

PRESENT: GISCONE
Justice

PART 10

In re:
LION INSURANCE COMPANY

INDEX NO. 405446/07
MOTION DATE _____
MOTION SEQ. NO. 001
MOTION CAL. NO. _____

The following papers, numbered 1 to _____ were read on this motion to/for _____

Notice of Motion/ Order to Show Cause — Affidavits — Exhibits ...
Answering Affidavits — Exhibits _____
Replying Affidavits _____

PAPERS NUMBERED
1
FILED
SEP 06 2007
NEW YORK
COUNTY CLERK'S OFFICE

Cross-Motion: Yes No

Upon the foregoing papers, it is ordered that this motion

The motion is granted w/o opposition.
Due proof of service has been filed with
the court.
A separate order of rehabilitation has been
signed.
The court retains jurisdiction.
Any plan of rehabilitation is to be submitted
to the court for approval on notice to
all required parties including The Robert Plan
~~LLP~~ Corporation, which has appeared in this
action. Control date: May 8, 2008 at 9:30 am

Dated: 9/06/07

Judith J. Giscione, J.S.C.
J.S.C.

Check one: FINAL DISPOSITION NON-FINAL DISPOSITION
Check if appropriate: DO NOT POST REFERENCE

MOTION/CASE IS RESPECTFULLY REFERRED TO JUSTICE
FOR THE FOLLOWING REASON(S):

At the IAS Part 10, Room 122 of the Supreme Court of the State of New York, County of New York, 80 Centre Street, at the Courthouse thereof, in the County, City and State of New York, on the 6 day of Sept, 2007.

P R E S E N T:

HON. JUDITH J. GISCHE,

JUSTICE.

-----X

In the Matter of

the Application of

Eric R. Dinallo, Superintendent of Insurance of the State of New York, for an order to take possession of the property of and rehabilitate

LION INSURANCE COMPANY.

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Index No.: 405446/07

ORDER OF REHABILITATION

FILED
SEP 06 2007
COUNTY CLERK'S OFFICE

Petitioner, Eric R. Dinallo, Superintendent of Insurance of the State of New York (the "Superintendent"), having moved this Court for an order to take possession of the property of and rehabilitate Lion Insurance Company ("Lion");

NOW, upon reading the order to show cause signed July 17, 2007, the petition of Eric R. Dinallo, and the exhibits annexed thereto; and it appearing to my satisfaction that:

1. Lion was incorporated as a stock insurance company on July 14, 1989 and was licensed under the laws of the State of New York on October 1, 1990;
2. Lion's principal place of business is 999 Stewart Avenue, Bethpage, New York 11714;
3. Lion is subject to the New York Insurance Law and particularly to Article 74 thereof;
4. Lion has consented to the entry of an order of rehabilitation; and
5. It is in the best interest of Lion's policyholders, creditors and the general public that the Superintendent be directed to take possession of Lion's property and to rehabilitate its business and affairs;

And, Petitioner, having appeared by Andrew M. Cuomo, Attorney General of the State of New York, and due deliberation having been had;

NOW, on motion of Andrew M. Cuomo, Attorney General of the State of New York, it is ORDERED as follows:

1. The petition is granted;
2. Eric R. Dinallo, Superintendent of Insurance of the State of New York, and any successors in office, are appointed rehabilitator of Lion and are authorized and directed to immediately take possession of its property, conduct its business, take such steps toward the removal of the causes and conditions which made this proceeding necessary as they shall deem wise and expedient and, deal with the property and business of Lion in its name or in the name of the Superintendent as rehabilitator;
3. Notice to all persons having claims against Lion to file or present their claims to the Superintendent as rehabilitator is deferred until further order of this Court;
4. Lion, its officers, directors, shareholders, members, trustees, agents, servants, employees, policyholders, attorneys and managers and all other persons having any property or records belonging or relating to Lion, including but not limited to insurance policy, loss claim and legal files, are directed upon request of the Superintendent as rehabilitator to assign, transfer, set over and deliver to him all such property or records;
5. Any persons, firms, corporations or associations having any books, papers or records relating to the business of Lion shall preserve them and submit them to the Superintendent as rehabilitator for examination and copying at all reasonable times;
6. All persons including but not limited to the officers, directors, shareholders, members, trustees, agents, servants, employees, policyholders, attorneys and managers of Lion are enjoined and restrained from interfering with the Superintendent as rehabilitator in the possession, control and management of Lion's property or in the discharge of his duties;
7. All persons are enjoined and restrained from commencing or prosecuting any actions, lawsuits, or proceedings against Lion or the Superintendent as rehabilitator;

8. All persons are enjoined and restrained from obtaining preferences, judgments, attachments or other liens or from making any levy against Lion's assets or any part thereof;
9. All parties to actions, lawsuits, and special or other proceedings in which Lion is obligated to defend a party pursuant to an insurance policy, bond, contract or otherwise are enjoined and restrained from proceeding with any discovery, court proceedings or other litigation tasks or procedures, including but not limited to conferences, trials, applications for judgment or proceedings on settlements or judgments, for a period of one hundred eighty days (180) from the date of entry of this Order;
10. All persons who have first party or New York Comprehensive Automobile Insurance Reparations Act [No Fault] policyholder loss claims against Lion are enjoined from presenting and filing claims with the Superintendent as rehabilitator for ninety (90) days from the date of entry of this Order;
11. The Superintendent as rehabilitator of Lion, his successors in office and their agents and employees are relieved of any liability or cause of action of any nature against them for any action taken by any one or more of them when acting in accordance with this Order and/or in the performance of their powers and duties pursuant to Article 74 of the New York Insurance Law;
12. The Superintendent of Insurance, as rehabilitator, may at any time make further application to this Court for such further and different relief as he sees fit; and
13. All further papers in this proceeding shall bear the caption:

In the Matter of
the Rehabilitation of
LION INSURANCE COMPANY.

E N T E R



J.S.C.
JUDITH J. GISCHE, J.S.C.

FILED
SEP 06 2007
NEW YORK
COUNTY CLERK'S OFFICE