

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

IN THE MATTER OF THE REHABILITATION )  
OF LIFE SERVICES NETWORK TRUST ) NO. 09 CH 38699

**ORDER**

THIS CAUSE COMING ON TO BE HEARD upon the motion of Jennifer Hammer, Director of Insurance of the State of Illinois, as Rehabilitator (the "Rehabilitator") of Life Services Network Trust ("LSN Trust") for the entry of an order approving claim filing procedures and establishing claim filing deadlines; due notice having been given; the Court having jurisdiction over the parties hereto and the subject matter hereof; the Court having reviewed the motion filed herein and having heard from counsel for the Rehabilitator thereon, and the Court then being otherwise fully advised in the premises;

**IT IS HEREBY ORDERED THAT:**

A. The Rehabilitator is hereby directed to provide both actual and constructive notice of the procedures and deadlines for the filing of claims (the "Notice") to all persons, companies and entities which LSN Trust's books and records reveal have, or may have, claims against LSN Trust or its property or assets or against an LSN Trust insured or policyholder (the "Potential Claimants"); such Potential Claimants to include all former and current LSN Trust members and those persons and entities having an interest in any remaining open claims.

B. The Notice shall inform Potential Claimants that all such claims must be presented to and filed with the Rehabilitator in the form of a proof of claim meeting the requirements of Section 209(1) of the Illinois Insurance Code (the “Code”), 215 ILCS 5/209(1), as hereinafter described, on or before **March 30, 2018 at 4:30 p.m. C.D.T.** The Notice shall specify **March 30, 2018 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 Rehabilitator 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 Rehabilitator” and “actually received by the Rehabilitator” mean that in order for a proof of claim to be timely filed the Rehabilitator must have physical possession of the of the proof of claim form, or the proof of claim form must have been delivered to the United States Postal Service for delivery to the Rehabilitator and postmarked on or before **March 30, 2018 at 4:30 p.m. C.D.T.**, with full postage pre-paid, or the proof of claim form must have been delivered to a private mail courier for delivery to the Rehabilitator on or before **March 30, 2018 at 4:30 p.m. C.D.T.**, with delivery charges fully paid.

C. Pursuant to Section 209(1)(a) of the Code, 215 ILCS 5/209(1)(a),

a[p]roof of claim shall consist of a statement signed by the claimant or on behalf of the claimant that includes all of the following that are applicable:

- (i) the particulars of the claim including the consideration given for it;
- (ii) the identity and amount of the security on the claim;
- (iii) the payments made on the debt, if any;
- (iv) that the sum claimed is justly owing and that there is no setoff, counterclaim, or defense to the claim;

- (v) any right of priority of payment or other specific right asserted by the claimant;
- (vi) the name and address of the claimant and the attorney, if any, who represents the claimant; and
- (vii) the claimant's social security or federal employer identification number.

215 ILCS 5/209(1)(a).

Further, pursuant to Section 209(2) of the Code, 215 ILCS 5/209(2),

[w]henever a claim is based upon a document, the document, unless lost or destroyed, shall be filed with the proof of claim. 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... Except as otherwise provided in subsection (7), a proof of claim required under this Section must identify a known loss or occurrence.

215 ILCS 5/209(2).

D. The Rehabilitator shall accept as a timely filed proof of claim documentation in LSN Trust's books and records which, taken as a whole, comply with the requirements of Section 209(1)(a), *supra*, and the Rehabilitator shall advise claimants, who have not previously filed a proof of claim with respect to such a claim, that their claim is timely filed based upon documentation in LSN Trust's records and that they need not present a proof of claim form with respect to the particular claim. Further, that claims previously fixed or settled as to amount by the Rehabilitator remain fixed or settled in such manner for purposes of any future distribution of LSN Trust estate assets, and claimants having claims previously fixed or settled as to amount by the Rehabilitator need not file a proof of claim respecting such claims. This would include all claims of LSN Trust members, injured workers, health care providers and others whose claims were

previously fixed by the Rehabilitator and paid at seventy percent (70%) of the amount claimed as provided for under the Rehabilitator's Plan of Rehabilitation.

E. Actual notice of the claim filing procedures and deadlines shall be served upon Potential Claimants by the Rehabilitator depositing a copy of said Notice in the United States mail, enclosed in an envelope, with first class postage prepaid, addressed to each such Potential Claimant at his, her or its last known address as disclosed by LSN Trust's books and records.

F. The Rehabilitator shall also provide constructive notice of the claim filing procedures and deadlines by publication, 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 she may deem advisable.

G. Pursuant to Section 209(4) of the Code, 215 ILCS 5/209(4), any insured under an insurance policy issued by LSN Trust shall have the right to present the Rehabilitator with a proof of claim setting forth a contingent claim, subject to the claim filing deadline set forth in Paragraph (B), above. The final date by which evidence supporting the liquidation of any such contingent claim by actual payment must be actually received by the Rehabilitator shall be **May 31, 2018 at 4:30 p.m. C.D.T.** No such contingent claim shall be allowed for purposes of participating in any distribution(s) 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 to and filed with the

Rehabilitator evidence of payment of such claim on or before **May 31, 2018 at 4:30 p.m. C.D.T.** Any insured's contingent claim for which a proof of claim was received by the claim filing deadline set forth in Paragraph (B) above, but which is not liquidated by **May 31, 2018** or as to which evidence of payment of such claim is not presented to and filed with the Rehabilitator on or before **May 31, 2018**, may be estimated pursuant to Section 209(4)(b) of the Code, 215 ILCS 5/209(4)(b), for purposes of participating in any distribution(s) of estate assets that may be made at the fifth priority level, 215 ILCS 5/205 (1)(e), unless this Court has issued an order pursuant to 215 ILCS 5/209(12) relieving the Rehabilitator of her responsibility to review the unliquidated contingent claims based upon the Rehabilitator'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).

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 or claims against LSN Trust or its property or assets shall participate in any distribution(s) of the assets of LSN Trust unless such claims are filed or presented in accordance with and within the time limits established by this Order.

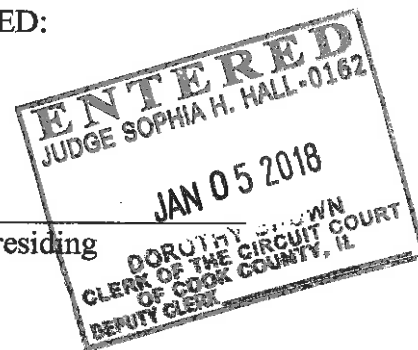
I. The Rehabilitator, pursuant to Section 209 of the Code, 215 ILCS 5/209, and subject to the further order of this Court, shall examine and investigate any and all properly filed proofs of claim and submit her recommendations as to the allowance or disallowance, in whole or in part, of each such claim 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(1), and the

Court therefore exempts the Rehabilitator pursuant to 215 ILCS 5/209(12) from the evaluation or adjudication of any claims at the designated level of priority. Further, that 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 take further action as justice may require.

J. The LSN Trust Plan of Rehabilitation [Exhibit A to the Rehabilitator's instant Motion] and the provisions contained therein shall remain in full force and effect until further order of this Court.

ENTERED:

Judge Presiding



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