

**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 HAVING COME BEFORE THE COURT upon the Petition of Michael T. McRaith, Director of Insurance of the State of Illinois, in his capacity as the statutory and court affirmed Rehabilitator (“Rehabilitator”) of **Midland Insurance Group, Inc.** (“Midland”), Student Plans, Inc. and Security Insurance Company, Ltd., for an order authorizing the Rehabilitator to declare and effectuate a one hundred percent (100%) dividend on **Midland Insurance Group’s** claims allowed for distribution at statutory priority levels 215 ILCS 5/205(1)(d) thru 215 ILCS 5/205(1)(g); due notice having been given; the Court having jurisdiction over the parties hereto and the subject matter hereof; the Court having reviewed the pleading filed herein and having heard from counsel for the Rehabilitator thereon, and the Court having been otherwise advised in the premises;

THE COURT FINDS:

- (i) The time period established by this Court for the timely filing of claims against Midland (October 13, 2006 deadline) for purposes of participating in a distribution of Midland’s assets has expired.
- (ii) The Rehabilitator has represented that the evaluation of all claims timely filed in the Midland estate has been completed, with the exception of the proprietary claims filed by Midland’s 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 eight claims totaling \$1,356.39 at statutory priority level (d), 215 ILCS 5/205(1)(d), and twenty-two claims totaling \$16,339.97 at statutory priority level (g), 215 ILCS 5/205(1)(g), for purposes of participating in any distribution of Midland’s assets. The Rehabilitator has represented that there were no timely filed priority level (b), (c), (e) or level (f) claims, 215 ILCS 5/205(1)(b), (1)(c), (1)(e), (1)(f).

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

(iv) That the approved dividend and distribution of estate assets applies solely to Midland Insurance Group, Inc., and not to Student Plans, 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 remains in full force and effect.

IT IS, THEREFORE, ORDERED:

1. That the Rehabilitator's recommendation that a one hundred percent (100%) dividend be declared on all claims recommended for allowance and approved by order of this Court for distribution at statutory priority levels 215 ILCS 5/205(1)(d) thru 215 ILCS 5/205(1)(g) is hereby approved; and
2. That the Rehabilitator is hereby authorized to make a distribution of Midland Insurance Group's estate assets necessary to effectuate the dividend on allowed and court approved claims.

ENTERED JUDGE MARTIN S. AGRAN - 1630  
APR 30 2007  
DOROTHY BROWN  
CLERK OF THE CIRCUIT COURT  
OF COOK COUNTY, IL  
DEPUTY CLERK

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