

MASSACHUSETTS MEDIAL MALPRACTICE  
REINSURANCE PLAN

COMPLIANCE MEETING

Minutes of Meeting

A Compliance Committee meeting of the Massachusetts Medical Malpractice Reinsurance Plan (“MMMRP”) was held at its offices at 95A Turnpike Road, Westboro, MA on Wednesday, June 25, 2003.

The following members were present in person:

Peter T. Robertson, Esq. Committee Chairman  
Jill Gold, Member

The following MMMRP staff/consultants were present in person:

John Tympanick, CFO  
William T. McGrail, President  
Thomas Ghezzi, Tillinghast-Towers Perrin  
Daniel Lower, Tillinghast-Towers Perrin

Chairman, Peter T. Robertson called the meeting to discuss the report developed by the Plan’s consulting actuary, Tillinghast-Towers Perrin.

Mr. Tom Ghezzi summarized the report dated June 2, 2003 regarding the calculations for assessing member companies based on financial data through December 31, 2003. He stated that based on the Rule 4 weighting factor, a total of \$5,681 million could be assessed in 2003.

Mr. Dan Lower then presented a cash flow analysis using various assumptions. he noted that if the Plan continued to receive premiums at 2003 estimated levels and if the Plan did not assess its members, then the Plan as a result, would have negative cash by early 2009, as well as total deficits exceeding \$80 million.

In the alternative, if the Plan assessed all members their full liabilities, then the Plan would have a cash balance exceeding \$50 million by mid-2009.

After much discussion, the committee believed an assessment to member companies was prudent and would present the Tillinghast report to the Governing Committee for further discussion and final determination.