



SURPLUS CONTRIBUTION AGREEMENT

HEALTHCARE PROVIDERS INSURANCE EXCHANGE
305 North Front Street, Fifth Floor
Harrisburg, PA 17101-1216

Ladies and Gentlemen:

The undersigned subscriber (the "Subscriber") to Healthcare Providers Insurance Exchange (the "Exchange") hereby agrees to make a surplus contribution to the Exchange in the amount required by the Exchange (the "Surplus Contribution"). The Surplus Contribution may be made on behalf of a Subscriber by the Subscriber's employer or practice. In the event that the classification of the Subscriber changes so that the Subscriber would be required to make a greater Surplus Contribution, the Subscriber agrees to make an additional Surplus Contribution to reflect the appropriate amount as required by the Exchange.

The Exchange has the right to reject this Surplus Contribution Agreement (this "Agreement") and the Surplus Contribution at any time prior to the earlier of the Exchange (a) issuing the Subscriber a confirmation of insurance, certificate of insurance, insurance binder or other evidence of insurance coverage, whether the foregoing is issued before or after the effective date of the Subscriber's insurance policy or (b) issuing the Subscriber an insurance policy. The Exchange may exercise such right of rejection if it determines that the Subscriber does not meet the eligibility and underwriting requirements of the Exchange or any of the conditions set forth in the section "Conditions to Issuance of Policies" in the accompanying Subscriber Information Statement (the "Information Statement") have not been satisfied. In such event, the Surplus Contribution will be returned to the Subscriber or person or entity making the Surplus Contribution on behalf of the Subscriber without interest. The Subscriber hereby acknowledges receiving and reviewing the Information Statement prior to executing this Agreement.

The Subscriber understands and agrees that:

(a) the Subscriber or the person or entity making the Surplus Contribution will receive a Surplus Contribution Certificate evidencing the Surplus Contribution;

(b) the Surplus Contribution does not entitle the Subscriber or the person or entity making the Surplus Contribution to vote on any matters, except as otherwise required by law, and in the event the Subscriber or the person or entity making the Surplus Contribution is legally entitled to vote on a matter, the Subscriber or the person or entity making the Surplus Contribution will be limited to a single vote, regardless of the amount of the Subscriber's insurance premium or amount of the Surplus Contribution;

(c) the Exchange will not have a management board or other internal management and the Surplus Contribution does not entitle the Subscriber or the person or entity making the Surplus Contribution to participate in management of the Exchange;

(d) the Exchange is not obligated to pay any dividends, interest or other distributions in respect of Surplus Contributions;

(e) the Surplus Contribution will become irrevocable upon the earlier of (x) the date the Exchange issues a confirmation of insurance, certificate of insurance, insurance binder or other evidence of insurance coverage to the Subscriber, whether the foregoing is issued before or after the effective date of the Subscriber's insurance policy or (y) the date the Exchange issues an insurance policy to the Subscriber, and the Subscriber or person or entity making the Surplus Contribution has no right to receive a return of the Surplus Contribution under any circumstances except upon the earlier of (i) the dissolution or liquidation of the Exchange or (ii) the 15th anniversary of the date of issuance of the Surplus Contribution Certificate, and then only to the extent, if at all, permitted by law and with the approval of the Commissioner of Insurance of the Commonwealth of Pennsylvania (the "Commissioner"), provided that the Exchange will not be required to raise additional capital or other funding, cease writing insurance, decrease the amount of insurance it writes or make any other changes to its operations or finances in order to gain approval of the repayment;

(f) in the event the Exchange's repayment obligation is triggered pursuant to subpart (i) of the preceding paragraph, and subject to prior approval of the Commissioner, the Exchange may make such repayment at any time on or before June 30th of the year following the year in which the 15th anniversary occurred, or such later date as approved or directed by the Commissioner, without penalty or interest thereon.

(g) the Subscriber or person or entity making the Surplus Contribution *will not* be entitled to the return of any portion of the Surplus Contribution, except as provided in the preceding paragraph, even if the Subscriber's insurance policy is terminated or cancelled for any reason prior to its expiration, including by reason of the Subscriber's death, disability or retirement, or the Exchange does not issue the Subscriber a renewal policy after the termination, cancellation or expiration of the Subscriber's initial insurance policy; and

(h) any rights the Subscriber or any person or entity making the Surplus Contribution may have as a result of making the Surplus Contribution are not transferable other than (x) in the case of a Surplus Contribution made by a natural person, upon that person's death to their estate, spouse or lineal descendants, and (y) in the case of a Surplus Contribution made by a professional corporation, partnership, corporation, limited liability company or other legal entity, upon the legal dissolution of such entity, to the shareholders, partners or members of such entity, as the case may be.

This Agreement shall be binding upon the Subscriber, the Subscriber's heirs, representatives and assignees, and shall inure to the benefit of the Exchange and its successors and assigns. In the event that any provision of this Agreement is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed to be inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any provision hereof which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision hereof.

THIS AGREEMENT AND ALL QUESTIONS RELATING TO ITS VALIDITY, INTERPRETATION, PERFORMANCE AND ENFORCEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA (WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES THEREOF).

In Witness Whereof, the Subscriber has executed this Agreement this _____ day of _____, 200__.

SUBSCRIBER:

Signature

Name (please print)

(Address)

(Social Security or Tax Identification Number)