

COPY

1 KAMALA D. HARRIS  
Attorney General of the State of California  
2 JOYCE E. HEE (State Bar No. 88610)  
Supervising Deputy Attorney General  
3 KRISTIAN D. WHITTEN (State Bar No. 58626)  
Deputy Attorney General  
4 455 Golden Gate, Suite 11000  
San Francisco, California 94102-7004  
5 Telephone: (415) 703-5589  
Facsimile: (415) 703-5480  
6 Email: kris.whitten@doj.ca.gov

ENDORSED  
FILED  
Superior Court of California  
County of San Francisco

APR 21 2011

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Deputy Clerk

7 THOMAS J. WELSH (State Bar No. 142890)  
CYNTHIA J. LARSEN (State Bar No. 123994)  
8 ORRICK, HERRINGTON & SUTCLIFFE LLP  
400 Capitol Mall, Suite 3000  
9 Sacramento, California 95814-4497  
Telephone: (916) 447-9200  
10 Facsimile: (916) 329-4900  
Email: tomwelsh@orrick.com  
11 clarsen@orrick.com

12 Attorneys for Applicant Dave Jones,  
Insurance Commissioner of the State of California  
13 in his Capacity as Conservator of Majestic Insurance  
Company

**EXEMPT from filing fees per Govt.  
Code § 6103**

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15 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
16 CITY AND COUNTY OF SAN FRANCISCO  
17

18 DAVE JONES, INSURANCE  
19 COMMISSIONER OF THE STATE OF  
CALIFORNIA,

20 Applicant,

21 v.

22 MAJESTIC INSURANCE COMPANY, and  
23 DOES 1-50, inclusive,

24 Respondents.  
25  
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Case No. CPF-11-511261

**DECLARATION OF BARRY D.  
ZYSKIND IN SUPPORT OF  
INSURANCE COMMISSIONER DAVE  
JONES' MOTION FOR ORDER  
APPROVING REHABILITATION  
PLAN FOR MAJESTIC INSURANCE  
COMPANY**

**Date: June 2, 2011  
Time: 9:30 a.m.  
Dept: 301  
Judge: Hon. Peter J. Busch**

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1 KAMALA D. HARRIS  
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Supervising Deputy Attorney General  
3 KRISTIAN D. WHITTEN (State Bar No. 58626)  
Deputy Attorney General  
4 455 Golden Gate, Suite 11000  
San Francisco, California 94102-7004  
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Facsimile: (415) 703-5480  
6 Email: kris.whitten@doj.ca.gov

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8 ORRICK, HERRINGTON & SUTCLIFFE LLP  
400 Capitol Mall, Suite 3000  
9 Sacramento, California 95814-4497  
Telephone: (916) 447-9200  
10 Facsimile: (916) 329-4900  
Email: [tomwelsh@orrick.com](mailto:tomwelsh@orrick.com)  
11 [clarsen@orrick.com](mailto:clarsen@orrick.com)

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1 I, BARRY D. ZYSKIND, hereby declare and state as follows:

2 1. I am the Chief Executive Officer of AmTrust Financial Services, Inc.  
3 ("AmTrust"), which is a publicly-traded insurance holding company listed on the Nasdaq Stock  
4 Market. AmTrust, through its subsidiaries, AmTrust North America, Inc. and Technology  
5 Insurance Company, Inc., have agreed to enter into the Rehabilitation Agreement regarding  
6 Majestic Insurance Company ("Majestic") with Dave Jones, Insurance Commissioner of the State  
7 of California, in his capacity as Conservator of Majestic, in furtherance of the Rehabilitation Plan,  
8 by which AmTrust will assume Majestic's policyholder liabilities, office leases and retain most of  
9 Majestic's employees.

10 2. I make this Declaration in Support of the Insurance Commissioner Dave Jones'  
11 Motion for an Order Approving Rehabilitation Plan for Majestic Insurance Company.

12 3. As a company with more than \$4.2 billion in assets, \$700 million in shareholders'  
13 equity, and \$137 million in operating earnings (2010), AmTrust, which is rated A (IX) by A.M.  
14 Best, has the financial strength to assume Majestic's obligations pursuant to the Rehabilitation  
15 Plan. More importantly, AmTrust has the expertise required to successfully integrate Majestic's  
16 business (which is comprised solely of workers' compensation insurance) and to provide a stable,  
17 growing market for Majestic's current agents and policyholders and small businesses throughout  
18 the State of California and other states.

19 4. In 2010, workers' compensation remained AmTrust's largest line of business,  
20 comprising thirty (30%) percent of AmTrust's gross written premium in the total amount of \$1.6  
21 billion. AmTrust, one of the twenty (20) largest workers' compensation writers in the United  
22 States, focuses on small businesses which often are overlooked by our competitors. We  
23 successfully write workers' compensation insurance for small businesses through our proprietary  
24 technology which enables us to cost-effectively underwrite each risk and to provide high levels of  
25 service to our agents and policyholders.

26 5. I believe that by combining AmTrust's platform and corporate culture, which is  
27 characterized by a commitment to sound underwriting, and Majestic's experienced and well-

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1 regarded workers' compensation team, we will create a dynamic new option in the California  
2 marketplace. In the past eight years, AmTrust has acquired and successfully integrated workers'  
3 compensation businesses in diverse markets throughout the United States, including Princeton  
4 Insurance Agency in Princeton, New Jersey (a book of business in the approximate amount of  
5 \$100 million (annualized premiums) located, primarily, in the Northeast, acquired in 2003), The  
6 Covenant Group in Atlanta, Georgia, (a book of business in the approximate amount of \$70  
7 million located, primarily, in the Southeast acquired in 2004), Alea North America in Rocky Hill,  
8 Connecticut (which included a book of workers' compensation program business of  
9 approximately \$150 million, acquired in 2005), Muirfield Underwriters in Chicago, Illinois (a  
10 book of business in the approximate amount of \$60 million located, primarily, in the Midwest,  
11 acquired in 2006), Associated Industries Insurance Services, Inc. in Boca Raton, Florida (a book  
12 of business in excess of \$100 million and Florida-domiciled workers' compensation carrier in  
13 2007), Cybercomp, (a Swiss Re workers' compensation program in the approximate amount of  
14 \$100 million which operated in 26 states, which AmTrust acquired in 2009). In each case,  
15 AmTrust has, in connection with the integration of the acquired business, reduced expenses and  
16 achieved greater profitability.

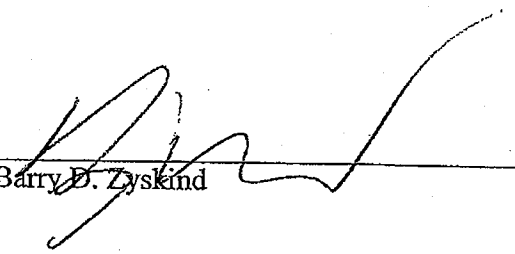
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6. For the foregoing reasons, I am confident that, pursuant to the Rehabilitation Plan, AmTrust will seamlessly assume Majestic's existing business and create a sound workers' compensation business, which will serve the California market in the years to come.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this \_\_\_th day of April, 2011.

  
Barry D. Zyskind

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