

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

00002

IN THE MATTER OF THE LIQUIDATION OF)
ASSOCIATION OF TRIAL LAWYERS ASSURANCE) 04 CH 16949

**ORDER PROVIDING FOR THE FILING OF CLAIMS
AND THE SETTING OF CLAIM FILING DEADLINES**

THIS CAUSE COMING TO BE HEARD upon the petition of Deirdre K. Manna, Acting Director of Insurance of the State of Illinois, in her capacity as statutory and court-affirmed liquidator of Association of Trial Lawyers Assurance (the "Liquidator"), for the entry of an Order providing for the filing of claims and the setting of claim filing deadlines; the Court having jurisdiction over the parties and the subject matter; the Court having reviewed the petition and having heard from counsel; and the Court being otherwise fully advised in the premises;

IT IS HEREBY ORDERED THAT:

A. Pursuant to Section 208 of the Code, 215 ILCS 5/208, the Liquidator shall notify all persons, companies and entities, as hereinafter set forth in Paragraphs (B) and (C), which ATLA Mutual's books and records reveal have, or may have, claims against ATLA Mutual, its property or assets, or against an ATLA Mutual insured or policyholder, that all such claims must be presented to and filed with the Liquidator, in the form of a proper proof of claim as hereinafter set forth, on or before October 14, 2005. The notice by the Liquidator shall specify October 14, 2005 to be the last day by which any such proof of claim may be received by the Liquidator for the purposes of participating in any distribution of the estate assets that may be made on timely-filed claims which are allowed in these proceedings. For purposes of these claim filing procedures, a claim shall be treated as filed as of the date it is actually received by

the Liquidator. A claim shall also be deemed to have been received as of the United States Postal Service's postmark date if it is mailed, or the date of delivery to a private mail courier for delivery to the Liquidator, as evidenced by a validly issued receipt from that courier.

B. A notice of the claim filing procedures and claim filing deadlines shall be served upon those persons, companies and entities which ATLA Mutual's books and records reveal have, or may have, claims against ATLA Mutual, its property or assets, or against an ATLA Mutual insured or policyholder, 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, with first class postage prepaid, addressed to each such person, company or entity at his, her or its last known address as disclosed by ATLA Mutual's books and records.

C. Pursuant to Section 208(1) of the Code, 215 ILCS 5/208(1), the Liquidator shall also provide notice by publication to all persons, companies or entities who have, or may have, claims against ATLA Mutual, its property or assets, or against an ATLA Mutual insured or policyholder, by causing a notice to be published once each week for three consecutive weeks in a newspaper published in the County of Cook, State of Illinois. The notice so published shall: (a) advise all such persons, companies and entities of their right to present their claims against ATLA Mutual, its property or assets, or against an ATLA Mutual insured or policyholder, to the Liquidator; (b) advise all such persons, companies and entities of the procedure by which they may present their claims to the Liquidator; (c) advise all such persons, companies and entities of the location of the Liquidator's office where they may present their claims; and (d) specify the last day by which proofs of claim may be received by the Liquidator for purposes of participating in any distribution of assets that may be made on timely-filed claims allowed in these liquidation proceedings.

D. All persons, companies or entities who have, or may have, claims against ATLA Mutual, its property or assets, or against an ATLA Mutual insured or policyholder, shall present their claims to the Liquidator at her office, as designated in the above-described notices, on or before the claim filing deadline set forth in Paragraph (A) above, by way of a properly completed proof of claim. Pursuant to Section 209(1) of the Code, 215 ILCS 5/209(1), a proper proof of claim shall consist of a notarized statement under oath, in writing, signed by the claimant, setting forth the specific claim, the consideration therefor, whether the claim is secured and, if so, what security is held therefor, whether any payments have been made on the claim, and, if so, what payments, and that the sum claimed is justly owing from ATLA Mutual. Further, whenever a claim is based on a document, the document, unless lost or destroyed, shall be filed with the proof of claim and, if the document is lost or destroyed, a statement of that fact and of the circumstances of the loss or destruction shall be included in the proof of claim.

E. Pursuant to Section 209(4) of the Code, 215 ILCS 5/209(4), any insured under an insurance policy issued by ATLA Mutual shall have the right to present the Liquidator with a proof of claim setting forth a contingent claim, subject to the claim filing deadline set forth in Paragraph (A) above. The final date by which evidence supporting the liquidation and payment of any such contingent claim may be received by the Liquidator shall be October 16, 2006, and no such contingent claim shall be allowed for purposes of participating in any distribution of estate assets that may be made at the fourth priority level [215 ILCS 5/205(1)(d)] unless such claim has been liquidated and the insured claimant has presented evidence of payment of such claim to the Liquidator on or before October 16, 2006. For purposes of these claim filing procedures, such evidence of claim liquidation and payment shall be treated as filed as of the date it is actually received by the Liquidator. Such evidence shall also be deemed to have been

received as of the United States Postal Service's postmark date if it is mailed, or the date of delivery to a private mail courier for delivery to the Liquidator, as evidenced by a validly issued receipt from that courier. Any contingent claim for which a proof of claim was received by the claim filing deadline set forth in Paragraph (A) above, but which is not liquidated by October 16, 2006, may be estimated pursuant to Section 209(4)(b) of the Code, 215 ILCS 5/209(4)(b), for the purposes of participating in any distribution of estate assets that may be made at the fifth priority level [215 ILCS 5/205(1)(e)], unless the Court has issued an order pursuant to 215 ILCS 5/209(12) relieving the Liquidator of her responsibility to review the unliquidated contingent claims based upon the Liquidator's report to the Court that the assets of the estate will not be sufficient to pay claims at the fifth priority level [215 ILCS 5/205(1)(e)].

F. Pursuant to Section 209(5) of the Code, 215 ILCS 5/209(5), which provides that ATLA Mutual's obligation, if any, to defend or continue the defense of any claim or suit under a liability insurance policy was terminated upon the entry of the Agreed Order of Liquidation, an insured of ATLA Mutual may include in its contingent claim reasonable attorney's fees for services rendered subsequent to the date of liquidation in defense of claims or suits covered by the insured's policy, provided that all such attorney's fees have actually been paid by the insured and evidence of such payment has been presented in the manner required for the liquidation of an insured's contingent claim as set forth in Paragraph (E) above.

G. Pursuant to Section 209(6) of the Code, 215 ILCS 5/209(6), any person, company or entity having a cause of action against an ATLA Mutual insured under an insurance policy issued by ATLA Mutual, regardless of whether the claim was contingent as of the entry of the Agreed Order of Liquidation, may file its claim as set forth in Paragraph (A) above, and such claim may be allowed: (a) if it may be reasonably inferred from the proof presented upon the

claim that the claimant would be able to obtain a judgment upon the cause of action against the insured; (b) if the person, company or entity has furnished suitable proof, unless the Court for good cause shown shall otherwise direct, that no further valid claims against ATLA Mutual arising out of the cause of action other than those already presented can be made; and (c) the total liability of ATLA Mutual to all claimants arising out of the same act shall be no greater than its total liability would be were it not in liquidation.

H. Subject to the provisions for the late filing of claims contained in Sections 208(2) and 208(3) of the Code, 215 ILCS 5/208(2)-(3), no person having or claiming to have any claim against ATLA Mutual shall participate in any distribution of ATLA Mutual's assets unless such claims are filed or presented in accordance with and within the deadlines established by the order prayed for herein.

I. Pursuant to Section 209 of the Code, 215 ILCS 5/209, the Liquidator shall examine and investigate any and all properly filed proofs of claim and submit her recommendations as to the allowance, in whole or in part, or the disallowance of each such claim to the Court, unless it is reported to the Court that the assets of the estate will not be sufficient to pay claims at a certain level of priority under 215 ILCS 5/205(1), and the Court therefore exempts the Liquidator pursuant to 215 ILCS 5/209(12) from evaluation or adjudication of any claims at the designated priority level.

ENTERED: JUDGE DAVID R. DONNERSBERGER
NOV 15 2004
Circuit Court - 1541

Judge Presiding

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