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(Requestor's Name)

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(City/State/Zip/Phone #)

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MAIL

(Business Entity Name)

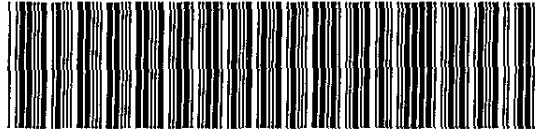
(Document Number)

Certified Copies _____ Certificates of Status _____

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900021899019

08/01/03--01025--001 **35.00

08/11/03--01004--003 **17.50

FILED
03 AUG -8 AM 11:14
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Amend +
Jurisdiction
chg 8/11/03

(SP)

July 30, 2003

Secretary of State
State of Florida
Division of Corporations, Amendment Section
409 E. Gaines Street
Tallahassee, FL 32399

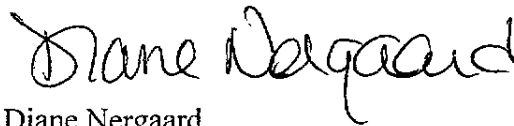
Re: Certificate of Status for:
Western Continental Insurance Company of New York ("WCIC-NY")

To Whom It May Concern:

At the direction of the Florida Department of Financial Services and in order to comply with Section II of Item 5 of the UCAA Expansion Application, On behalf of WCIC-NY, I hereby request a Certificate of Status evidencing the filing of its corporate name. In this regard, enclosed please find an Application by Foreign Profit Corporation to File an Amendment. Also enclosed is a US Postal Service money order for \$35 which represents the filing fee for this Amendment. Please note that the Division of Corporations is currently holding a copy of the charter of WCIC-NY certified by the New York Insurance Department and check for \$8.75, which represents the filing fee for a Certificate of Status.

Thank you for your attention to this matter. If you have any questions regarding this request, please feel free to contact the undersigned at 212-909-3929.

Yours truly,



Diane Nergaard



August 7, 2003

Ms. Susan Payne
State of Florida Secretary of State
Division of Corporations, Amendment Section
409 E. Gaines Street
Tallahassee, FL 32399

Re: Certificate of Status for:
Western Continental Insurance Company of New York ("WCIC-NY")

Dear Ms. Payne,

At you requested, please find enclosed copies of the approvals of the Texas Department of Insurance and the New York Insurance Department with regard to the redomestication by merger of Western Continental Insurance Company with and into WCIC-NY. Also enclosed are (a) a certified copy of the merger agreement between the parties and a US Postal Money Order for \$17.50, which represents the filing fee for two (2) certificates of status evidencing the name Western Continental Insurance Company of New York. You are currently in possession of another money order from my prior submission for \$35 which represents the filing fee for the application of a foreign company to amend its Florida certificate of authority.

Thank you for your attention to this matter. If you have any questions regarding this request, please feel free to contact the undersigned at 212-909-3929.

Yours truly,

Diane Nergaard

TRANSMITTAL LETTER

TO: Amendment Section
Division of Corporations

SUBJECT: Western Continental Insurance Company
(Name of corporation)

DOCUMENT NUMBER: _____

The enclosed Amendment and fee are submitted for filing.

Please return all correspondence concerning this matter to the following:

Diane Nergaard
(Name of person)

CIFG Services, Inc
(Name of firm/company)

825 Third Ave, 6th Fl.
(Address)

NY, NY 10022
(City/state and zip code)

For further information concerning this matter, please call:

Diane Nergaard at 212, 909 3925
(Name of person) (Area code & daytime telephone number)

Enclosed is a check for the following amount:

☐ \$35.00 Filing Fee

☒ \$43.75 Filing Fee &
Certificate of Status
★ \$48.75 held by
Cary in Certification
Section.

☐ \$43.75 Filing Fee &
Certified Copy
(Additional copy is
enclosed)

☐ \$52.50 Filing Fee,
Certificate of Status &
Certified Copy
(Additional copy is
enclosed)

Mailing Address:
Amendment Section
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

Street Address:
Amendment Section
Division of Corporations
409 E. Gaines Street
Tallahassee, FL 32399

PROFIT CORPORATION
APPLICATION BY FOREIGN PROFIT CORPORATION TO FILE AMENDMENT TO
APPLICATION FOR AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA
(Pursuant to s. 607.1504, F.S.)

SECTION I
(1-3 MUST BE COMPLETED)

(Document number of corporation (if known))

1. Western Continental Insurance Company
(Name of corporation as it appears on the records of the Department of State)
2. Texas 3. August 10, 1981
(Incorporated under laws of) (Date authorized to do business in Florida)

SECTION II
(4-7 COMPLETE ONLY THE APPLICABLE CHANGES)

4. If the amendment changes the name of the corporation, when was the change effected under the laws of its jurisdiction of incorporation? JUNE 30, 2003
5. Western Continental Insurance Company of New York
(Name of corporation after the amendment, adding suffix "corporation," "company," or "incorporated," or appropriate abbreviation, if not contained in new name of the corporation)
6. If the amendment changes the period of duration, indicate new period of duration.

(New duration)

7. If the amendment changes the jurisdiction of incorporation, indicate new jurisdiction.

New York
(New jurisdiction)

Michael Freed
(Signature of the chairman or vice chairman of the board, president, or any officer, or if the corporation is in the hands of a receiver, trustee, or other court-appointed fiduciary, by that fiduciary)

MICHAEL FREED
(Typed or printed name)

July 28, 2003
(Date)

CORPORATE SECRETARY
(Title)

FILED
03 AUG - 8 AM 11:14
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

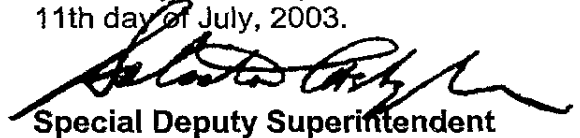
Short Certificate

**STATE OF NEW YORK
INSURANCE DEPARTMENT**

It is hereby certified that the annexed copy of Agreement and Plan of Merger of Western Continental Insurance Company, of Houston, Texas into Western Continental Insurance Company of New York, of New York, New York, as approved by this Department June 5, 2003, has been compared with the original on file in this Department and that it is a correct transcript therefrom and of the whole of said original.



**In Witness Whereof, I have here-
unto set my hand and affixed
the official seal of this Department
at the City of Albany, this
11th day of July, 2003.**


Special Deputy Superintendent

AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER (the "Agreement"), dated as of April 21, 2003, by and between Western Continental Insurance Company, a Texas corporation ("WCIC-Texas"), and Western Continental Insurance Company of New York, a New York corporation (the "WCIC-NY").

WITNESSETH:

WHEREAS, CDC IXIS Financial Guaranty North America, Inc. ("CIFG NA") owns all of the outstanding shares of capital stock of WCIC-Texas; and

WHEREAS, CIFG NA owns all of the outstanding shares of capital stock of WCIC-NY;

WHEREAS, each of WCIC-Texas and WCIC-NY are authorized to transact insurance business in the State of New York; and,

WHEREAS, the directors of each of WCIC-Texas and WCIC-NY, and CIFG NA, as the sole shareholder of both WCIC-Texas and WCIC-NY, have determined to merge WCIC-Texas with and into WCIC-NY (the "Merger") on the terms and subject to the conditions of this Agreement and in accordance with Article 71 of the New York Insurance Law (the "NYIL").

NOW, THEREFORE, in consideration of the mutual premises contained herein, the parties hereto hereby agree as follows:

1. The Merger.

1.1 Constituent Corporations; Surviving Corporation. The names of the constituent corporations are "Western Continental Insurance Company", a Texas corporation, and "Western Continental Insurance Company of New York," a New York corporation (the "Constituent Corporations"). WCIC-Texas was initially incorporated under the name "Unigard Security Insurance Company". Unigard Security Insurance Company changed its name to "Union Standard Insurance Company," which name change was approved by the Texas Department of Insurance on August 22, 1975. Thereafter, Union Standard Insurance Company changed its name to "GAN North American Insurance Company," which name change was approved by the Texas Department of Insurance on December 18, 1990. GAN North American Insurance Company was later renamed "Western Continental Insurance Company," which name change was approved by the Texas Department of Insurance on September 10, 1999. WCIC-

Texas will be merged into WCIC-NY, and WCIC-NY, following the Merger, shall sometimes hereinafter be referred to as the "Surviving Corporation".

1.2 Shares of Constituent Corporations. The designation and number of outstanding shares of the securities of the Constituent Corporations and the voting rights attendant thereto immediately prior to the Merger are as follows:

<u>Corporation</u>	<u>Outstanding Shares</u>	<u>Designation</u>	<u>Voting Rights</u>
WCIC-Texas	50,000	Common Stock, \$100 par value	One vote per share
WCIC-NY	4,700	Common Stock, \$1,000 par value	One vote per share

1.3 Merger.

1.3.1 Effective Time. The Merger shall become effective on June 17, 2003 (the "Effective Time"), subject to all necessary regulatory approval, including the approval of the New York Insurance Department and the Texas Department of Insurance.

1.3.2 Effect of the Merger. At the Effective Time, WCIC-Texas shall be merged into WCIC-NY in accordance with the provisions of this Agreement and the NYIL, and the separate corporate existence of WCIC-Texas (except as may be continued by operation of law) shall cease. The Surviving Corporation shall possess all the rights, privileges, immunities, powers and franchises of the Constituent Corporations; all certificates of authority, surplus lines approvals; all assets and property, real, personal and mixed, and all debts due on whatever account, and all choses in action and all and every other interest, of or belonging to or due each of the Constituent Corporations shall be taken and deemed to be transferred to and vested in the Surviving Corporation without further act or deed. Neither the rights of creditors nor any liens upon property of either WCIC-Texas or WCIC-NY shall be impaired by the Merger.

1.4 Charter and By-Laws. The Charter and By-Laws of WCIC-NY immediately prior to the Effective Time of the Merger shall be the Charter and By-Laws of the Surviving Corporation. The Charter of the Surviving Corporation is annexed hereto as Exhibit A.

1.5 Director and Officers. The directors and the officers of WCIC-NY immediately prior to the Effective Time shall be the directors and the officers of the Surviving Corporation until their successors shall have been elected and shall have qualified or until otherwise provided in the By-Laws of the Surviving Corporation.

2. Conversion of Securities. By virtue of the Merger and without any action on the part of the Constituent Corporations or any shareholder thereof, each share of the Common Stock of WCIC-NY, on and after the Effective Time, shall become one share of the Surviving Corporation, without the issuance or exchange of new share certificates. All outstanding shares of WCIC-Texas outstanding at the Effective Time shall be cancelled upon consummation of the Merger, and the certificates representing such shares shall be surrendered and cancelled.

2.1 Sole Shareholder of Surviving Corporation. At the Effective Time, by virtue of the Merger and without any action on the part of the Constituent Corporations or any shareholder thereof, each share of the Common Stock of the Surviving Corporation shall be transferred to CIFG NA, the sole shareholder of the Constituent Corporations immediately prior to the Effective Time of the Merger.

3. Representations and Warranties of WCIC-Texas. WCIC-Texas represents and warrants to WCIC-NY as follows:

3.1 Organization and Qualification. WCIC-Texas is a corporation duly organized, validly existing and in good standing under the laws of the State of Texas and has the requisite corporate power and authority to carry on its business as it is now being conducted.

3.2 Authority Relative to this Agreement. WCIC-Texas has the requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by WCIC-Texas and the consummation by WCIC-Texas of the transactions contemplated hereby have been duly authorized by the directors of WCIC-Texas and by the sole shareholder of WCIC-Texas, and no other corporate proceeding on the part of WCIC-Texas is necessary to authorize the execution, delivery and performance of this Agreement and the Merger and the transactions contemplated hereby and thereby.

3.3 Binding Obligation. This Agreement has been duly executed and delivered by WCIC-Texas and constitutes a valid and binding obligation of such corporation, enforceable against it in accordance with its terms except as enforceability may be limited by bankruptcy, insolvency, or other laws providing for limitations on creditors' rights generally and by other principles of equity relating to the right of specific performance.

4. Representations and Warranties of WCIC-NY. WCIC-NY represents and warrants to WCIC-Texas as follows:

4.1 Organization and Qualification. WCIC-NY is a corporation duly organized, validly existing and in good standing under the laws of the State of New York and has the requisite corporate power and authority to carry on its business as it is now being conducted.

4.2 Authority Relative to this Agreement. WCIC-NY has the requisite corporate power and authority to enter into this Agreement, to perform its obligations hereunder, and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by WCIC-NY and the consummation by WCIC-NY of the transactions contemplated hereby have been duly authorized by the directors of WCIC-NY and by the sole shareholder of WCIC-NY and no other corporate proceeding on the part of WCIC-NY is necessary to authorize the execution, delivery and performance of this Agreement and the Merger and the transactions contemplated hereby and thereby.

4.3 Binding Obligation. This Agreement has been duly executed and delivered by WCIC-NY and constitutes the valid and binding obligation of such corporation, enforceable against it in accordance with its terms except as enforceability may be limited by

bankruptcy, insolvency, or other laws providing for limitations on creditors' rights generally and by other principles of equity relating to the right of specific performance.

5. Miscellaneous.

5.1 Further Assurances. Each of the parties hereby covenants and agrees that it shall hereafter make, execute and deliver any and all such further and other instruments, documents and agreements, and do such other and further acts and things as may be necessary or expedient to carry out and give full force and effect to the intents and purposes of this Agreement and to the provisions hereof and to assure that each of the parties hereto enjoys the benefits contemplated by this Agreement.

5.2 Termination and Abandonment. This Agreement and the Merger may be terminated and abandoned by mutual agreement between the directors of each of the parties hereto at any time prior to the Effective Time.

5.3 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, administrators, executors, successors and assigns.

5.4 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single agreement.

5.5 Headings. The headings appearing in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope and intent of this Agreement or any of the provisions hereof.

5.6 Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without reference to its principles of conflict laws.

5.7 Entire Understanding; Amendment, Waiver, etc. This Agreement constitutes the entire understanding between the parties hereto with respect to the subject matter hereof and no amendment, waiver or modification of the terms or provisions hereof shall be valid unless in writing signed by the party to be charged and only to the extent therein set forth. All prior or contemporaneous agreements, contracts, promises, representations and statements, if any, between the parties hereto or their representatives with respect to the subject matter hereof are merged into this Agreement and this Agreement shall constitute the entire agreement between them.

6. Service of Process. The Surviving Corporation hereby agrees that it may be served with process in the State of Texas in any proceeding for enforcement of any obligation of the Surviving Corporation or WCIC-Texas, as well as for the enforcement of any obligation of the Surviving Corporation arising from the Merger, and does hereby appoint CT Corporation System, Houston, TX as its agent to accept service of process in any such suit or proceeding.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement and Plan of Merger to be signed in their respective names and on their respective behalf, as of the 21 day of April, 2003.

WESTERN CONTINENTAL INSURANCE COMPANY,
A TEXAS CORPORATION (Formerly GAN North
American Insurance Company)

By: _____

Name: Jacques R. Rolfo

Title: President and Chief Executive Officer

ATTEST:

By: _____

Michael Freed, Corporate Secretary

WESTERN CONTINENTAL INSURANCE COMPANY
OF NEW YORK, A NEW YORK CORPORATION

By: _____

Name: Jacques R. Rolfo

Title: President and Chief Executive Officer

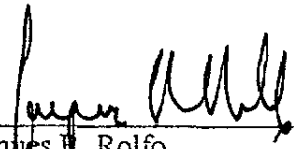
ATTEST:

By: _____

Michael Freed, Corporate Secretary

CERTIFICATION


THE UNDERSIGNED, Jacques R. Rolfo, President and Chief Executive Officer of Western Continental Insurance Company, a Texas corporation, who executed on behalf of said corporation the foregoing Agreement and Plan of Merger, hereby acknowledges, in the name and on behalf of said corporation, the foregoing Agreement and Plan of Merger of which this Certificate is made a part, to be the corporate act of said corporation and further certifies that, to the best of his knowledge, information and belief, the matters and facts set forth therein are true in all material respects, under the penalties of perjury.


By: Jacques R. Rolfo
Title: President and Chief Executive Officer

ATTEST:

By: 
Michael Freed, Corporate Secretary

THE UNDERSIGNED, Jacques R. Rolfo, President and Chief Executive Officer of Western Continental Insurance Company of New York, a New York corporation, who executed on behalf of said corporation the foregoing Agreement and Plan of Merger, hereby acknowledges, in the name and on behalf of said corporation, the foregoing Agreement and Plan of Merger of which this Certificate is made a part, to be the corporate act of said corporation and further certifies that, to the best of his knowledge, information and belief, the matters and facts set forth therein are true in all material respects, under the penalties of perjury.


By: Jacques R. Rolfo
Title: President and Chief Executive Officer

ATTEST:

By: 
Michael Freed, Corporate Secretary

EXHIBIT A
CHARTER
OF
WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK

SHORT CERTIFICATE

**STATE OF NEW YORK
INSURANCE DEPARTMENT**

It is hereby certified that the attached copy of Declaration of Intention and Charter of Western Continental Insurance Company of New York, of County of New York, New York, as filed in this Department March 5, 2003, has been compared with the original on file in this Department and that it is a correct transcript therefrom and of the whole of said original.



**In Witness Whereof, I have here-
unto set my hand and affixed
the official seal of this Department
at the City of Albany, this
5th day of March, 2003.**

[Signature]
Special Deputy Superintendent

DECLARATION OF INTENTION
AND CHARTER OF
WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK

DECLARATION OF INTENTION

We, the undersigned, all being natural persons over the age of twenty-one, and a majority of us being citizens of the United States, and at least three of us being residents of the State of New York, do hereby declare our intention to form a stock insurance corporation pursuant to the provisions of the Insurance Law of the State of New York for the purpose of transacting "surety insurance" as defined in subparagraphs (C), (D), (E) and (F) of paragraph (16) of subsection (a) of Section 1113 of said Insurance Law, and we do hereby make, sign, acknowledge and file this Declaration of Intention and adopt and set forth the proposed Charter of such corporation for the aforesaid purpose, as follows:

CHARTER

ARTICLE I

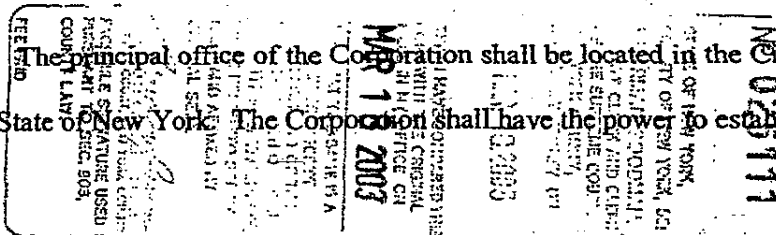
NAME

The name of the Corporation shall be Western Continental Insurance Company of New York.

ARTICLE II

PRINCIPAL OFFICE

The principal office of the Corporation shall be located in the City of New York, County of New York, State of New York. The Corporation shall have the power to establish other offices in this state and



elsewhere in the United States and in any part of the world and to conduct its business wherever authorized by law.

ARTICLE III

POWERS

(1) The Corporation shall have the power to transact surety insurance, as defined in subparagraphs (C), (D), (E) and (F) of paragraph (16) of subsection (a) of Section 1113 of the Insurance Law, or the corresponding provisions of any statute amendatory thereof, supplemental thereto or substituted therefor.

Section 1113(a)(16)(C), (D), (E) and (F) "surety insurance" means:

(C) any contract bond; including a bid, payment or maintenance bond or a performance bond where the bond is guaranteeing the execution of any contract other than a contract of indebtedness or other monetary obligation;

(D) an indemnity bond for the benefit of a public body, railroad or charitable organization; a lost security or utility payment bond;

(E) becoming surety on, or guaranteeing the performance of, any lawful contract, not specifically provided for in paragraph (16) of subsection (a) of Section 1113, except (i) mortgage guaranty insurance, which may only be written by an insurer authorized to write such insurance pursuant to Article 65 of the Insurance Law, (ii) a contract that falls within the definition of financial guaranty insurance as set forth in paragraph (1) of subsection (a) of Section 6901 of the Insurance Law, (iii) any insurance contract unless such guaranty is authorized pursuant to subsection (c) of Section 1114 of Article 11 of the Insurance Law; or (iv) service contract reimbursement insurance as specified in paragraph (28) of subsection (a) of Section 1113 of the Insurance Law; and

(F) becoming surety on, or guaranteeing the performance of, bonds and undertakings required or permitted in all judicial proceedings or otherwise by law allowed, including surety bonds accepted by states and municipal authorities in lieu of deposits as security for the performance of insurance contracts.

(2) To such extent as a corporation organized under the Insurance Law or the Business Corporation Law of the State of New York now or hereafter lawfully may do, to do each and every thing necessary, suitable, convenient or proper for, or in connection with, or incidental to, the accomplishment of any one or more of the purposes or the exercise of any one or more of the powers herein enumerated,

or designed directly or indirectly to promote the interests of the Corporation or to enhance the value of its properties; and in general to do any and all things and exercise any and all powers, rights and privileges for which a corporation may now or hereafter be organized under the Insurance Law or the Business Corporation Law of the State of New York or under any statute amendatory thereof, supplemental thereto or substituted therefor.

ARTICLE IV

EXERCISE OF CORPORATE POWERS

(1) The corporate powers shall be exercised by a Board of Directors, a President, one or more Vice Presidents, a Secretary and a Treasurer, and by such other officers and such committees as the Board of Directors may elect or appoint. The Directors shall have all of the qualifications, powers and authority, and shall be subject to all of the limitations, as set forth in the Insurance Law or the Business Corporation Law of the State of New York.

(2) The Board of Directors shall have the power to make, alter, amend or repeal the By-laws of the Corporation (except in those cases where stockholder action is required by law).

ARTICLE V

NUMBER OF DIRECTORS

The number of Directors of the Corporation shall be thirteen (13) or such greater number, up to a maximum of twenty-one (21), as shall be determined in the manner provided in the By-laws of the Corporation.

ARTICLE VI

PROVISIONS CONCERNING DIRECTORS AND OFFICERS

(1) At all times a majority of the Directors shall be citizens and residents of the United States, and not less than three of such Directors shall be residents of the State of New York. Each Director shall be at least eighteen years of age.

(2) The Directors shall not be required to own any shares of stock in the Corporation.

(3) An election of Directors shall be held annually at a place and time specified by the Board of Directors on the first Monday of May. Each Director shall serve until his successor is elected and qualified.

(4) Whenever any vacancy or vacancies shall occur in the Board of Directors, whether by reason of death, resignation, removal or otherwise, a majority of the remaining members of the Board, at a meeting called for that purpose, or at any regular meeting, shall elect a Director or Directors to fill the vacancy or vacancies thus created and each Director so elected shall hold office until his successor is elected and is qualified. If because of such vacancy or vacancies in the Board of Directors the number of Directors is less than thirteen, the Corporation shall not for that reason be dissolved, but the vacancy or vacancies shall be filled as herein provided.

(5) The President, one or more Vice Presidents, a Secretary and a Treasurer shall be elected annually by the Directors at the first meeting of the Board of Directors held after the election of the Directors as provided in Section 3 of this Article VI. Each of such officers shall hold office until the election of his successor. All other officers shall be elected or appointed by the Board of Directors, or in such manner as the By-laws may prescribe.

(6) Vacancies in any office may be filled for the remainder of the term in which the same shall occur by a majority vote of the Board of Directors.

ARTICLE VII
INITIAL DIRECTORS

The names and post office residence addresses of the Directors who shall serve until the first annual meeting of stockholders and until their successors are duly elected are:

<u>Name</u>	<u>Address</u>
<u>Isabelle Bouillot</u>	<u>42, rue Henri Barbusse 75005 Paris, France</u>
<u>Gérard Barbot</u>	<u>3, chemin de la Brèche 78750 Mareil Marly, France</u>
<u>Anthony Orsatelli</u>	<u>81, Boulevard St. Michel 75005 Paris, France</u>
<u>Jean-Jacques Bonnaud</u>	<u>17, rue Parmentier 92900 Neuilly-sur-Seine, France</u>
<u>Michael A. Freed</u>	<u>870 U.N. Plaza, Apt. 19-C New York, NY 10017</u>
<u>James O'Keefe</u>	<u>79 Orchard Road Mount Kisco, NY 10549</u>
<u>Charles E. Webster, Jr.</u>	<u>1088 Park Avenue, Apt. 5-E New York, NY 10128</u>
<u>Steven Klein</u>	<u>15 Wendover Road Montclair, NJ 07042</u>
<u>Marc de Bréchart</u>	<u>81 Columbia Heights, Apt. 55 Brooklyn, NY 11201</u>
<u>Paul Kwiatkoski</u>	<u>154 Forest Avenue Glen Ridge, NJ 07028</u>
<u>Jacques Rolfo</u>	<u>201 West 72, Apt. PH 3B New York, NY 10023</u>
<u>Jeremy Reifsnyder</u>	<u>47 Gerrish Lane New Canaan, CT 06840</u>

<u>Name</u>	<u>Address</u>
Antoine Lissowski	5ter, rue de la Paix 78420 Carrières-sur-Seine, France

ARTICLE VIII

DURATION

The duration of the Corporation shall be perpetual.

ARTICLE IX

FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of January and shall terminate on the 31st day of December in each year.

ARTICLE X

CAPITALIZATION

The amount of the authorized capital of the Corporation shall be \$1,125,000 and shall consist of 1,125 shares of common stock having a par value of \$1,000 per share.

ARTICLE XI

EXCULPATION

No Director shall be personally liable to the corporation or any of its stockholders for damages for any breach of duty as a Director; provided, however, that the foregoing provision shall not eliminate or limit the liability of a Director if a judgment or other final adjudication adverse to him or her establishes that his or her acts or omissions were in bad faith or involved intentional misconduct or were acts or omissions (i) which violated the New York Insurance Law or (ii) which violated a specific

standard of care imposed on Directors directly, and not by reference, by a provision of the New York Insurance Law (or any regulations promulgated thereunder) or (iii) which constituted a knowing violation of any other law, or establishes that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

ARTICLE XII

INDEMNIFICATION

Any person made or threatened to be made a party to an action or proceeding, whether civil or criminal, by reason of the fact that he, his testator or intestate then is or was a Director or officer of the Corporation, or then serves or has served any other entity in any capacity at the request of the Corporation, shall be indemnified by the Corporation against expense, judgments, fines and amounts paid in settlement to the full extent that directors and officers are permitted to be indemnified by the laws of the State of New York. The provisions of this paragraph shall not adversely affect any right to indemnification which any person may have apart from the provisions of this paragraph.

IN WITNESS WHEREOF, the undersigned hereby make, sign and acknowledge this
Declaration of Intention and Charter.

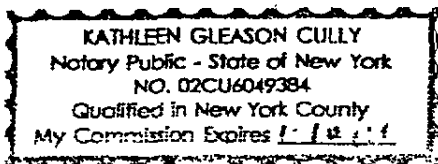
Michael Freed
Michael Freed

STATE OF New York)

) ss.:

COUNTY OF Albany)

On September 21, 2003, before me personally came Michael Freed, to
me personally known and known to me to be the person who executed the foregoing instrument,
and he duly acknowledged before me that he executed the same.



Kathleen Gleason Cully
Notary Public

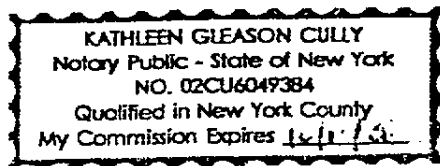

James O'Keefe


STATE OF NY

) ss.

COUNTY OF Albany

On January 21, 2003, before me personally came James O'Keefe, to me personally known and known to me to be the person who executed the foregoing instrument, and he duly acknowledged before me that he executed the same.




Notary Public

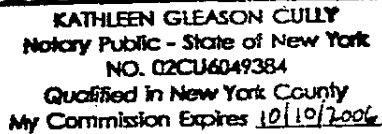
Charles E. Webster, Jr.

)

SS:

)

On February 13, 2003, before me personally came Charles E. Webster,



Kathleen M. Kelly
Notary Public

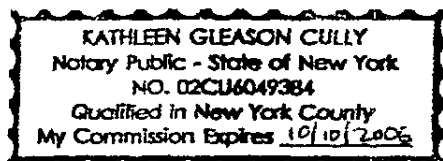

Steven Klein

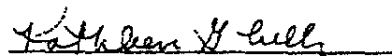
STATE OF)

) ss.

COUNTY OF)

On February 13, 2003, before me personally came Steven Klein, to me personally known and known to me to be the person who executed the foregoing instrument, and he duly acknowledged before me that he executed the same.




Notary Public



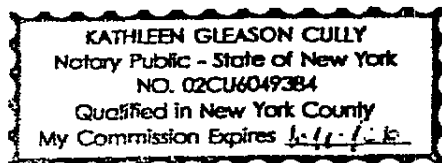
Marc de Bréchar

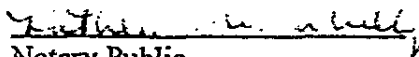
STATE OF New York)

) ss.

COUNTY OF Westchester)

On January 1, 2003, before me personally came Marc de Bréchar,
to me personally known and known to me to be the person who executed the foregoing
instrument, and he duly acknowledged before me that he executed the same.





Notary Public

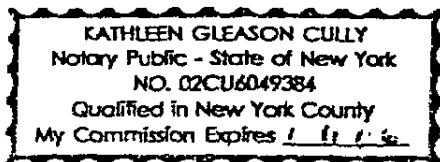
Paul Kwiatkoski
Paul Kwiatkoski

STATE OF New York)

) ss.:

COUNTY OF Westchester)

On November 21, 2003, before me personally came Paul Kwiatkoski, to
me personally known and known to me to be the person who executed the foregoing instrument,
and he duly acknowledged before me that he executed the same.



Kathleen Gleason Cully
Notary Public

Jacques Rolfo

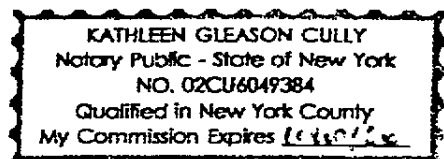
[Handwritten signature]

STATE OF *New York*)

) ss.:

COUNTY OF *New York*)

On *January 1*, 2003, before me personally came Jacques Rolfo, to me personally known and known to me to be the person who executed the foregoing instrument, and he duly acknowledged before me that he executed the same.



Kathleen Gleason Cully
Notary Public

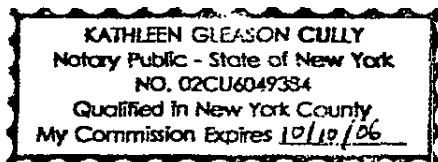

Jeremy Reifsnnyder

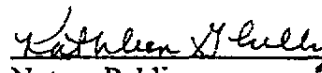
STATE OF)

) ss.:

COUNTY OF)

On February 13, 2003, before me personally came Jeremy Reifsnnyder, to me personally known and known to me to be the person who executed the foregoing instrument, and he duly acknowledged before me that he executed the same.




Notary Public



Isabelle Bouillot

Je soussigné Me Hervé POMMERY
Notaire à Paris, certifie matériellement
la signature de Madame Isabelle BOUILLOT

apposée sur le présent document.
Cette certification ne comporte aucune
vérification de l'exactitude des faits et
actes mentionnés dans le présent document

Notary



APOSTILLE

Convention de la Haye du 5 Octobre 1961.

-- République Française

Le présent acte public

-- a été signé par M^e POMMERY

-- agissant en qualité de Notaire

-- est revêtu du sceau de son étude

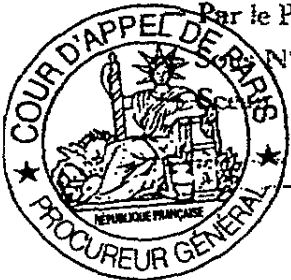
ATTESTE

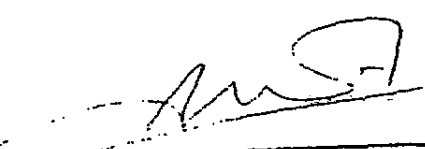
-- à Paris... le 11/02/03

Par le Procureur Général près la Cour d'appel

N° C 236

Le... signature




Gérard Barbot

Je soussigné Me HENRI PAMMERY
Notaire à Paris, certifie matériellement
la signature de Monsieur Gérard BARBOT

apposée sur le présent document.
Cette certification ne comporte aucune
vérification de l'exactitude des faits et
actes mentionnés dans le présent document.

Notary


APOSTILLE

Convention de la Haye du 5 Octobre 1961

— République Française

Le présent acte public

— a été signé par M^r PAMMERY

— agissant en qualité de notaire

— est revêtu du sceau de M. étude

ATTESTE

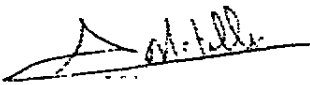
— à Paris le 14/02/03

Procureur Général près la Cour d'appel

C. J. F.

Le _____ signature

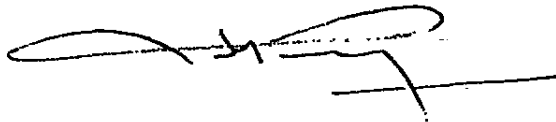



Anthony Orsatelli

Je soussigné Me HENRI FOURMERY
Notaire à Paris, certifie matériellement
la signature de Monsieur Anthony ORSATELLI

apposée sur le présent document.
Cette certification ne comporte aucune
vérification de l'exactitude des faits et
actes mentionnés dans le présent document

Notary



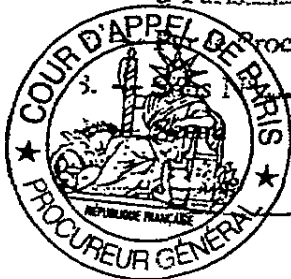
APOSTILLE

(Convention de la Haye du 5 Octobre 1961)

- République Française
- Le présent acte public
- a été signé par M^{re} FOURMERY
- agissant en qualité de notaire
- est revêtu du sceau de son étude

ATTESTE

— à Paris le 14/02/03
Procureur Général près la Cour d'appel
Cliff
Le _____ signature



Honnaud
Jean-Jacques Bonnaud

Je soussigné Me Henri POMMERY
Notaire à Paris, certifie matériellement
la signature de Monsieur Jean-Jacques BONNAUD
apposée sur le présent document.
Cette certification ne comporte aucune
vérification de l'exactitude des faits et
actes mentionnés dans le présent document

Notary

[Signature]

APOSTILLE

Convention de la Haye du 5 Octobre 1961

1. — République Française

Le présent acte public

a été signé par M. POMMERY

notaire en qualité de notaire

au siège de son étude de son étude

ATTESTE

à Paris le 11/02/03

Le Procureur Général près la Cour d'appel

Le [Signature] signature

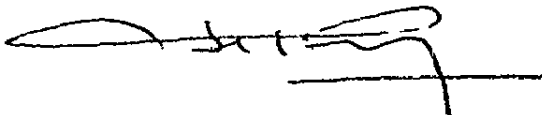


137

Antoine Lissowski

Je soussigné Me HENRI POMPIERY
Notaire à Paris, certifie matériellement
la signature de Monsieur ANTOINETTE LISSOWSKI
apposée sur le présent document.
Cette certification ne comporte aucune
vérification de l'exactitude des faits et
actes mentionnés dans le présent document.

Notary Public



APOSTILLE

Convention de la Haye du 5 Octobre 1961.

1. — République Française

Le présent acte public

— a été signé par M^r POMPIERY

— agissant en qualité de notaire

— est revêtu du sceau de son étude

ATTESTE

5. — à Paris, le 11/02/03

Procureur Général près la Cour d'appel

6280

De signature



SHORT CERTIFICATE

**STATE OF NEW YORK
INSURANCE DEPARTMENT**

It is hereby certified that the attached copy of Restated Charter of WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK, of the County of New York, State of New York, for the purpose of adding lines of insurance to the company's corporate powers and to increase the authorized capital from \$1,125,000. composed of 1,125 shares with a par value of \$1,000. per share to \$4,700,000. composed of 4,700 shares with a par value of \$1,000. per share, as approved by this Department March 19, 2003, pursuant to Section 1206 of the New York Insurance Law,

has been compared with the original on file in this Department and that it is a correct transcript therefrom and of the whole of said original.

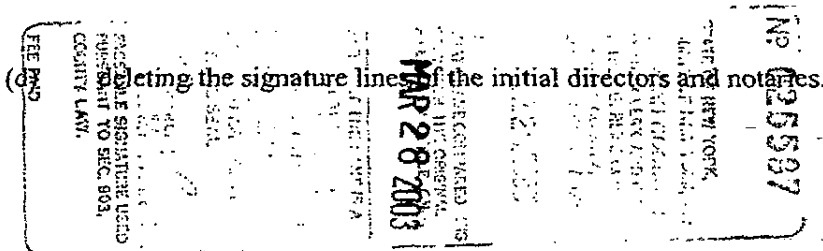


In Witness Whereof, I have here-
unto set my hand and affixed
the official seal of this Department
at the City of Albany, this
19th day of March, 2003.


Special Deputy Superintendent

RESTATED CHARTER
OF
WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK
UNDER SECTION 807 OF THE NEW YORK BUSINESS CORPORATION LAW
AND SECTION 1206 OF THE NEW YORK INSURANCE LAW

1. The name of the corporation is *Western Continental Insurance Company of New York* (the "Corporation").
2. The Charter of the Corporation (the "Charter") was originally filed in the office of the Superintendent of Insurance of the State of New York on March 5, 2003.
3. The Charter is amended by:
 - (a) amending Paragraph (1) of Article III, which sets forth the specific lines of insurance business the Corporation is authorized to transact, to include "fidelity and surety insurance," "credit insurance" and "any substantially similar kind of insurance," each as defined in Section 1113(a) of the New York Insurance Law;
 - (b) amending Article X, which sets forth the capitalization of the Corporation, to provide that the amount of authorized capital of the Corporation shall be increased from \$1,125,000 to \$4,700,000, and that the number of shares of common stock, par value \$1,000 per share, authorized by the Corporation shall be increased from 1,125 to 4,700;
 - (c) deleting the language regarding the Declaration of Intention which precedes Article I of the Charter; and



The text of the Charter is hereby amended and restated to read as set forth below in full, and such Restated Charter shall be effective as of the date it is approved by the Superintendent of Insurance of the State of New York:

RESTATED CHARTER OF
WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK

ARTICLE I

NAME

The name of the Corporation shall be Western Continental Insurance Company of New York.

ARTICLE II

PRINCIPAL OFFICE

The principal office of the Corporation shall be located in the City of New York, County of New York, State of New York. The Corporation shall have the power to establish other offices in this state and elsewhere in the United States and in any part of the world and to conduct its business wherever authorized by law.

ARTICLE III

POWERS

- (1) The Corporation shall have the power to transact the following lines of insurance business:
- (i) fidelity and surety insurance, as defined in paragraph (16) of subsection (a) of Section 1113 of the Insurance Law;
 - (ii) credit insurance, as defined in paragraph (17) of subsection (a) of Section 1113 of the Insurance Law;
 - (iii) any substantially similar kind of insurance, with respect to (i) and (ii) above, as defined in paragraph (30) of subsection (a) of Section 1113 of the Insurance Law;

or, in each case, the corresponding provisions of any statute amendatory thereof, supplemental thereto or substituted therefor.

Section 1113(a)(16) "fidelity and surety insurance" means:

(A) guaranteeing the fidelity of persons holding positions of public or private trust; and indemnifying banks, thrifts, brokers and other financial institutions against loss of money, securities, negotiable instruments, other specified valuable papers and tangible items of personal property caused by larceny, misplacement, destruction or other stated perils including loss while being transported in an armored motor vehicle or by messenger; and insurance for loss caused by the forgery of signatures on, or alteration of, specified documents and valuable papers;

(B) insurance against losses that financial institutions become legally obligated to pay by reason of loss of customers' property from safe deposit boxes;

(C) any contract bond; including a bid, payment or maintenance bond or a performance bond where the bond is guaranteeing the execution of any contract other than a contract of indebtedness or other monetary obligation;

(D) an indemnity bond for the benefit of a public body, railroad or charitable organization; a lost security or utility payment bond;

(E) becoming surety on, or guaranteeing the performance of, any lawful contract, not specifically provided for in paragraph (16) of subsection (a) of Section 1113, except (i) mortgage guaranty insurance, which may only be written by an insurer authorized to write such insurance pursuant to Article 65 of the Insurance Law, (ii) a contract that falls within the definition of financial guaranty insurance as set forth in paragraph (1) of subsection (a) of Section 6901 of the Insurance Law, (iii) any insurance contract unless such guaranty is authorized pursuant to subsection (c) of Section 1114 of Article 11 of the Insurance Law; or (iv) service contract reimbursement insurance as specified in paragraph (28) of subsection (a) of Section 1113 of the Insurance Law;

(F) becoming surety on, or guaranteeing the performance of, bonds and undertakings required or permitted in all judicial proceedings or otherwise by law allowed, including surety bonds accepted by states and municipal authorities in lieu of deposits as security for the performance of insurance contracts; and

(G) becoming surety on, or guaranteeing the performance of, a bond, which shall not exceed a period greater than five years, that guarantees the payment of a premium, deductible, or self-insured retention to an insurer issuing a workers' compensation or liability policy.

In the Insurance Law, "fidelity" insurance shall have the meaning set forth in sub-paragraphs (A) and (B) of Section 1113(a)(16) of the Insurance Law.

Section 1113(a)(17) "Credit insurance" means:

(A) indemnifying merchants or other persons extending credit against loss or damage resulting from non-payment of debts owed to them, for goods and services provided in the normal course of their business, including the incidental power to acquire and dispose of debts so insured, and to collect any debts owed to such insurer or to the insured, but no insurance may be

written as credit insurance if it falls within the definition of financial guaranty insurance as set forth in paragraph (1) of subsection (a) of Section 6901 of the Insurance Law.

(B) indemnifying any person for expenses disbursed or to be disbursed under a contract in connection with the cancellation of a catered affair;

(C) indemnifying any person for tuition expenses disbursed or to be disbursed under a contract in connection with his dismissal or withdrawal from an educational institution; or indemnifying elementary or secondary schools, whether public, private, profit or non-profit, providing education in consideration of a tuition charge or fee against loss or damage in the event of non-payment of the tuition charges or fees of a student or pupil dismissed, withdrawn or leaving before the end of the school year for which the insurance is written. An educational institution may not require any person responsible for the payment of a student's or pupil's tuition charge or fee to pay for tuition refund insurance;

(D) indemnifying an adoptive parent for verifiable expenses not prohibited under the law paid to or on behalf of the birth mother when either one or both of the birth parents of the child withdraw or withhold their consent to adoption. Such expenses may include maternity-connected medical or hospital expenses of the birth mother, necessary living expenses of the birth mother preceding and during confinement, travel expenses of the birth mother to arrange for the adoption of the child, legal fees of the birth mother, and any other expenses which an adoptive parent may lawfully pay to or on behalf of the birth mother. For the purposes of Section 1113 of the Insurance Law, "adoptive parent" means the parent or his or her spouse seeking to adopt a child, "birth mother" means the biological mother of the child, "birth parent" means the biological mother or biological father of the child; or

(E) indemnifying professional sports participants (including any person who participates or expects to participate as a player, coach, manager, trainer, physician or other person directly associated with a player or a team) under contract or the teams with which the contract is made, entertainers under contract to perform or the entities with which the contract is made, or business executives under an employment contract or the entities with which the contract is made, where contracts between such persons and teams or entities cannot be fulfilled due to a sports participant's, entertainer's or business executive's death, personal injury by accident, sickness, ailment or bodily injury that causes disability, where such indemnification is for the amount of financial loss that is sustained by the insured party or parties due to the inability to fulfill the terms of the contract.

Section 1113(a)(30) "Substantially similar kind of insurance" means such insurance which in the opinion of the superintendent is determined to be substantially similar to one of the foregoing kinds of insurance and thereupon for the purposes of the Insurance Law shall be deemed to be included in that kind of insurance.

(2) To such extent as a corporation organized under the Insurance Law or the Business Corporation Law of the State of New York now or hereafter lawfully may do, to do each and every thing necessary, suitable, convenient or proper for, or in connection with, or incidental to, the accomplishment of any one or more of the purposes or the exercise of any one or more of the powers herein enumerated,

or designed directly or indirectly to promote the interests of the Corporation or to enhance the value of its properties; and in general to do any and all things and exercise any and all powers, rights and privileges for which a corporation may now or hereafter be organized under the Insurance Law or the Business Corporation Law of the State of New York or under any statute amendatory thereof, supplemental thereto or substituted therefor.

ARTICLE IV

EXERCISE OF CORPORATE POWERS

(1) The corporate powers shall be exercised by a Board of Directors, a President, one or more Vice Presidents, a Secretary and a Treasurer, and by such other officers and such committees as the Board of Directors may elect or appoint. The Directors shall have all of the qualifications, powers and authority, and shall be subject to all of the limitations, as set forth in the Insurance Law or the Business Corporation Law of the State of New York.

(2) The Board of Directors shall have the power to make, alter, amend or repeal the By-laws of the Corporation (except in those cases where stockholder action is required by law).

ARTICLE V

NUMBER OF DIRECTORS

The number of Directors of the Corporation shall be thirteen (13) or such greater number, up to a maximum of twenty-one (21), as shall be determined in the manner provided in the By-laws of the Corporation.

ARTICLE VI

PROVISIONS CONCERNING DIRECTORS AND OFFICERS

(1) At all times a majority of the Directors shall be citizens and residents of the United States, and not less than three of such Directors shall be residents of the State of New York. Each Director shall be at least eighteen years of age.

(2) The Directors shall not be required to own any shares of stock in the Corporation.

(3) An election of Directors shall be held annually at a place and time specified by the Board of Directors on the first Monday of May. Each Director shall serve until his successor is elected and qualified.

(4) Whenever any vacancy or vacancies shall occur in the Board of Directors, whether by reason of death, resignation, removal or otherwise, a majority of the remaining members of the Board, at a meeting called for that purpose, or at any regular meeting, shall elect a Director or Directors to fill the vacancy or vacancies thus created and each Director so elected shall hold office until his successor is elected and is qualified. If because of such vacancy or vacancies in the Board of Directors the number of Directors is less than thirteen, the Corporation shall not for that reason be dissolved, but the vacancy or vacancies shall be filled as herein provided.

(5) The President, one or more Vice Presidents, a Secretary and a Treasurer shall be elected annually by the Directors at the first meeting of the Board of Directors held after the election of the Directors as provided in Section 3 of this Article VI. Each of such officers shall hold office until the election of his successor. All other officers shall be elected or appointed by the Board of Directors, or in such manner as the By-laws may prescribe.

(6) Vacancies in any office may be filled for the remainder of the term in which the same shall occur by a majority vote of the Board of Directors.

ARTICLE VII

INITIAL DIRECTORS

The names and post office residence addresses of the Directors who shall serve until the first annual meeting of stockholders and until their successors are duly elected are:

<u>Name</u>	<u>Address</u>
<u>Isabelle Bouillot</u>	<u>42, rue Henri Barbusse 75005 Paris, France</u>
<u>Gérard Barbot</u>	<u>3, chemin de la Brèche 78750 Mareil Marly, France</u>
<u>Anthony Orsatelli</u>	<u>81, Boulevard St. Michel 75005 Paris, France</u>
<u>Jean-Jacques Bonnaud</u>	<u>17, rue Parmentier 92900 Neuilly-sur-Seine, France</u>
<u>Michael A. Freed</u>	<u>870 U.N. Plaza, Apt. 19-C New York, NY 10017</u>
<u>James O'Keefe</u>	<u>79 Orchard Road Mount Kisco, NY 10549</u>
<u>Charles E. Webster, Jr.</u>	<u>1088 Park Avenue, Apt. 5-E New York, NY 10128</u>
<u>Steven Klein</u>	<u>15 Wendover Road Montclair, NJ 07042</u>
<u>Marc de Bréchar</u>	<u>81 Columbia Heights, Apt. 55 Brooklyn, NY 11201</u>
<u>Paul Kwiatkoski</u>	<u>154 Forest Avenue Glen Ridge, NJ 07028</u>
<u>Jacques Rolfo</u>	<u>201 West 72, Apt. PH 3B New York, NY 10023</u>
<u>Jeremy Reifsnnyder</u>	<u>47 Gerrish Lane New Canaan, CT 06840</u>
<u>Antoine Lissowski</u>	<u>5ter, rue de la Paix 78420 Carrières-sur-Seine, France</u>

ARTICLE VIII

DURATION

The duration of the Corporation shall be perpetual.

ARTICLE IX

FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of January and shall terminate on the 31st day of December in each year.

ARTICLE X

CAPITALIZATION

The amount of the authorized capital of the Corporation shall be \$4,700,000 and shall consist of 4,700 shares of common stock having a par value of \$1,000 per share.

ARTICLE XI

EXCULPATION

No Director shall be personally liable to the corporation or any of its stockholders for damages for any breach of duty as a Director; provided, however, that the foregoing provision shall not eliminate or limit the liability of a Director if a judgment or other final adjudication adverse to him or her establishes that his or her acts or omissions were in bad faith or involved intentional misconduct or were acts or omissions (i) which violated the New York Insurance Law or (ii) which violated a specific standard of care imposed on Directors directly, and not by reference, by a provision of the New York Insurance Law (or any regulations promulgated thereunder) or (iii) which constituted a knowing violation

of any other law, or establishes that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

ARTICLE XII


INDEMNIFICATION

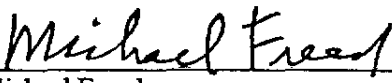
Any person made or threatened to be made a party to an action or proceeding, whether civil or criminal, by reason of the fact that he, his testator or intestate then is or was a Director or officer of the Corporation, or then serves or has served any other entity in any capacity at the request of the Corporation, shall be indemnified by the Corporation against expenses, judgments, fines and amounts paid in settlement to the full extent that directors and officers are permitted to be indemnified by the laws of the State of New York. The provisions of this paragraph shall not adversely affect any right to indemnification which any person may have apart from the provisions of this paragraph.

4. The Restated Charter of the Corporation set forth herein, including the amendments to the Charter of the Corporation set forth therein, was authorized and approved by the Board of Directors of the Corporation at a meeting held on March 6, 2003 and was authorized and approved by written consent of the sole shareholder of the Corporation in lieu of a meeting, dated as of March 6, 2003.

IN WITNESS WHEREOF, this Restated Charter has been signed on this 10th day of
March, 2003.

WESTERN CONTINENTAL INSURANCE
COMPANY OF NEW YORK

By: 
Jacques Rolfo
Chief Executive Officer and President

By: 
Michael Freed
Managing Director and Secretary

STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

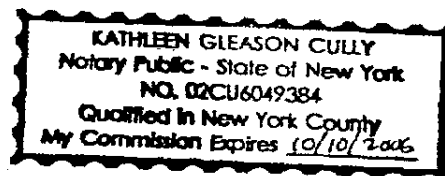
JACQUES ROLFO, being duly sworn, says:

That I am the Chief Executive Officer and President of WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK, and in such capacity I executed the foregoing Amended and Restated Charter, that I have read said Amended and Restated Charter, know the contents thereof and that the same is true to my own knowledge.

Jacques Rolfo
Jacques Rolfo

Sworn to before me this
10th day of March, 2003

Kathleen Cully
Notary Public



STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

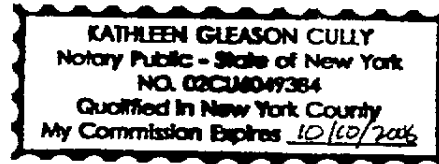
MICHAEL FREED, being duly sworn, says:

That I am the Secretary of WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK, and in such capacity I executed the foregoing Amended and Restated Charter, that I have read said Amended and Restated Charter, know the contents thereof and that the same is true to my own knowledge.

Michael Freed
Michael Freed

Sworn to before me this
12th day of March, 2003


Kathleen Sully
Notary Public



CERTIFICATE AS RELATES TO FEES

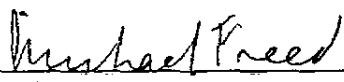
We, the undersigned duly elected, qualified and presently acting President and Secretary, respectively of Western Continental Insurance Company of New York (the "Corporation"), an insurance company organized under the laws of the State of New York, do hereby certify that with regard to the Agreement and Plan of Merger dated April 21, 2003, by and between the Corporation and Western Continental Insurance Company, no fees, commissions or other compensations or valuable considerations have been paid or are to be paid, directly or indirectly, to any person, form or corporation, for in any manner securing, aiding, promoting or assisting in the transactions contemplated thereunder. Further, no director, officer or member of the Corporation, except as fully expressed in the Agreement and Plan of Merger, shall receive any fee, commission, other compensation or valuable consideration, directly or indirectly, for in any manner aiding, promoting or assisting in the transactions contemplated thereunder.

IN WITNESS WHEREOF, we have hereunto subscribed our names under the penalties of perjury and caused the Corporate Seal of the Corporation to be affixed hereto this 21 day of April, 2003.



President

(Corporate Seal)



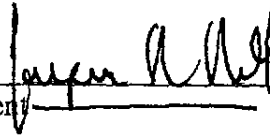
Secretary

CERTIFICATE OF ADOPTION

We, the undersigned duly elected, qualified and presently acting President and Secretary, respectively of Western Continental Insurance Company of New York (the "Corporation"), an insurance company organized under the laws of the State of New York, do hereby certify that the Agreement and Plan of Merger dated April 21, 2003, by and between the Corporation and Western Continental Insurance Company has been duly authorized, adopted and approved by the Board of Directors and the sole shareholder of the Corporation.

IN WITNESS WHEREOF, we have hereunto subscribed our names under the penalties of perjury and caused the Corporate Seal of the Corporation to be affixed hereto this 21 day of April, 2003.

President



(Corporate Seal)

Secretary

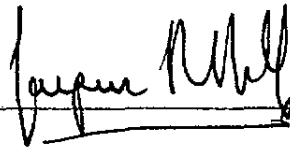


CERTIFICATE AS RELATES TO FEES

We, the undersigned duly elected, qualified and presently acting President and Secretary, respectively of Western Continental Insurance Company (the "Corporation"), an insurance company organized under the laws of the State of Texas, do hereby certify that with regard to the Agreement and Plan of Merger dated April 26, 2003, by and between the Corporation and Western Continental Insurance Company of New York, no fees, commissions or other compensations or valuable considerations have been paid or are to be paid, directly or indirectly, to any person, form or corporation, for in any manner securing, aiding, promoting or assisting in the transactions contemplated thereunder. Further, no director, officer or member of the Corporation, except as fully expressed in the Agreement and Plan of Merger, shall receive any fee, commission, other compensation or valuable consideration, directly or indirectly, for in any manner aiding, promoting or assisting in the transactions contemplated thereunder.

IN WITNESS WHEREOF, we have hereunto subscribed our names under the penalties of perjury and caused the Corporate Seal of the Corporation to be affixed hereto this 26 day of April, 2003.

President



(Corporate Seal)

Secretary

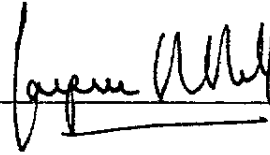


CERTIFICATE OF ADOPTION

We, the undersigned duly elected, qualified and presently acting President and Secretary, respectively of Western Continental Insurance Company (the "Corporation"), an insurance company organized under the laws of the State of Texas, do hereby certify that the Agreement and Plan of Merger dated April 21, 2003, by and between the Corporation and Western Continental Insurance Company of New York has been duly authorized, adopted and approved by the Board of Directors and the sole shareholder of the Corporation.

IN WITNESS WHEREOF, we have hereunto subscribed our names under the penalties of perjury and caused the Corporate Seal of the Corporation to be affixed hereto this 21 day of April, 2003.

President



(Corporate Seal)

Secretary



No. **03-0439**

OFFICIAL ORDER
of the
COMMISSIONER OF INSURANCE
of the
STATE OF TEXAS
AUSTIN, TEXAS

Date: MAY 28 2003

Subject Considered:

WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK
New York, New York
TDI No. 10-95804

APPLICATION FOR ADMISSION

General remarks and official action taken:

On this day, came on for consideration by the Commissioner of Insurance, pursuant to TEX. INS. CODE ANN. art. 21.43, and 28 TEX. ADMIN. CODE §7.504, the application of WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK, New York, New York, for admission to do the business of insurance in the State of Texas.

WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK, New York, New York, is a New York stock property and casualty insurer. New York requires that a domestic stock property and casualty insurer have a minimum of \$1,400,000 capital and surplus. Texas requires that a stock property and casualty insurer have a minimum of \$1,000,000 capital and \$1,000,000 surplus. The New York Insurance Department Report on Examination of WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK, New York, New York, as of April 2, 2003, filed with the admission documents, reported capital of \$4,700,000 and surplus of \$2,800,000, which meets the required minimum capital and surplus pursuant to TEX. INS. CODE ANN. art. 21.44.

WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK, New York, New York is being admitted to facilitate the redomestication of WESTERN CONTINENTAL INSURANCE COMPANY, Houston, Texas to New York. Pursuant to New York state laws, a foreign company redomesticating to New York must be merged into a New York shell.

The Commissioner of Insurance is satisfied that there is sufficient basis to approve the application of WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK, New York, New York, based on the review and recommendation of staff.

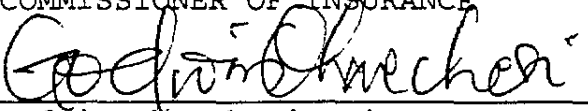
03-0439

COMMISSIONER'S ORDER
WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK
PAGE 2

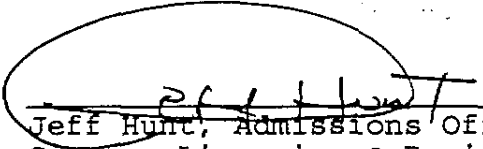
IT IS, THEREFORE, THE ORDER of the Commissioner of Insurance that the application of WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK, New York, New York, for admission to do the business of insurance in the State of Texas, be, and the same is hereby approved, and that said company be issued a Certificate of Authority to write Fidelity & Surety; Credit insurance and Reinsurance on all lines authorized to be written on a direct basis.

JOSE MONTEMAYOR
COMMISSIONER OF INSURANCE

BY:


Godwin Ohaechesi, Director
Company Licensing & Registration
Order No. 01-0692

Recommended by:


Jeff Hunt, Admissions Officer
Company Licensing & Registration

No. **03-0447**

OFFICIAL ORDER
of the
COMMISSIONER OF INSURANCE
of the
STATE OF TEXAS
AUSTIN, TEXAS

Date: JUN 02 2003

Subject Considered:

MERGER OF
WESTERN CONTINENTAL INSURANCE COMPANY
Houston, Texas
TDI No. 07-85600

INTO

WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK
New York, New York
TDI No. 10-95804

CONSENT ORDER

General remarks and official action taken:

On this day, came for consideration by the Commissioner of Insurance pursuant to TEX. INS. CODE ANN. art. 21.25 and art. 21.49-1, §5, the Agreement and Plan of Merger by and between WESTERN CONTINENTAL INSURANCE COMPANY, Houston, Texas, hereinafter referred to as "WCIC" and WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK, New York, New York, hereinafter referred to as "WCIC-NY", whereby WCIC would be merged with and into WCIC-NY, with WCIC-NY being the survivor.

Staff for the Texas Department of Insurance and the duly authorized representative for WCIC and WCIC-NY have consented to the entry of this order and have requested the Commissioner of Insurance informally dispose of this matter pursuant to the provisions of TEX. INS. CODE ANN. §36.104, TEX. GOV'T CODE ANN. §2001.056, and 28 TEX. ADMIN. CODE §1.47.

WAIVER

WCIC and WCIC-NY acknowledge the existence of their rights to the issuance and service of notice of hearing, a public hearing, a proposal for decision, rehearing by the Commissioner of Insurance, and judicial review of this administrative action, as provided for in TEX. INS. CODE ANN. §§36.201 - 36.205 and TEX. GOV'T CODE ANN. §§2001.051, 2001.052, 2001.145 and 2001.146, and have expressly waived each and every such right.

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COMMISSIONER'S ORDER
WESTERN CONTINENTAL INSURANCE COMPANY
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FINDINGS OF FACT

Based upon the information provided to and reviewed by the Texas Department of Insurance, the Commissioner of Insurance makes the following findings of fact:

1. WCIC and WCIC-NY have represented to the Commissioner of Insurance that they desire to waive all procedural requirements for the entry of an order, including, but not limited to notice of hearing, a public hearing, a proposal for decision, rehearing by the Commissioner of Insurance, and judicial review of the order as provided in TEX. INS. CODE ANN. §§36.201 - 36.205, and TEX. GOV'T CODE ANN. §§2001.051, 2001.052, 2001.145 and 2001.146.
2. WCIC is a domestic stock property and casualty insurance company duly licensed in the State of Texas pursuant to the provisions of Chapter 2 of the Texas Insurance Code.
3. WCIC-NY is a foreign stock property and casualty insurance company, incorporated in New York.
4. WCIC-NY was recently admitted in Texas to facilitate the redomestication of WCIC to New York. Pursuant to New York state laws, a foreign company redomesticating to New York must be merged into a New York shell.
5. WCIC and WCIC-NY are authorized to do a similar line of business, which is a prerequisite for merger approval under TEX. INS. CODE ANN. art. 21.25.
6. Documentation has been presented to the Texas Department of Insurance evidencing the fact that the Agreement and Plan of Merger has been approved by the Board of Directors and Shareholders of both WCIC and WCIC-NY in accordance with the requirements of TEX. INS. CODE ANN. art. 21.25.
7. As a result of the merger, all of the issued and outstanding shares of stock of WCIC shall be canceled.
8. WCIC-NY shall be the surviving corporation of the merger transaction.
9. As a result of the merger, WCIC-NY will assume and carry out all the liability and responsibility under insurance or reinsurance agreements now entered into by WCIC and any other obligations outstanding against such company at the time of merger on the same terms and under the same conditions as provided in such policies, contracts, insurance or reinsurance agreements.
10. No evidence has been presented that the Agreement and Plan of Merger between WCIC and WCIC-NY is contrary to law, is not in the

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COMMISSIONER'S ORDER
WESTERN CONTINENTAL INSURANCE COMPANY
PAGE 3 OF 4

best interest of the policyholders affected by the merger, or would substantially reduce the security of and service to be rendered to policyholders of WCIC in Texas or elsewhere.

11. No evidence has been presented that immediately upon consummation of the transactions contemplated in the Agreement and Plan of Merger, WCIC-NY would not be able to satisfy the requirements for the issuance of a license to write the line or lines of insurance for which WCIC is presently licensed.
12. No evidence has been presented that the effect of such acquisition of control as a result of the merger would be substantially to lessen competition in insurance in this state or tend to create a monopoly therein.
13. No evidence was presented that the financial condition of WCIC-NY is such as might jeopardize the financial stability or prejudice the interests of its policyholders.
14. No evidence was presented that WCIC-NY has any plans or proposals to liquidate the surviving corporation, cause it to declare dividends or make other distributions, sell any of its assets, consolidate or merge it with any person, make any material change in its business or corporate structure or management, or cause the insurer to enter into material agreements, arrangements, or transactions of any kind with any party that are unfair, prejudicial, hazardous, or unreasonable to the policyholders of WCIC-NY, the surviving corporation, and not in the public interest.
15. No evidence was presented that the competence, integrity, trustworthiness, and experience of those persons who would control the operations of WCIC-NY are such that it would not be in the interests of the policyholders of WCIC and WCIC-NY and the public to permit the merger.

CONCLUSIONS OF LAW

Based upon the foregoing findings of fact the Commissioner of Insurance makes the following conclusions of law:

1. The Commissioner of Insurance has jurisdiction over this matter pursuant to TEX. INS. CODE ANN. art. 21.25 and art. 21.49-1, §5.
2. The proposed merger of WCIC and WCIC-NY is properly supported by the required documents and meets all requirements of law for its approval.
3. The Commissioner of Insurance has no substantial evidence upon which to predicate denial of the merger.

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COMMISSIONER'S ORDER
WESTERN CONTINENTAL INSURANCE COMPANY
PAGE 4 OF 4

IT IS, THEREFORE, THE ORDER of the Commissioner of Insurance that the merger whereby WESTERN CONTINENTAL INSURANCE COMPANY, Houston, Texas, is to be merged with and into WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK, New York, New York, with WESTERN CONTINENTAL INSURANCE COMPANY OF NEW YORK being the survivor, all as specified in the Agreement and Plan of Merger, be, and the same is hereby, approved, effective June 30, 2003.

JOSE MONTEMAYOR
COMMISSIONER OF INSURANCE

BY: Betty Patterson
Betty Patterson
Senior Associate Commissioner
Financial Program
Order No. 01-0665

Recommended by:

Jeff Hunt
Jeff Hunt, Admissions Officer
Company Licensing & Registration

Reviewed by:

Godwin Ohaechesi
Godwin Ohaechesi, Director
Company Licensing & Registration