

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

IN THE MATTER OF THE REHABILITATION)	
OF MIDLAND INSURANCE GROUP, INC.,)	NO. 05 CH 11102
STUDENT PLANS, INC. AND SECURITY)	
INSURANCE COMPANY, LTD.)	

ORDER

THIS CAUSE COMING TO BE HEARD upon the Petition of MICHAEL T. McRAITH, Director of Insurance of the State of Illinois, in his capacity as statutory and Court-affirmed Rehabilitator (the "Director" or "Rehabilitator") of Student Plans , Inc. ("Student Plans"), for the entry of an order approving a final distribution of estate assets; granting relief from reviewing any claims falling below priority level (g); and approving the termination of the rehabilitation proceedings and the closing of the estate; the Court having jurisdiction over the parties hereto and the subject matter hereof; the Court having heard from counsel for the Rehabilitator and being fully advised in the premises;

THE COURT FINDS:

1. The time period established by this Court for the timely filing of claims against Student Plans (October 13, 2006 deadline) for purposes of participating in a distribution of Student Plans' assets has expired.

2. The Rehabilitator has represented that the evaluation of all claims timely filed in the Student Plans estate has been completed, with the exception of the proprietary claims filed by Student Plans' shareholders; that he has presented his recommendations in regards to those claims to this Court for approval; and that this Court, by its orders of March 23, 2007, has approved the recommended allowance of one claim in the amount of \$1,000.00 at statutory priority level (c), 215 ILCS 5/205(1)(c), one claim in the amount of \$268.34 at statutory priority level (d), 215 ILCS 5/205(1)(d), and three claims totaling \$566,325.00 at statutory priority level (g), 215 ILCS 5/205(1)(g), for purposes of participating in the distribution of Student Plans' assets.

3. The Rehabilitator has represented that there are sufficient assets in the Student Plans estate for payment of a one hundred percent (100%) dividend on the claims recommended for allowance and approved by this Court at statutory priority levels (c) and (d), 215 ILCS 5/205(1)(c) and 215 ILCS 205(1)(d).

4. The Rehabilitator has further represented that, after satisfying the priority level (c) and level (d) claims in full, and after reserving funds for post-closing administrative expenses, there will be insufficient assets in the Student Plans estate to pay the priority level (g) claims in full and, accordingly, that the priority level (g) claimants will receive a *pro rata* payment in partial satisfaction of their respective claims. 215 ILCS 5/205(1)(g).

5. That this order, the approved dividend and distribution of estate assets applies solely to Student Plans, Inc., and not to Midland Insurance Group, Inc. nor to Security Insurance Company, Ltd., and that the moratorium on the payment of Security Insurance Company, Ltd.'s claim obligations, established by prior order of this Court, will be unaffected by the entry of this order and that such moratorium shall remain in full force and effect.

IT IS ORDERED:

A. That the Rehabilitator's plan of final distribution of Student Plans' assets, including the reserving of \$31,075.00 for post-closing administrative expenses pursuant to 215 ILCS 5/211.1(a), which plan will result in a final distribution to the priority level (c) claimant in full (100%) satisfaction of the allowed claim; to the priority level (d) claimant in full (100%) satisfaction of the allowed claim; and a *pro rata* distribution of **49.1544%** on all timely filed claims allowed at priority level (g) of the statutory asset distribution schedule, is approved;

B. That the Rehabilitator is relieved of any obligation to review any claims falling below priority level (g) of the statutory asset distribution schedule, 215 ILCS 5/205(1)(g);

C. That the Student Plans rehabilitation proceeding is terminated, the Student Plans estate is closed, and these proceedings are dismissed, solely as to Student Plans, without prejudice pursuant to 215 ILCS 5/211.1;

D. That Student Plans' charter is dissolved pursuant to 215 ILCS 5/196;

E. That Michael T. McRaith, Director of Insurance of the State of Illinois, in his capacity as Rehabilitator of Student Plans, his duly authorized agent the Special Deputy Receiver, and their agents, assistants, predecessors, successors and assigns, are discharged from all liability and responsibility relating to the administration of the Student Plans estate pursuant to 215 ILCS 5/211.1(a);

F. That Michael T. McRaith, Director of Insurance of the State of Illinois, his agents, successors and assigns, as Trustee, pursuant to 215 ILCS 5/210(4) and 215 ILCS 5/211.1(b) and as Director, is authorized to administer the post-closing obligations set forth in his instant petition, including administering any remaining reserved and residual estate assets, until such time as the obligations have been completed;

G. That the Director is authorized and directed to maintain and store Student Plans' records in his possession and control for one (1) year from the date of entry of this Order, and thereafter shall destroy the records pursuant to 215 ILCS 5/211.1(b);

H. That, pursuant to 215 ILCS 5/211.1(b), upon the completion of all post-closing obligations, any residual assets from either the reserve for the payment of the final post-closing administrative expenses or monies received by Student Plans post-closing, which the Director determines cannot be practicably or economically distributed to claimants, shall be deposited into the Closed Estate Fund Trust Account;

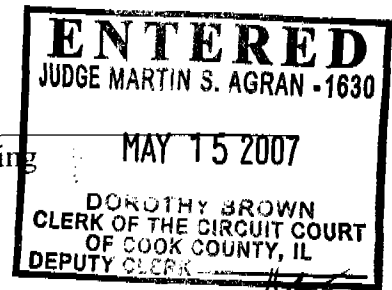
I. That, subsequent to the entry of this order, the caption in this cause and all pleadings filed in this mater shall read:

“IN THE MATTER OF THE REHABILITATION OF
MIDLAND INSURANCE GROUP, INC. AND SECURITY
INSURANCE COMPANY, LTD.”

J. That the Court retains jurisdiction in this cause, pursuant to 215 ILCS 5/211.1(c), for the purpose of granting such other and further relief as the nature of this cause and the interests of the claimants and creditors of Student Plans, or the public, may require.

ENTERED:

Judge Presiding



D. Daniel Barr
Dale A. Coonrod
Counsel to the Rehabilitator
Office of the Special Deputy Receiver
222 Merchandise Mart Plaza
Suite 1450
Chicago, Illinois 60654
(312) 836-9500
Attorney Code #16819