

## APPENDIX A

### SUBSCRIBERS AGREEMENT

The undersigned subscriber to Pennsylvania Physicians' Reciprocal Insurers (the "Exchange"), a Pennsylvania reciprocal insurance exchange, agrees together with all other subscribers to the Exchange, and with Physicians Reciprocal Managers, Inc. (the "Company"), a Pennsylvania corporation, as the Attorney-in-Fact for the Exchange, as follows:

1. The undersigned agrees to pay its policy premiums and to exchange with the other subscribers to the Exchange policies providing insurance for any insured loss as stated in those insurance policies at the offices of the Company in Harrisburg, Pennsylvania.

2. The undersigned appoints the Company as Attorney-in-Fact with the power to (a) exchange insurance policies with other subscribers to the Exchange, (b) take any action necessary for the exchange of such insurance policies, (c) issue, change, non-renew or cancel insurance policies, (d) obtain reinsurance, (e) collect premiums, (f) invest and reinvest funds, (g) receive notices and proofs of loss, (h) appear for, compromise, prosecute, defend, adjust and settle losses and claims under the insurance policies of subscriber, (i) accept service of process on behalf of the Exchange as insurer and (j) conduct the business and affairs of the Exchange as set forth herein, in the Declaration of Organization and the Attorney-in-Fact Agreement between the Exchange and the Company. This power of attorney is limited to the purposes described in this Subscribers Agreement.

3. The undersigned agrees that the compensation to the Company for the Company (a) becoming and serving as Attorney-in-Fact for the subscribers to the Exchange, (b) managing the business and affairs of the Exchange as provided herein and (c) paying the general administrative expenses of serving as Attorney-in-Fact for the Exchange, including sales commissions, salaries and employee benefits, taxes other than premium taxes, rent, depreciation, supplies, and data processing, shall not exceed 21% of all premiums written or assumed by the Exchange. The remainder of all premiums written or assumed by the Exchange shall be used for losses, loss adjustment expenses, investment expense, damages, legal expenses, court costs, premiums taxes, assessments, licenses, fees, any other governmental fees and charges, establishment of reserves and surplus and reinsurance, and may be used for dividends and other purposes the Company decides are to the advantage of the subscribers to the Exchange.

4. The undersigned agrees that this Subscribers Agreement, including the power of attorney set forth herein, shall apply to all insurance policies for which the undersigned applies at the Exchange, including changes in any of the undersigned's coverages.

5. The undersigned agrees to sign and deliver to the Company all papers required to carry out this subscribers agreement.

6. This Subscribers Agreement, including the power of attorney set forth herein, shall not be affected by your subsequent disability or incapacity.

7. The subscribers Agreement and the Declaration of Organization of the Exchange are and shall be binding upon the Company and the undersigned and all of their respective executors, administrators, personal representatives, successors, and assigns.

IN WITNESS WHEREOF, the undersigned subscriber hereto sets his hand and seal.

\_\_\_\_\_  
Signature of Subscriber

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of the Subscriber (please print)