

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

IN THE MATTER OF THE LIQUIDATION OF)
PINE TOP INSURANCE COMPANY) NO. 86 CH 5898

ORDER FIXING THE TIME AND PROCEDURE
FOR FILING CLAIMS AND FOR OTHER MATTERS

THIS CAUSE COMING ON TO BE HEARD upon the Petition of the Liquidator of PINE TOP INSURANCE COMPANY ("Pine Top") for an Order Fixing Rights and Liabilities and for other matters, the Court having jurisdiction, the Court having reviewed said Petition, having considered the arguments of counsel thereon, and then being fully advised in the premises;

THE COURT FINDS:

That various persons, firms, corporations, and governmental entities have, claim to have, or may have claims against Pine Top and the property or assets thereof, and that in order to effectively and properly administer the affairs of Pine Top and to protect the interests of the policyholders, creditors, and stockholders of Pine Top and of the general public, and in accordance with Ill. Rev. Stat., 1985 Ch. 73, Par. 804, 806, 820 and 821, it is necessary that an Order be entered herein fixing the time after which no persons, firms, corporations, or governmental entities having or claiming to have any claim or claims against Pine top or the property or assets thereof shall participate in such assets unless such claims are presented to and filed with the Liquidator of Pine Top within the time to be fixed by said Order, and which said Order should provide additional relief.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

A. The rights and liabilities of Pine Top and of its creditors, policyholders, stockholders, and all other persons interested in its assets shall be fixed as of January 16, 1987 unless otherwise provided in a subsequent Order of this Court.

B. The Liquidator shall notify all persons (including but not limited to individuals, aggregations of individuals, partnerships, corporations, associations, estates, trusts, and governmental units), as hereinafter set forth in Paragraphs C and D of this Order, which Pine Top's books and records reveal have, or may have, claims, contingent or otherwise, against Pine Top or the property or assets of Pine Top, to present and file with the Liquidator, or a duly authorized Ancillary Receiver of Pine Top, proper Proofs of Claim, in the form hereafter set forth, on or before 4:30 p.m., Central Standard Time, January 17, 1988. Said notice by the Liquidator to claimants shall specify January 17, 1988 at 4:30 p.m., C.S.T. to be the last day for the filing of such Proofs of Claim with the Liquidator, or a duly authorized Ancillary Receiver of Pine Top, at the offices designated by him in such notice.

C. A notice of claims date shall be served upon those persons, described in Paragraph B above, which Pine Top's books and records reveal presently have claims, contingent or otherwise, or who have, prior to the date of the entry of this Order, served notice upon Pine Top or its Rehabilitator that they have a claim or claims against Pine Top, or the property or assets of Pine Top, or against an insured or policyholder of Pine Top, by the Liquidator depositing a copy of said Notice, together

with a Proof of Claim form, in the United States mail, enclosed in an envelope addressed to each at his, her or its last known address as revealed by the books and records of Pine Top with first class postage prepaid.

D. The Liquidator shall notify all other persons who have, or may have a claim or claims against Pine Top, or against an insured or policyholder of Pine Top, by causing a notice to be published at least once each week for three consecutive weeks in a newspaper of general circulation published in the County of Cook, State of Illinois, and in such newspaper or other notice shall: a) specify the last day for the filing of claims; b) shall advise all persons of the procedure by which all such persons may present their claims to the Liquidator; c) shall advise all such persons of the Liquidator's office wherein they may present their claims; and d) shall advise all such persons of their right to present their claim or claims to the Liquidator.

E. Any and all persons, firms, corporations or otherwise having or claiming to have any accounts, debts, claims or demands against Pine Top, contingent or otherwise, or claiming any right, title, or interest in any funds or property in the possession of the Liquidator be, and they hereby are, ordered and required to file with the Liquidator at his office as designated in the above described notice, on or before 4:30 p.m., C.S.T., on January 17, 1988, a properly completed Proof of Claim. Each Proof of Claim must consist of a statement, under oath, in writing, signed by the claimant, setting forth the claim, the consideration therefore, and whether any, and if so, what securities are held therefore, and whether any, and if so, what payments have been made thereon, and that the sum claimed is justly owing from Pine Top to the claimant, and whenever a claim is founded upon an instrument in writing, such instrument, unless lost or destroyed,

shall be filed with the Proof of Claim and if such instrument is lost or destroyed, a statement of such fact and the circumstances of loss or destruction shall be filed under oath with the claim.

F. Any insured under a liability insurance policy issued by Pine Top shall have the right to file contingent claim herein on or before January 17, 1988. The final date for the liquidation of such contingent claims of insureds shall be January 16, 1989. No such contingent claim shall be allowed unless such claims is liquidated and the insured claimant presents evidence of payment of such claim to the Liquidator on or before January 16, 1989.

G. Any person that has a cause of action against an insured of Pine Top under a liability policy issued by Pine Top shall have the right to file a contingent claim herein on or before January 17, 1988. Such claim may be allowed (a) if it may be reasonably inferred from the proof presented upon such claim that such person would be able to obtain a judgment upon such cause of action against such insured; (b) if such person shall furnish suitable proof, unless this Court for good cause shown shall otherwise direct, that no further valid claims against such insurer arising out of this cause of action other than those already presented can be made; and (c) if the total liability of such insurer shall be no greater than its total liability would be were it not in liquidation.

H. No person having or claiming to have any claim or claims against Pine Top shall participate in any distribution of the assets of Pine Top unless such claims are filed or presented in accordance with and within the time limits established by this Order, subject to the provisions for the late filing of claims contained in Section 208(2) of the Code (Ill. Rev. Stat., 1985, Ch. 73, Par. 820(2)).

I. The Liquidator shall examine, review, and evaluate said claims as filed with him, and report to the Court his recommendations for allowance of disallowance as the case may be. Upon the filing of such report and objections thereto, if any, the Court shall thereupon take such further action in the premises as justice may require.

J. The Liquidator shall not pay the claims of creditors, policyholders, insureds, or other claimants of Pine Top who are required hereby to file Proofs of Claims until all such claims have been filed and allowed in accordance with this Order and subsequent Orders of this Court, unless payment of such claims is hereafter authorized or approved by this Court.

K. Each and every presently in-force policy of direct insurance issued by Pine Top be and they hereby are cancelled. Such direct insurance policies are cancelled effective as of 12:01 a.m. February 16, 1987. The Liquidator shall so notify the policyholders and insureds on such policies.

L. Each and every presently outstanding treaty or contract of reinsurance not previously terminated with respect to which Pine Top is the assuming company be and they are hereby cancelled as of January 16, 1987 and the Director shall so notify the parties to such treaties or contracts. All other presently outstanding treaties and contracts of reinsurance (i.e., those with respect to which Pine Top is the ceding company) shall remain in full force in effect pending a determination and recommendation by the Liquidator as to when and on what terms cancellation is appropriate. Maintenance of such policies and treaties in effect shall not be, or be deemed to be, an affirmation or assumption of the obligations of Pine Top thereunder unless specifically so ordered by this Court."

M. All persons, firms, corporations or governmental entities be and hereby are prohibited, enjoined, and restrained from asserting any claim against Pine Top, or Pine Top's property or assets or the Liquidator and from instituting or further prosecuting any action at law or in equity or in any other proceeding against Pine Top, or Pine Top's property or assets, or the Liquidator and from obtaining preferences, judgments, attachments, or other like liens or encumbrances, or the making of any levy against Pine Top, or Pine Top's property or assets except insofar as such claims are brought in the Liquidation proceedings of Pine Top or by the claims procedure as herein set forth.

ENTER: _____

Judge Presiding

ENTERED 1987
CLERK OF THE SUPREME COURT
MOSCOW, IDAHO
JAN 16 1987
JUDGE
GEORGE M. MAROVICH

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