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### **Magna Carta Companies Restructures with AmTrust North America, Inc. Transactions**

New York, NY; March 16, 2016: Magna Carta Companies announces it has entered into a transaction with AmTrust North America, Inc. that includes a series of reinsurance contracts and related agreements.

Most notably, the transaction provides for the sale of the renewal rights to a portion of Magna Carta's commercial insurance business to AmTrust. In connection with the transaction, certain Magna Carta underwriters have joined AmTrust. This assures producers will have A rated paper to offer to their customers while preserving their underwriter relationship. Magna Carta's continuing underwriting operation will focus on its Asian Select Program offerings, as well as its Homeowners and Dwelling Fire products.

In addition, Magna Carta has entered into a Loss Portfolio Transfer reinsurance arrangement with AmTrust pertaining to a portion of its commercial insurance liabilities. The two companies have also entered into reciprocal service agreements to collaborate on the efficient execution of these reinsurance agreements.

Andrew L. Furgatch, Chairman and Chief Executive Officer of Magna Carta Companies said, "This transaction with AmTrust recapitalizes our balance sheet by substantially moderating our loss exposure and strengthening our net leverage measures. It also supports our capacity for growth potential while assuring the long term health of the Company."

Magna Carta Companies is a property and casualty insurance group consisting of Public Service Insurance Company, Paramount Insurance Company and Western Select Insurance Company. Founded in 1925, Magna Carta celebrated its 90<sup>th</sup> anniversary of continuous service to policyholders last year.

For more information on Magna Carta Companies, refer to the website: [www.mcarta.com](http://www.mcarta.com).

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