicing Carrier and all amounts due from an Insolvent Servicing Carrier as a Member shall be merged into one account and deemed mutual debits and credits which the Indiana Pool may offset.

7.03 Rights of Pool. The Indiana Pool shall have all of the rights allowed by law against the estate or funds of an Insolvent Member for recovery of amounts that have been absorbed by the other Members of the Indiana Pool as herein provided. The Plan Administrator may assert and enforce such rights on behalf of the Indiana Pool and its participants against the Insolvent member and/or such Member's allocable portion of the Trust Funds.

7.04 Reservation of Termination Rights. Anything in the Article to the contrary notwithstanding, the Plan Administrator may, in the event such action is, in the Plan Administrator's sole judgment, feasible and desirable, and in a manner equitable to all Members, elect not to terminate the participation of an Insolvent Member, and permit such Member to continue its participation in the Indiana Pool upon the conditions as the Plan Administrator may prescribe and subject in all respects to these Articles and the rules and procedures applicable to the Indiana Pool and/or the Plan.

ARTICLE VIII

DISPUTES

All disputes arising under the Plan, including these Articles, shall be subject to and administered pursuant to the Dispute Resolution procedures set forth in the Plan of Operation document.

ARTICLE IX

EFFECT ON PRIOR POLICIES

As of the Effective Date, Indiana shall no longer participate in the National Pool with respect to new policies issued under the Plan. All policies issued under previous worker's compensation insurance plans filed by the Bureau and approved by the Department shall continue to be administered in the normal course under the auspices of the National Pool and the Bureau. Nothing contained herein shall in any manner affect, diminish or enlarge any Member's existing reinsurance liability for policies issued prior to the Effective Date, which shall in all respects continue unabated.

ARTICLE X

MISCELLANEOUS

10.01 Incorporation of Recitals. The recitals set forth hereinabove are hereby incorporated into these Articles and made a part hereof as though set forth in their entirety.

10.02 Governing Law/Venue. These Articles shall be governed by, and construed in accordance with, the laws of the State of Indiana, and any and all disputes hereunder shall be litigated in courts located in Marion County in the State of Indiana.

10.03 Modifications and Amendments. The provisions of these Articles may be amended by the Plan Administrator, provided, however, any amendment to these Articles shall become effective only upon approval by the Commissioner.

10.04 Termination. The authority to terminate the Indiana Pool is vested in the Plan Administrator, subject to the approval of the Commissioner. In the event of the termination of the Indiana Pool, the termination shall be effective as of the date set forth by the Commissioner and the procedure for winding up the affairs of the Indiana Pool shall be accomplished pursuant to the direction of the Commissioner.

ARTICLE XI

APPROVAL BY DEPARTMENT

The undersigned, the Commissioner of the Department of Insurance of the State of Indiana, has reviewed the foregoing Articles of Administration for the Indiana Assigned Risk Pool and all matters incorporated therein and has determined that these Articles are reasonable, comply with the laws and regulations of the State of Indiana, and provide a mechanism whereby Members can satisfy respective quota share reinsurance obligations as among themselves within the Indiana Worker's Compensation Plan. I hereby approve the Indiana Pool and its use as a reinsurance mechanism for the Indiana Worker's Compensation Plan for all policies issued on and after the Effective Date.

REVIEWED AND APPROVED this _____ day of _____, 20____.

Indiana Department of Insurance

By: _____
Printed: _____
Title: _____

Exhibit "A"

Grantor Trust