

ESCROW AGREEMENT FOR SETTLEMENT PAYMENTS

This ESCROW AGREEMENT FOR SETTLEMENT PAYMENTS (the “Escrow Agreement”) is entered into by and between Zurich American Insurance Company and its insurance subsidiaries (including but not limited to, Steadfast Insurance Company, Fidelity and Deposit Company of Maryland, Empire Fire and Marine Insurance Company, American Guarantee and Liability Insurance Company, Empire Indemnity Insurance Company, and Assurance Company of America), the Office of the Attorney General of the States of Florida, Texas and the Commonwealth of Massachusetts, the law firms of Whatley, Drake & Kallas, LLC and Miller Faucher and Cafferty LLP, and [BANK], as escrow agent.

WHEREAS, the Zurich Defendants¹ were named as defendants in a putative class action (the “Action”) styled *In re Insurance Brokerage Antitrust Litigation*, MDL No. 1663, Civil No. 04-5184 (FSH), in which Plaintiffs alleged that the Zurich Defendants engaged in certain conduct that, among other things, violated federal and state statutes and common law; and

WHEREAS, Plaintiffs and the Zurich Defendants entered into a Settlement Agreement on _____, 2006; and

WHEREAS, certain of the Zurich Defendants entered into the Multi-State Agreement with the Settling Attorney Generals and into Regulatory Settlement Agreements with the Settling Insurance Regulators; and

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1. Capitalized terms in this Escrow Agreement have the meaning ascribed to them as set out in Section _____ of this Escrow Agreement.

WHEREAS, the Settlement Agreement requires the Zurich Defendants to pay or cause to be paid into the Escrow Account

1. the Initial Funding Amount within ten (10) Business Days following the date upon which the Court enters the Preliminary Approval Order;
 2. the Multi-State/Regulatory Settlement Amount within ten (10) Business Days following the date upon which the Court enters the Preliminary Approval Order;
 3. the Secondary Funding Amount (if any) within ten (10) Business Days following the date on which the Secondary Funding Amount (if any) is calculated;
- and

WHEREAS, the Preliminary Approval Date occurred on _____, 2006.

NOW, THEREFORE, the Zurich Defendants, Co-Lead Counsel, and the Party Attorneys General agree as follows:

1. **Definitions and Interpretations**

a. As used in this Escrow Agreement, capitalized terms either (i) have the same meaning as ascribed to them in Section I of the Stipulation of Settlement or (ii) have the meaning as ascribed to them in this Escrow Agreement, including as follows:

(1) "Multi-State/Regulatory Settlement Amount" means the amount of Fifty-One Million Seven Hundred Thousand Dollars (\$51,700,000).

(2) "Multi-State/Regulatory Subaccount" means the subaccount within the Escrow Account in which the Escrow Agent shall deposit the AG/Regulatory Settlement Amount.

(3) "Class Action Subaccount" means the subaccount within the Escrow Account in which the Escrow Agent shall deposit the Initial Funding Amount and the Secondary Funding Amount (if any).

(4) "Deposit Date" means a date that is within ten (10) Business Days following the Preliminary Approval Date, as defined in the Settlement Agreement.

(5) "Escrow Account" means Account # _____, an interest-bearing account, established and administered pursuant to this Escrow Agreement, into which the Combined Settlement Amount shall be deposited, as described herein.

(6) "Escrow Agent" means _____.

(7) "Escrow Agreement" means this Escrow Agreement for Settlement Payments.

(8) "Escrow Expenses" means the reasonable out-of-pocket expenses incurred by the Escrow Agent in connection with the Escrow Account (including with respect to the payment of any taxes due on any monies in the Escrow Account), which expenses shall be paid, consistent with the terms set out in Section ___ below, 58% from the Class Action Account and 42% from the Multi-State/Regulatory Subaccount.

(9) “Escrow Funds” means all monies that are held in the Class Action Subaccount and the Multi-State/Regulatory Subaccount of the Escrow Account.

(10) “Final Disputed Amounts” means the aggregate, without duplication, of the following: (i) the portion of the Final Escrow Expenses (if any) disapproved by the Zurich Defendants, Co-Lead Counsel and/or the Party Attorneys General (as the case may be) with respect to which the Escrow Agent has, by the date required in Section _____ or Section _____ below (as the case may be), expressed an intention to submit a dispute to the Court pursuant to Section ___ below and (ii) the portion of disapproved Escrow Expenses (if any) that are the subject of a dispute that is pending before the Court as of the date the Escrow Agent receives a Joint Written Notice that this Escrow Agreement is to be terminated pursuant to either Section 5a or Section 5b below.

(11) “Final Escrow Expenses “ means Escrow Expenses respecting which the Escrow Agent has not yet sought approval as of the date on which the Escrow Agent receives a Joint Written Notice that the Settlement Agreement has been terminated pursuant its terms.

(12) “Guaranteed Settlement Amount” means the amount of one hundred million dollars (\$100,000,000).

(13) “Initial Funding Amount” means the amount of Seventy Million One Hundred Thousand Dollars (\$70,100,000).

(14) “Interest Rate” means interest calculated on a simple interest basis based upon the one-year LIBOR rate; provided that for each month during which interest is to be calculated, the rate shall be established based upon the one-year LIBOR rate on the first (1st) day of each month, as published in The Wall Street Journal under the description of “Money Rates.”

(15) “Joint Written Notice” means a written instruction or notice of the occurrence of an event provided to the Escrow Agent that is signed by the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General.

(16) “Qualified Settlement Fund” means a fund within the meaning of Treasury Regulations § 1.468B-1.

(17) “Secondary Funding Amount” means an amount up to twenty-nine million, nine hundred thousand dollars (\$29,900,000), which amount shall be calculated as set out in the Settlement Agreement.

(18) “Settlement Agreement Termination Date” means the effective date of a termination of the Settlement Agreement.

b. Unless stated otherwise, a reference to a Section means a Section of this Escrow Agreement.

c. The plural shall include the singular and vice versa.

d. A reference to “including” shall be deemed to be followed by “without limitation.”

e. Section headings in this Escrow Agreement are for convenience only and shall not be construed as part of this Escrow Agreement.

2. **Appointment of and Acceptance by Escrow Agent**

The Zurich Insurers, Co-Lead Counsel, and the Party Attorneys General hereby jointly appoint [BANK] to act as the Escrow Agent for this Escrow Agreement, and [BANK] hereby accepts this appointment and, upon receipt of the Initial Funding Amount and the Multi-State/Regulatory Settlement Amount, agrees to act as the Escrow Agent pursuant to the terms and conditions set forth in this Escrow Agreement.

3. **Deposits into the Escrow Account**

a. Upon execution of this Escrow Agreement, the Escrow Agent shall establish the Escrow Account with two (2) subaccounts: the Class Action Funding Subaccount and the Multi-State/Regulatory Subaccount. The Escrow Agent shall promptly verify to the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General the establishment of the Escrow Account including subaccounts, and provide to the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General all relevant account information.

b. On or before the Deposit Date, the Zurich Defendants shall deposit or cause to be deposited by wire transfer, certified check or other guaranteed funds into the Escrow Account

(1) the Initial Funding Amount and

(2) the Multi-State/Regulatory Settlement Amount.

c. Upon receipt of the Initial Funding Amount and the Multi-State/Regulatory Settlement Amount as described in Section 3b above, the Escrow Agent shall deposit the Initial Funding Amount into the Class Action Subaccount and the Multi-

State/Regulatory Settlement Amount into the Multi-State/Regulatory Subaccount. The Escrow Agent shall acknowledge the receipt of the Initial Funding Amount and the Multi-State/Regulatory Settlement Amount and the deposit of each into the appropriate subaccounts (as described in this Section 3c) to the Zurich Defendants, Co-Lead Counsel, and Party Attorneys General.

d. If any Secondary Funding Amount is required to be paid by the Zurich Defendants pursuant to the terms of the Settlement Agreement, the Zurich Defendants shall deposit or cause to be deposited into the Escrow Account within ten (10) Business Days following the date on which the Secondary Funding Amount (if any) is calculated the Secondary Funding Amount. Upon receipt of the Secondary Funding Amount, the Escrow Agent shall deposit the Secondary Funding Amount into the Class Action Subaccount. The Escrow Agent shall acknowledge the receipt of the Secondary Funding Amount and its deposit into the Class Action Subaccount to the Zurich Defendants, Co-Lead Counsel, and Party Attorneys General.

e. The Escrow Agent is instructed and authorized to invest all Escrow Funds (including any and all subaccounts of the Escrow Account) in demand deposits held by [BANK] at a market rate of interest, with an initial _____ percent yield.

f. The Escrow Agent shall hold the Escrow Funds in the subaccounts as provided in this Escrow Agreement and shall not withdraw any proceeds from any subaccount except as provided in this Escrow Agreement. The Escrow Funds (as such funds may be reduced by distributions required to be made under this Escrow Agreement) shall be held only for the purposes and subject to the terms and conditions

set forth in this Escrow Agreement, and shall not be subject to any lien, attachment, trusteeship or any other judicial process. No third parties or their respective creditors shall have any right to, or claim respecting, the Escrow Funds.

g. Any and all income earned on the Escrow Funds in the Escrow Account (including all subaccounts) shall accrue to and become part of the respective subaccount on which it was earned.

h. The Escrow Account (including all subaccounts) shall be held separately and segregated from all other funds or accounts held by the Escrow Agent.

4. Payments and Distributions from Escrow Account

a. *Administration of Payments*

(1) The Escrow Agent shall, within five (5) business days following the end of each calendar month in which the Escrow Account is in existence, provide to the Zurich Insurers, Co-Lead Counsel and the Party Attorneys General the following information respecting the Escrow Account: (i) an accounting of all Escrow Funds paid out of the Escrow Account (and paid out of each subaccount) during such calendar month, including amounts paid to the Escrow Agent, (ii) the interest earned on the Escrow Account (and on each subaccount) during such calendar month and (iii) the balance of the Escrow Account (and of each subaccount) as of the date of the accounting.

(2) The Escrow Agent shall be responsible for filing any tax forms that are necessary respecting the Escrow Account.

b. ***Expenses Respecting the Escrow Account***

(1) Subject to Section _ below, the Escrow Agent shall be reimbursed for Escrow Expenses, which reimbursements shall be made from the Escrow Funds pursuant to the following terms:

(a) Invoices for Escrow Expenses shall be submitted by the Escrow Agent to the Zurich Defendants, Co-Lead Counsel, and Party Attorneys General on a timely basis, and in no event later than the month following the month in which the Escrow Expenses were incurred.

(b) Upon their receipt of an invoice for Escrow Expenses, the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General shall, within ten (10) days of receiving the invoice, advise the Escrow Agent in writing if they approve or disapprove the invoice or any portion of it; *provided further* that if all three of the Zurich Defendants, Co-Lead Counsel and Party Attorneys General fail to disapprove all or a portion an invoice within fourteen (14) days of receiving the invoice, such invoice shall be deemed approved in its entirety.

(c) Upon being notified of approval of an invoice (or upon the passage of fourteen (14) days time as provided above) for Escrow Expenses by the Zurich Defendants, Co-Lead Counsel and by the Party Attorneys General, the Escrow Agent is authorized to reimburse itself respecting such Escrow Expenses (or the approved portion of such Escrow Expenses) out of Escrow Funds.

(d) Upon being notified of disapproval of an invoice (or any portion of an invoice) for Escrow Expenses by the Zurich Defendants,

Co-Lead Counsel, and/or by the Party Attorneys General, the Escrow Agent (i) is authorized to pay to itself any portion (if any) of the Escrow Expenses that the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General have approved and (ii) may, in its discretion, submit any dispute with respect to disapproved Escrow Expenses (or any portion thereof) to the Court pursuant to Section __ below.

c. ***Upon Termination of this Escrow Agreement***

(1) If the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General provide Joint Written Notice to the Escrow Agent that the Final Settlement Date has occurred, distribution of the Escrow Funds shall be made pursuant to Section __ below.

(2) If the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General provide Joint Written Notice to the Escrow Agent that Settlement Agreement has been terminated pursuant to its terms, distribution of the Escrow Funds shall be made pursuant to Section ___ below.

5. **Termination of the Escrow Agreement**

a. ***Upon the Occurrence of the Final Settlement Date***

(1) If the Final Settlement Date occurs, this Escrow Agreement shall terminate and the Escrow Funds shall be distributed pursuant to the following terms:

(a) Within five (5) Business Days following the Final Settlement Date:

(i) the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General shall provide joint written notice to the Escrow Agent advising the Escrow Agent of the occurrence of the Final Settlement Date, including date on which the Final Settlement Date occurred; and

(ii) Co-Lead Counsel and the Party Attorneys General shall provide the Escrow Agent with wire instructions respecting the distribution called for by this Section ____.

(b) Within ten (10) Business Days following the Final Settlement Date, the Escrow Agent shall provide to the Zurich Insurers any outstanding invoices for all Final Escrow Expenses (to the extent not previously invoiced).

(c) Within fifteen (15) Business Days following the Final Settlement Date, Co-Lead Counsel and the Party Attorneys General shall advise the Escrow Agent in writing if they approve or disapprove any invoices or any portion of invoices regarding Final Escrow Expenses; *provided* that if the both Co-Lead Counsel and the Party Attorneys General fail to disapprove all or a portion of any invoice received pursuant to Section __ within sixteen (16) Business Days following Final Settlement Date, such invoice shall be deemed approved in its entirety; *provided further* that if Co-Lead Counsel and/or the Party Attorneys General disapprove any invoice (or portion of any invoice) relating to Final Escrow Expenses, the Escrow Agent shall, within eighteen (18) Business Days following the Final Settlement Date, advise Co-Lead Counsel and the

Party Attorneys General in writing if the Escrow Agent intends to submit a dispute regarding such disapproval to the Court pursuant to Section ___ below.

(d) Within twenty (20) Business Days following the Final Settlement Date, the Escrow Agent shall disburse and distribute Escrow Funds as follows:

(i) the portion of the Final Escrow Expenses approved by Co-Lead Counsel and the Party Attorneys General to the Escrow Agent;

(ii) the balance of the Escrow Funds in the Class Action Subaccount after the distribution in Section ___ above has occurred and less any Final Disputed Amounts that might be required to be paid out of the Class Action Subaccount to [name of account to receive funds] consistent with the wire instructions provided to the Escrow Agent pursuant to Section ___ above; and

(iii) the balance of the Escrow Funds in the Multi-State/Regulatory Subaccount to [name of account to receive funds] after the distribution in Section ___ above has occurred less any Final Disputed Amounts that might be required to be paid out of the Multi-State/Regulatory Subaccount consistent with the wire instructions provided to the Escrow Agent pursuant to Section ___ above; *provided however*, that if a Final order has not been entered in each of the states whose attorneys general are parties to the Multi-State Agreement consistent with the terms of the Multi-State Agreement, the Zurich Defendants shall, within fifteen (15) Business Days following the Final Settlement Date, so inform the Escrow Agent in writing and pursuant

to such notification, the Escrow Agent shall maintain the balance of the Escrow Funds in the Multi-State/Regulatory Subaccount in such Subaccount until such time as the Zurich Defendants notify the Escrow Agent in writing that a Final order has been entered in each such state; *provided further* that upon receiving written notification from the Zurich Defendants that a Final order has been entered in each of the states whose attorneys general are parties to the Multi-State Agreement, the Escrow Agent shall, within three (3) Business Days following receipt of such notice, disburse the balance of the Escrow Funds in the Multi-State/Regulatory Subaccount after the distribution in Section ___ above has occurred and less any Final Disputed Amounts that might be paid out of the Multi-State/Regulatory Subaccount to [name of account to receive funds] consistent with the wire instructions provided to the Escrow Agent pursuant to Section ___ above; *provided further* that if a Final order has not been entered in each such state within three (3) years from the Execution Date, the balance of the Escrow Funds in the Multi-State/Regulatory Subaccount shall be returned to the Zurich Defendants.

(e) To the extent there are any Final Disputed Amounts at the time the distribution pursuant to this Section ___ occurs, the Escrow Agent shall retain Escrow Funds in the appropriate subaccounts of the Escrow Account in an amount equal to the Final Disputed Amounts until such time as the dispute(s) regarding the Final Disputed Amounts are resolved pursuant to Section ___ below.

(f) The Escrow Agent shall distribute Escrow Funds retained pursuant to Section ___ above consistent with the rulings of the Court pertaining to such Final Disputed Amounts; *provided* that upon notification that the Court

has issued a ruling respecting any dispute involving Final Disputed Amounts, the Escrow Agent shall, within five (5) Business Days following receipt of a copy of such ruling, distribute the relevant Escrow Funds accordingly.

(i) When all disputes regarding Final Disputed Amounts are resolved and the Escrow Agent has distributed the relevant Escrow Funds accordingly, the Escrow Account shall be terminated; *provided* that if any Escrow Funds remain in the account at the time of termination (and after all distributions required by Sections ____ and ____ have been made), such Escrow Funds shall be distributed as directed by Co-Lead Counsel and the Party Attorneys General consistent with the terms of the Settlement Agreement.

(g) On the date on which the last of the disbursements are made pursuant to Sections __ above, the Escrow Agent shall provide the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General with an accounting as to the interest that has accrued on the Escrow Funds starting from the date the Initial Funding Amount, the Secondary Funding Amount (if any) and the Multi-State/Regulatory Settlement Amount were deposited into the Escrow Account and ending on the date that the disbursements are made pursuant to Sections ____ above. The Escrow Agent shall also calculate for the same period of time an imputed interest amount that is equal to the total amount of interest that would have accrued on the Escrow Funds if interest were accrued at the Interest Rate for the entire period and if the Secondary Funding Amount had been deposited in the Class Action Subaccount at the same time as the Initial Funding Amount was deposited into the Class Action Subaccount; *provided*

that such calculation shall take into account all disbursements made from Escrow Funds pursuant to Section ___ above. The Escrow Agent shall provide such calculation of the imputed interest amount to the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General. If the imputed interest amount is larger than the actual interest that accrued on the Escrow Funds, the Zurich Defendants shall pay the difference between the two amounts consistent with the terms of the Settlement Agreement.

b. *Upon Termination of the Settlement Agreement*

(1) If the Settlement Agreement Termination Date occurs, this Escrow Agreement shall terminate and the Escrow Funds shall be distributed pursuant to the following terms:

(a) Within five (5) Business Days following Settlement Agreement Termination Date:

(i) the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General shall provide the Escrow Agent with Joint Written Notice that the Settlement Agreement Termination Date has occurred, including date on which the Settlement Termination Date occurred; and

(ii) the Zurich Defendants shall provide the Escrow Agent with wire instructions respecting the distributions called for by this Section ___.

(b) Within ten (10) Business Days following the Settlement Agreement Termination Date, the Escrow Agent shall provide to the Zurich Defendants any outstanding invoices for Final Escrow Expenses.

(c) Within fifteen (15) Business Days following the Settlement Agreement Termination Date, the Zurich Defendants shall advise the Escrow Agent in writing if they approve or disapprove any invoices or any portion of invoices regarding Final Escrow Expenses; *provided* that if the Zurich Defendants fail to disapprove all or a portion of any invoice received pursuant to Section __ within sixteen (16) Business Days following the Settlement Agreement Termination Date, such invoice shall be deemed approved in its entirety; *provided further* that if the Zurich Defendants disapprove any invoice (or portion of any invoice) relating to Final Escrow Expenses, the Escrow Agent shall, within eighteen (18) Business Days following the Settlement Agreement Termination Date, advise the Zurich Defendants in writing if the Escrow Agent intends to submit a dispute regarding such disapproval to the Court pursuant to Section __ below.

(d) Within twenty (20) Business Days following the Settlement Agreement Termination Date pursuant to its terms, the Escrow Agent shall disburse and distribute Escrow Funds as follows:

(i) the portion of the Final Escrow Expenses approved by the Zurich Defendants pursuant to Section __ above to the Escrow Agent;

(ii) the balance of the Escrow Funds after the distribution described in Section ____ has occurred less any Final Disputed Amounts to the Zurich Defendants.

(e) To the extent there are any Final Disputed Amounts at the time the distribution pursuant to this Section __ occurs, the Escrow Agent shall retain Escrow Funds in the Escrow Account in an amount equal to the Final Disputed Amounts until such time as the dispute(s) regarding the Final Disputed Amounts are resolved pursuant to Section __ below.

(f) The Escrow Agent shall distribute Escrow Funds retained pursuant to Section __ above consistent with the rulings of the Court pertaining to such Final Disputed Amounts; *provided* that upon notification that the Court has issued a ruling respecting any dispute involving Final Disputed Amounts, the Escrow Agent shall, within five (5) Business Days following receipt of a copy of such ruling, distribute the relevant Escrow Funds accordingly.

(g) When all disputes regarding Final Disputed Amounts are resolved and the Escrow Agent has distributed the relevant Escrow Funds accordingly, the Escrow Account shall be terminated; *provided* that if any Escrow Funds remain in the account at the time of termination (and after all distributions required by Sections _____ have been made), such Escrow Funds shall be distributed to the Zurich Defendants.

6. Settlement of Disputes

a. Any issue, claims and/or disputes arising in connection with this Escrow Agreement, including any disputes regarding the payment of Escrow Expenses or Final Escrow Expenses, shall be submitted to the Court for resolution; *provided* that any submission of a dispute to the Court shall be subject to the following:

(1) any submission regarding a dispute shall be made within the time periods set out in this Escrow Agreement; *provided* that if there is no specific time period regarding a particular dispute, the submission shall be made within twenty (20) Business Days of the date on which the submitting party first learns of the conduct or act that gives rise to the dispute;

(2) the party submitting a dispute to the Court shall provide notice of the submission pursuant to the notice provisions of this Escrow Agreement;

(3) all parties agree to be bound by the determination of the Court regarding any issues, claims and/or disputes in connection with this Escrow Agreement, which determination shall not be subject to appeal.

b. If the Escrow Agent is uncertain as to its duties or rights under this Escrow Agreement, or receives instructions, claims or demands from a party to the Escrow Agreement that, in its opinion, conflict with the terms of this Escrow Agreement, it may refrain from taking action in connection with the Escrow Funds or the funds with respect to which such uncertainty or conflict exists, until it is able to obtain a resolution of the issue pursuant to this Section __. During the period in which the issue remains unresolved, the Escrow Agent's sole obligation with respect to the Escrow Funds that are the subject of the dispute shall be to keep safely such Escrow Funds and related books and records it holds under this Escrow Agreement; *provided* that with respect to all other Escrow Funds as to which there is no dispute, the Escrow Agent shall be bound by the terms and conditions of this Escrow Agreement.

c. EACH OF THE PARTIES IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDINGS ARISING OUT OF, RELATING TO OR IN CONNECTION WITH THIS AGREEMENT, OR ITS BREACH, TERMINATION OR VALIDITY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT:

(1) NO REPRESENTATIVE, AGENT OR ATTORNEY OR ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION SEEK TO ENFORCE THIS WAIVER;

(2) EACH SUCH PARTY UNDERSTAND AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER;

(3) EACH SUCH PARTY MAKES THIS WAIVER VOLUNTARILY; AND

(4) EACH SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATION IN THIS SECTION.

7. ***Provisions Regarding the Escrow Agent***

a. The Escrow Agent has no duties or responsibilities except those expressly provided in this Escrow Agreement. The Escrow Agent has no liability under this Escrow Agreement except for its own bad faith, gross negligence, willful misconduct or breach of this Escrow Agreement. It may rely on any Joint Written Notice

which it reasonably believes to be genuine and to have been signed or presented by a proper person or persons.

b. The Escrow Agent has no duties with respect to any agreement(s) with respect to the Escrow Funds other than as provided in this Escrow Agreement. The Escrow Agent has no interest in the Escrow Funds except as provided in this Escrow Agreement. This Section __ shall survive notwithstanding the termination of this Escrow Agreement or the Escrow Agent's resignation or removal.

c. The Escrow Agent shall keep proper books of record and account, and make full and correct entries of the receipts and disbursements in the Escrow Account.

d. In addition to the accountings that the Escrow Agent shall provide pursuant to Section ____ above, the Escrow Agent shall provide to the Zurich Defendants, Co-Lead Counsel and/or to the Party Attorneys General, upon written request and without additional cost, a statement of transaction details on completion of any transaction involving the Escrow Account.

e. The Escrow Agent may resign as escrow agent by giving sixty (60) days notice by registered or certified mail to the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General consistent with Section __ below. Subject to Section __ below, such resignation shall take effect at the end of such sixty (60) days or on the Escrow Agent's earlier receipt of Joint Written Notice of appointment of a new escrow agent.

f. The Zurich Defendants, Co-Lead Counsel and the Party Attorneys General may jointly remove the Escrow Agent by sending the Escrow Agent a Joint Written Notice regarding such removal. Such removal shall be effective on the date set forth in such Joint Written Notice.

g. Notwithstanding anything in Sections ___ and ___, the resignation or removal of the Escrow Agent shall not be effective unless and until the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General jointly appoint a successor escrow agent. If no Joint Written Notice of appointment of a new escrow agent has been delivered to the Escrow Agent within sixty (60) days after the Escrow Agent delivers its notice of resignation or by the effective date of its removal, the resigning or removed Escrow Agent may, at the Zurich Defendants', Co-Lead Counsel's and the Party Attorneys General's expense (which expense shall be paid out of the Escrow Funds), petition the Court for appointment of a successor escrow agent. The Escrow Agent's resignation or removal shall not discharge any liability or obligations of the Escrow Agent arising before the effective date of its resignation or removal.

h. The Zurich Defendants, Co-Lead Counsel and the Party Attorneys General shall jointly appoint a successor escrow agent to fill any vacancy resulting from (i) the Escrow Agent being dissolved or otherwise becoming incapable of acting, (ii) the Escrow Agent being taken over by a government official, agency, department or board, or (iii) the Escrow Agent's position becoming vacant for any other reason.

i. The Zurich Defendants, Co-Lead Counsel and the Party Attorneys General shall cause any successor escrow agent appointed pursuant to this Escrow Agreement to execute, acknowledge and deliver to the Escrow Agent, and to the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General, an instrument in writing accepting its appointment, at which point:

(1) The Escrow Agent shall deliver to its successor, as directed in writing by the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General, all property and moneys it holds under this Escrow Agreement, and the books of records and account (including the accounting described in Section ___ above), and any other information, required by the successor escrow agent to perform its obligations under the escrow agreement among the Zurich Defendants, Co-Lead Counsel and the Party Attorneys General and such successor escrow agent.

j. The Zurich Defendants, Co-Lead Counsel and the Party Attorneys General shall release the Escrow Agent with respect to all claims, damages and liabilities for anything done or omitted by the Escrow Agent in performing its duties under this Escrow Agreement, except such claims that are based upon the Escrow Agent's bad faith, gross negligence, willful misconduct or breach of this Escrow Agreement.

k. Subject to Section ___ above, the Escrow Agent shall not be liable for special, indirect or consequential loss or damage (including lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

1. The Escrow Agent is acting under this Escrow Agreement as a stakeholder only and is an independent contractor with respect to each party. No provision of this Escrow Agreement is intended to create any principal, joint venture, partnership or debtor/creditor relationship between or among the Escrow Agent and any of the parties.

8. **General Matters**

a. This Escrow Agreement shall be governed by and interpreted according to the laws of the State of New Jersey, excluding its conflict of laws provisions. All disputes arising under this Escrow Agreement shall be resolved through the procedure described in Section __ above.

b. This Escrow Agreement is binding on and shall inure to the benefit of the parties' heirs, executors, administrators, legal representatives, successors and permitted assigns.

c. This Escrow Agreement may be executed in one or more counterparts which, taken together, constitute one and the same instrument. Execution by facsimile or by an electronically transmitted signature shall be fully and legally binding on a party.

d. No amendment or discharge of this Escrow Agreement, or waiver under it, shall be valid or binding unless set forth in writing and duly signed by the party against whom enforcement of the amendment, discharge or waiver is sought and by the Escrow Agent. Any such waiver shall waive only the specific matter described in the writing and shall not impair the rights of the party granting the waiver in any other

respect or at any other time. Neither the waiver by a party of a breach of a provision of this Escrow Agreement, nor the failure by a party, on one or more occasions, to enforce a provision of this Escrow Agreement, or to exercise a right or privilege under this Escrow Agreement, shall constitute a waiver of any other breach of a similar nature, or a waiver of any of such provisions, rights or privileges under this Escrow Agreement.

e. The invalidity or unenforceability of any provision of this Escrow Agreement in any jurisdiction shall not affect the validity or enforceability of the rest of this Escrow Agreement in that jurisdiction or the validity or enforceability of this Escrow Agreement (including that provision) in any other jurisdiction. If any restriction or provision of this Escrow Agreement is held unreasonable, unlawful or unenforceable in any respect, such restriction or provision shall be interpreted, revised or applied in a manner that makes it lawful and enforceable to the fullest extent possible under law.

f. Notices, requests, demands and other communications under this Escrow Agreement shall be in writing and shall be deemed to have been given (unless otherwise specifically provided for in this Escrow Agreement) if delivered by hand, delivered by a nationally recognized overnight courier for next-day delivery, mailed (registered or certified mail, postage prepaid) or telecopied (which telecopy is confirmed by a transmission receipt):

If to the Party Attorneys General:

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If to the Escrow Agent:

[INDIVIDUAL NAME]
[BANK]
[ADDRESS]
[TELEPHONE]
[FACSIMILE]

Notices, requests, demands and communications shall be deemed to have been given
(i) on the date on which so hand-delivered (or, if not delivered before 5:00 p.m. Eastern
Time, on the next business day), (ii) on the next business day if delivered by a nationally
recognized overnight courier, (iii) on the third business day after the date on which

mailed or *(iv)* on the date on which telecopied and confirmed (or, if telecopy does not occur before 5:00 p.m. Eastern Time on a business day, on the next business day).

g. The Escrow Agent represents and warrants that *(i)* this Escrow Agreement has been duly authorized, executed and delivered on its behalf and constitutes its legal, valid and binding obligation and *(ii)* its execution, delivery and performance of this Escrow Agreement does not and will not violate any statute, law, rule or regulation.

h. Ralph Ferrara and Ann Ashton represents that *(i)* they are authorized to execute and deliver this Escrow Agreement on behalf of the Zurich Defendants and *(ii)* the Zurich Defendants' execution, delivery and performance of this Escrow Agreement does not and will not violate any statute, law, rule or regulation.

i. Edith Kallas and Bryan L. Clobes represents that *(i)* they are authorized to execute and deliver this Escrow Agreement on behalf of Co-Lead Counsel and *(ii)* Co-Lead Counsel' execution, delivery and performance of this Escrow Agreement does not and will not violate any statute, law, rule or regulation.

j. Mark Tobey represents that *(i)* he is authorized to execute and deliver this Escrow Agreement on behalf of the Texas Attorney General's Office and *(ii)* the Texas Attorney General's execution, delivery and performance of this Escrow Agreement does not and will not violate any statute, law, rule or regulation.

k. Patricia A. Conners represents that *(i)* she is authorized to execute and deliver this Escrow Agreement on behalf of the Florida Attorney General's Office, and *(ii)* the Florida Attorney General's Office and Office of Insurance

Regulation's execution, delivery and performance of this Escrow Agreement does not and will not violate any statute, law, rule or regulation.

l. Glenn Kaplan represents that (i) he is authorized to execute and deliver this Escrow Agreement on behalf of the Commonwealth of Massachusetts Attorney General's Office and (ii) the Massachusetts Attorney General's execution, delivery and performance of this Escrow Agreement does not and will not violate any statute, law, rule or regulation.

m. Each party shall take (or cause to be taken) such further actions to execute, deliver and file (or cause to be executed, delivered or filed) such further documents and instruments, and to obtain such consents, as may be necessary or reasonable requested to effectuate fully the purposes, terms and conditions of this Escrow Agreement.

n. Except as provided in this Escrow Agreement, no parties shall assign, encumber or otherwise transfer any of its rights and obligations under this Escrow Agreement to any person without the consent of the other parties. Any such purported assignment, encumbrance or other transfer shall be void and unenforceable.

o. The Escrow Agent shall keep, and shall cause its agents to keep, confidential the information it receives under this Escrow Agreement, except for:

(1) information that is or becomes publicly known other than as a result of a breach of this Section __;

(2) information obtained by the Escrow Agent from sources other than the Zurich Defendants or any of them, or the Party Attorneys General or any of them and not subject to a confidentiality obligation;

(3) information requested or required to be disclosed (i) by a statute, law, rule or regulation, (ii) to any government agency or regulatory body having or claiming authority to regulate or oversee the Escrow Agent's business, (iii) under any subpoena, civil investigative demand or similar demand or request of a court, regulatory authority, arbitrator or arbitration to which the Escrow Agent or any affiliate, or an officer, director, employer or shareholder of the Escrow Agent or such affiliate, is a party, or (iv) to any affiliate, independent or internal auditor, agent, employee or attorney of the Escrow Agent having a need to know the information, provided that the Escrow Agent advises the recipient of the confidential nature of the information being disclosed; or

(4) any other disclosure authorized by the person submitting such information.

p. All time periods set forth herein shall be computed in calendar days unless otherwise expressly provided. In computing any period of time prescribed or allowed by this Escrow Agreement or by order of court, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday or a legal holiday, or, when the act to be done is the filing of a paper in Court, a day on which weather or other conditions have made the office of the Clerk of

the Court inaccessible, in which event the period shall run until the end of the next day that is not one of the aforementioned days.

Executed this ___ day of ____ 2006.

ATTORNEY GENERAL OF THE STATE OF TEXAS

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Attorney General of Texas
BARRY R. McBEE
First Assistant Attorney General

EDWARD D. BURBACH
Deputy Attorney General for Litigation

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Executed this ___ day of ___ 2006.

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