

interests of ILLINOIS HEALTH, its policyholders, creditors and stockholders, and the public, may require.

2. That the Liquidator has determined that thousands of persons, companies and entities have, claim to have, or may have, claims against ILLINOIS HEALTH, its policyholders, or its property or assets.

3. That the Liquidator has further determined that, in order to effectively and promptly administer the affairs and assets of ILLINOIS HEALTH and to protect the interests of its policyholders, creditors and stockholders, and the public, it is necessary that this order be entered pursuant to Sections 194, 208, and 209 of the Code, 215 ILCS 5/194, 5/208 and 5/209, fixing the rights and liabilities of ILLINOIS HEALTH and of its creditors, policyholders, stockholders or members, and all other persons interested in its property or assets; establishing a procedure for the filing of proofs of claim against the assets of ILLINOIS HEALTH in order that such claims, if meritorious, may share in any distribution of estate assets; and setting a deadline for the filing of any such proofs of claim.

IT IS HEREBY ORDERED THAT:

A. The rights and liabilities of ILLINOIS HEALTH and its policyholders, creditors, stockholders or members, and all other persons interested in ILLINOIS HEALTH's property or assets were fixed, pursuant to the terms of the Order of Liquidation and Section 194 of the Code, 215 ILCS 5/194, as of June 30, 2000, pursuant to paragraphs B. and H. of the Order of Liquidation.

B. The Liquidator shall notify all persons, companies and entities, as hereinafter set forth in Paragraphs (C) and (D), which ILLINOIS HEALTH's books and records reveal have, or may have, claims against ILLINOIS HEALTH, its property or assets, or against an ILLINOIS HEALTH policyholder, that all such claims must be presented to and filed with the Liquidator, or a duly authorized Ancillary Receiver of ILLINOIS HEALTH, in the form of a proper proof of claim as hereinafter set forth, on or before June 30, 2001 at 4:30 p.m. C.D.T. Said notice by the Liquidator shall specify June 30, 2001 at 4:30 p.m. C.D.T. to be the last day by which any such proof of claim may actually be received by the Liquidator, or a duly authorized Ancillary Receiver of ILLINOIS HEALTH, for the purposes of participating in any distribution of assets that may be made on timely filed claims which are allowed in these proceedings. Said notice shall further specify that for purposes of these claim filing procedures the terms "presented to and filed with the Liquidator" and "actually received by the Liquidator" mean that in order for a proof of claim to be timely filed the Liquidator must have actual physical custody of the proof of claim form.

C. A notice of the claim filing procedures and claim filing deadline shall be served upon those persons, companies and entities which ILLINOIS HEALTH's books and records reveal have, or may have, claims against ILLINOIS HEALTH, its property or assets, or against an ILLINOIS HEALTH 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 ILLINOIS HEALTH's books and records.

D. The Liquidator shall also provide notice by publication to all persons, companies or entities who have, or may have, claims against ILLINOIS HEALTH, its property or assets, or against its policyholders, 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 other newspaper(s) and/or publication(s) as he may deem advisable, including newspapers of general circulation in Bloomington, IL and Springfield, IL. The notice so published shall: (a) advise all such persons, companies and entities of their right to present their claim or claims against ILLINOIS HEALTH, its property or assets, or against a ILLINOIS HEALTH 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) specifying the last day by which proofs of claims may actually 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 proceedings. Said notice shall further specify that for purposes of these claim filing procedures the term "actually received by the Liquidator" means that in order for a proof of claim to be timely filed the Liquidator must have actual physical custody of the proof of claim form.

E. All persons, companies or entities having, or claiming to have, any accounts, debts, claims or demands against ILLINOIS HEALTH, its property or assets, or against an ILLINOIS HEALTH policyholder, to present its claims to the Liquidator at his office as designated in the above described notice, on or before the claim filing deadline set forth in

Paragraph (B) above, by way of a properly completed proof of claim. A proof of claim must consist of a statement, under oath, in writing, signed by the claimant, setting forth a specific claim, the consideration therefore, and whether any, and if so what, payments have been made thereon, and that the sum so claimed is justly owing from ILLINOIS HEALTH 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 such loss or destruction shall be filed under oath with the claim.

F. Subject to the provisions for the late filing of claims contained in 215 ILCS 5/208(2)-(3) no person having or claiming to have any claim or claims against ILLINOIS HEALTH shall participate in any distribution of the assets of ILLINOIS HEALTH unless such claims are filed or presented in accordance with and within the time limits established by this Order.

G. The Liquidator, pursuant to Section 209 of the Code, 215 ILCS 5/209, and subject to the further order of the Court, shall examine and investigate any and all properly filed proofs of claim and submit his recommendations as to the allowance or disallowance, in whole or in part, 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, and the Court therefore exempts the Liquidator pursuant to 215 ILCS 5/209(12) from the evaluation or adjudication of any claims at such designated level of priority. Upon the filing of such report on

claim recommendations pursuant to 215 ILCS 5/209(13), and any hearing on any objections thereto, the Court shall thereupon take further action as justice may require.

H. The Liquidator shall not pay the claims of any creditors, policyholders, or other claimants of ILLINOIS HEALTH required to file proofs of claim until the deadlines for the timely presentment of proofs of claim to the Liquidator have passed, and all such claims have been allowed or disallowed, in whole or in part, by order of the Court, unless payment of such claims is hereafter authorized or approved by the Court.

ENTERED

ENTERED:

OCT 20 2000

JUDGE
AARON JAFFE - 196 

Judge

D. Daniel Barr
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