

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

**IN THE MATTER OF THE REHABILITATION OF )  
PUBLIC SERVICE INSURANCE COMPANY and     )   CASE NO.: 17 CH 3790  
PUBLIC SERVICE MUTUAL HOLDING COMPANY )**

**ORDER APPROVING DEADLINES AND  
PROCEDURES FOR THE FILING OF CLAIMS**

This cause coming to heard upon the petition (the "Petition") of Robert H. Muriel, Director of the Illinois Department of Insurance, (the "Director") acting solely in his capacity as statutory and Court affirmed rehabilitator (the "Rehabilitator") of the Estate of Public Service Insurance Company<sup>1</sup> ("PSIC") and Public Service Mutual Holding Company ("PSMHC") (collectively, the "Estate"), requesting the entry of an order: (i) finding PSIC to be insolvent; (ii) fixing the rights and liabilities of the Estate and its non-cedent creditors and claimants as of January 9, 2019, unless fixed as of an earlier date under the Amended Plan of Rehabilitation for Public Service Insurance Company and Public Service Mutual Holding Company approved by this Court's Order entered on December 3, 2018 (the "Amended Plan"); (iii) setting a claim filing deadline for the submission of proofs of claim; and (iv) requiring the Rehabilitator to provide notice of the claim filing deadline including the mailing of said notice within 10 business days of the entry of this Order; due notice having been given; the Court having jurisdiction over the parties and the subject matter; counsel

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1. The term "'Estate of Public Service Insurance Company" is used in contradistinction to the creation of the "resumptive Public Service Insurance Company" under this Court's Memorandum Opinion and Order Approving Stock Purchase Agreement and Channeling of Certain Assets and Liabilities, entered on December 3, 2018 (the "Channeling Order").

for the Rehabilitator having appeared before the Court; the Court having reviewed the Petition and having heard from counsel for the Rehabilitator thereon; and the Court being otherwise fully advised in the premises;

**THE COURT HEREBY FINDS THAT:**

- A. Paragraph 5.01(a) of the Amended Plan fixed the rights and liabilities of the Estate's cedent creditors as of January 9, 2019;
- B. Paragraph 8.06 of the Amended Plan fixed the rights and liabilities arising under the Estate's contractual executive severance obligations were fixed as of March 16, 2017, the date on which the Agreed Order of Rehabilitation was entered; and
- C. The Estate is insolvent.

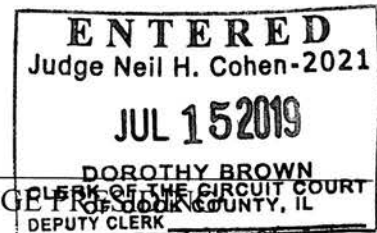
**IT IS HEREBY ORDERED THAT:**

- 1. The rights and liabilities of the Estate and its non-cedent creditors and claimants are fixed as of January 9, 2019 (excluding, however, those creditors with claims for executive severance whose rights were fixed as of March 16, 2017).
- 2. Subject to Paragraph 6 of this Order, below, all claims asserted against PSIC's assets (the "Claims") must be presented to and filed with the Rehabilitator by way of a proof of claim that is actually received by the Rehabilitator on or before 4:30p.m. C.T. on the 120th day following the date on which this Order is entered (the "Claim Filing Deadline").
- 3. For purposes of this Order, the terms "presented to and filed with the Rehabilitator" and "actually received by the Rehabilitator" shall mean that in order for a proof of claim to be timely filed: (1) the Rehabilitator must have actual possession of the proof of claim form on or before the Claim Filing Deadline; or (2) 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 the Claim Filing Deadline, with full postage pre-paid; or (3) the proof of claim form must have been delivered, on or before the Claim Filing Deadline, to a private courier for delivery to the Rehabilitator, with delivery charges fully paid.
- 4. No person having or claiming to have any claim or claims against the Estate its property or assets shall participate in any distribution(s) of the assets of the Estate unless such claims are filed or presented in accordance with and within the Claim Filing Deadline established by this Order;
- 5. All proofs of claim shall comply with the requirements of subsections (1) and (2) of Section 209 of the Illinois Insurance Code, 215 ILCS 5/209(1) and (2), as follows:

- a. A proof 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.
  - b. Whenever 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. A claim may be allowed even if contingent or unliquidated as of the date fixed by the court pursuant to subsection (a) of Section 194 if it is filed in accordance with this subsection. Except as otherwise provided in subsection (7) [215 ILCS 5/209(7)], a proof of claim required under this Section must identify a known loss or occurrence.
  - c. Subject to the provisions for the late filing of claims contained in Sections 208(2) and 208(3), 215 ILCS 5/208(2)-(3), of the Code no person having or claiming to have any claim or claims against PSIC, its property or assets shall participate in any distribution(s) of the assets of PSIC unless such claims are filed or presented in accordance with and within the time limits established by the order prayed for herein.
6. Paragraphs 2, 3, and 5 of this Order notwithstanding, in accordance with Section 5.01(b) of the Amended Plan the Rehabilitator shall accept as a timely filed proof of claim documentation reported to and received by the Estate as of January 9, 2019, which, when taken as a whole, complies with the requirements of Section 209(1)(a), *supra.*, and which evidences the existence of an open and unpaid claim or liability as of January 9, 2019.

7. The Rehabilitator shall 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 the Estate's books and records reveal have, or may have, claims against the Estate, or its property or assets (the "Potential Claimants"). The category of Potential Claimants expressly excludes those persons, companies, and entities possessing or asserting claims arising within the coverage of a policy of insurance issued by PSIC; all such claims having been channeled to the resumptive PSIC on January 9, 2019 pursuant to the Channeling Order.
8. Within 10 business days from the entry of the order prayed for herein, the Rehabilitator shall provide actual Notice to Potential Claimants by way of the United States Postal Service first class postage prepaid, addressed to each such Potential Claimant at his, her or its last known address as disclosed by the Estate's books and records as of the Plan Effective Date. The mailed notice to Potential Claimants shall, in substance, be in the form attached hereto as Exhibit 1.
9. As soon as practicable following the entry of the order prayed for herein the Rehabilitator shall also provide constructive notice of the claim filing procedures and deadlines by publication, by causing a Notice which, in substance, shall be in the form attached hereto as Exhibit 2, 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 the Rehabilitator may deem advisable.

ENTERED:



JUDGE

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