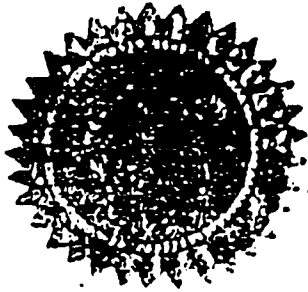


COUNTY CLERK'S  
OFFICE

95 NOV 10 AM 11:01

SCHENECTADY, N.Y.

SCHENECTADY COUNTY } SS:



No 8309

... Clerk of said County, and also Clerk, 19/35 Supreme and C  
Courts, being Courts of Record held therein, do hereby certify that I have compare  
foregoing copy of Order

with the original thereof as entered  filed  recorded  in the office  
the 10th day of November 1995  
in Book No. 1 of 1 at page 1 and that the same  
is a true transcript therefrom and of the whole thereof.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of  
Schenectady County, the 10th day of November, 1995  
[Signature] Deputy County Clerk

**P R E S E N T:**

**HON. FRANK B. WILLIAMS,**

Justice.

**STATE OF NEW YORK  
SUPREME COURT COUNTY OF SCHENECTADY**

In the Matter of the Application of

SALVATORE R. CURIALE, as Superintendent of Insurance  
of the State of New York, for an order to take  
possession of and liquidate the business and affairs and  
dissolve

**ORDER OF  
LIQUIDATION**

Index No. 94-1270

**UNITED COMMUNITY INSURANCE COMPANY**

Upon reading and filing the petition heretofore served by Salvatore R. Curiale, made in  
his capacity as Superintendent of Insurance of the State of New York, duly verified the 3rd day  
of August, 1994, for an order directing the Superintendent of Insurance to take possession of the  
property of UNITED COMMUNITY INSURANCE COMPANY (hereinafter referred to as  
"UNITED") and to liquidate the business and affairs and dissolve the corporate charter of  
UNITED pursuant to Article 74 of the Insurance Law of the State of New York, and upon the  
annexed unanimous consent of United's shareholder, dated the 7th day of November, 1995, and  
it appearing to my satisfaction that UNITED was incorporated on February 28, 1967 under the  
laws of the State of New York and began business as a stock property/casualty insurer known as

URBAN COMMUNITY INSURANCE COMPANY; that the name was changed to UNITED COMMUNITY INSURANCE COMPANY on February 12, 1982; that the principal place of business of UNITED is located in Schenectady County, New York; that it is amenable to the Insurance Laws of the State of New York and particularly to Article 74 thereof; that it is not prudent to reinsure in whole or in part the existing policy obligations of UNITED pursuant to §7405(c) of the Insurance Law; that it should be dissolved and its corporate charter annulled and forfeited; that UNITED is insolvent; that on the 21 day of November, 1995, UNITED consented to the entry of an Order of Liquidation, with notice to it; that it is in the best interests of policyholders and other creditors of UNITED that this application be granted and UNITED be liquidated under and pursuant to Article 74 §7402(a), (c), and (1) of the Insurance Law; and petitioner having appeared by Hon. DENNIS VACCO, Attorney General of the State of New York,

NOW on motion of Hon. DENNIS VACCO, Attorney General of the State of New York,  
it is

ORDERED, that the petition of the Superintendent of Insurance of the State of New York is granted, and it is further

ORDERED, that EDWARD J. MUHL, the Superintendent of Insurance of the State of New York or any successor in office as Superintendent (hereinafter referred to as "Superintendent") is hereby appointed Liquidator of UNITED, and is hereby authorized and directed forthwith to take possession of the property and liquidate the business and affairs of UNITED pursuant to Article 74 of the Insurance Law and to deal with the property and business affairs of UNITED in his name as Superintendent, and is vested with title to all of the property, contracts and rights of action of UNITED pursuant to §7405 of the Insurance Law, and it is

further

**ORDERED**, that the Superintendent pursuant to §7433(b)(2) of the Insurance Law shall make a list of all persons whose names appears on the books and records of UNITED as policyholders or claimants and said listed persons shall be deemed to have duly filed a proof of claim prior to the last date set for filing claims and the Superintendent is relieved of notifying, pursuant to §7432(b), those persons whose names appear on said list, and it is further

**ORDERED**, that all persons who may have claims against UNITED and whose names do not appear on the books and records of UNITED as policyholders or claimants, shall present proof of claim to the Superintendent, as Liquidator, within four months from the date of the entry of this Order, and it is further

**ORDERED**, that the notice of liquidation be given by publication in the Daily Gazette published in Schenectady, New York, and circulated in Albany, New York, and by publication in the Journal of Commerce, commencing three weeks from the date of entry of this order once a week for two successive weeks, and it is further

**ORDERED**, that notice of liquidation be given by publication in one newspaper in the capital cities of each state in the United States wherein UNITED is licensed to do business, once a week for two successive weeks within the period allowed for the filing of claims, the newspaper to be selected by the Liquidator in his discretion, and it is further

**ORDERED**, that the notice prescribed is sufficient notice to all persons interested in the assets of UNITED, and it is further

**ORDERED**, that in the event one or more Insurance Departments and/or Guaranty Funds or Associations of foreign States that have adopted the Uniform Insurers Liquidation Act in which UNITED was licensed to do business, desire to give formal notice to policyholders and creditors

in their respective State Insurance Departments or Guaranty Fund or Association, the Superintendent, as Liquidator, may permit the giving of such notice as he in his discretion may find desirable, and it is further

**ORDERED**, that all outstanding policy and other insurance obligations, if any, as well as surety bonds and obligations thereunder of UNITED terminate and all liability thereunder cease and be fixed as of 12:01 A.M., 30 days after the entry of this Order, or prior thereto upon the procurement by policyholders of new insurance covering the risks insured thereby, as well as procurement by principals of new surety bonds covering the obligations thereunder and notice thereof shall be given as herein above set forth, and it is further

**ORDERED**, that all other subsisting contracts, individual labor or employment contracts, and other obligations of UNITED and all liability thereunder cease and be fixed as of the date of the entry of this Order, and it is further

**ORDERED**, that all leases and tax-sharing agreements of UNITED and all liability thereunder shall cease and be fixed in the discretion of the Superintendent, as Liquidator, upon the date of delivery of written notice of cancellation thereof, or upon the effective date of cancellation contained therein, by delivery of such notice to any party affected thereby, and it is further

**ORDERED**, that the Superintendent, as Liquidator, is relieved of the provisions set forth in §7405(c) of the Insurance Law, to wit: to reinsure in whole or in part the policy obligations of UNITED, and it is further

**ORDERED**, that EDWARD J. MUHL, the Superintendent or any successor in office as Superintendent, is hereby authorized, permitted and allowed to sell, assign and transfer any and all real and personal property, stocks, bonds and securities in his possession or which may

hereafter come into his possession belonging to UNITED, in liquidation, at market price or better, or when there is no market price, at the best price obtainable, at private sale and at such times and upon such terms and conditions as in his discretion he deems for the best interests of the creditors of UNITED, and that he be authorized, permitted and allowed to take such steps and to make and execute such agreements and other papers as may be necessary to effect and carry out such sales, transfers and assignments, and it is further

ORDERED, that UNITED, its officers, directors, depositories, trustees, policyholders, agents and employees and all other persons having any property or records belonging to UNITED, are hereby directed to assign, transfer and deliver to the Superintendent, as Liquidator, all of such property in whomsoever the same may be, and that any persons, firms or corporations having any books, papers or records relating to the business of said corporation shall preserve the same and submit them to the Superintendent, as Liquidator, for examination at all reasonable times, and it is further

ORDERED, that the officers, directors, trustees, depositories, policyholders, agents and employees of UNITED, and all other persons are enjoined and restrained from the further transaction of business or from dealing with or disposing of the property or assets of said corporation, or doing or permitting to be done any act or thing which might waste its property or assets or allow or suffer the obtaining of preferences, judgments, attachments or other liens, or the making of any levy against said corporation, or its estate while in the possession and control of the Superintendent, as Liquidator, and it is further

ORDERED, that the officers, directors, trustees, depositories, policyholders, agents and employees of UNITED, and all other persons, including but not limited to claimants, plaintiffs and petitioners who have claims against UNITED, are permanently enjoined and restrained from

bringing or further prosecuting any action at law, suit in equity, special or other proceeding against the said corporation or its estate, or the Superintendent and his successors in office, as Liquidator thereof, or from making or executing any levy upon the property or estate of said corporation, or from in any way interfering with the Superintendent, or any successor in office, in his possession or in the discharge of his duties as Liquidator thereof, or in the liquidation of the business of said corporation as well as the Superintendent of Insurance as Administrator of the Article 76 of the Insurance Law Property/Casualty Security Funds, and §107 of the Workers' Compensation Security Fund insofar as they apply to policyholders and claimants of UNITED, and it is further .

ORDERED, that all parties to law suits in this State and all other states and territories of the United States, are hereby enjoined and restrained from proceeding with any trial, application for judgment or proceeding on judgments or settlements in such actions at law, suits in equity, special or other proceedings in which UNITED is obligated to defend a party insured or any other person it is legally obligated to defend by virtue of its insurance contract and any and all actions being defended by a primary or other underlying insurer where such primary or underlying insurer has tendered or offered its full policy limits or where said policy limits have been exhausted by payment of the underlying insurer's aggregate and UNITED is the next excess of umbrella layer of insurance for a period of 120 days from the date hereof, and it is further:

ORDERED, that those persons who may have first party or New York Comprehensive Automobile Insurance Reparations Act (No-Fault) policyholder loss claims against UNITED coming within the purview of Article 76 of the Insurance Law, are enjoined for 30 days from the date hereof from presenting and filing such formal claims in this proceeding pursuant to §7432 of the Insurance Law, and it is further

ORDERED, that the corporate charter of said UNITED be and the same hereby is delivered, forfeited and surrendered to the Superintendent as Liquidator and the same corporate charter shall be annulled and the said UNITED dissolved upon submission by the Superintendent as Liquidator to the Court without notice of an order providing for such dissolution, and it is further

ORDERED, that all further papers in this proceeding shall bear the caption and be entitled:

"SUPREME COURT OF THE STATE OF NEW YORK - COUNTY OF SCHENECTADY

In the Matter of the Liquidation of  
UNITED COMMUNITY INSURANCE COMPANY"

in place and stead of the caption as heretofore used, and it is further

ORDERED, that the Superintendent, as Liquidator, may at any time make further application for such further and different relief as he sees fit.

ENTER

Signed at Saratoga Springs  
Nov 9, 1995

*David R. Williams*  
JUSTICE OF THE SUPREME COURT

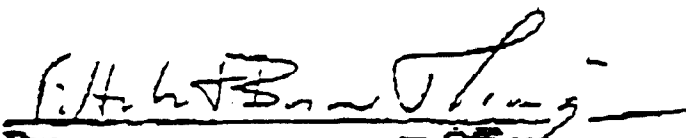
STATE OF NEW YORK SCHENECTADY COUNTY } ss	I, John J. Woodward, Clerk of said County, and also Clerk of the Supreme and County Courts, being Courts of Record held therein, do hereby certify that I have compared the foregoing copy of <u>Order</u>
	with the original thereof as entered <input checked="" type="checkbox"/> filed <input checked="" type="checkbox"/> recorded <input checked="" type="checkbox"/> in the office on the <u>10<sup>th</sup></u> day of <u>November</u> , 19 <u>95</u> in Book No. <input checked="" type="checkbox"/> of <input checked="" type="checkbox"/> at page <input checked="" type="checkbox"/> and that the same is a true transcript therefrom and of the whole thereof.
No 2409	IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of said Courts and County, the <u>5<sup>th</sup></u> day of <u>August</u> , 19 <u>96</u> <i>John J. Woodward</i> Deputy County Clerk

MGT. GROUP TO : 94624031 1995.11-10 11:09 #098 P.02/0.  
5 10:09 FROM FEATHERSTONHAUGH TO 3778392 ..P.23

CERTIFICATE OF UNANIMOUS CONSENT OF SHAREHOLDER

The undersigned, upon resolution made November 9, 1995, of the Board of Directors of Lawrence Insurance Group, Inc., the sole shareholder of United Community Insurance Company ("UCIC"), does hereby certify the unanimous consent of the shareholder of UCIC to the liquidation of the business and affairs and dissolution of UCIC and to the entry of an order to that effect.

November 9, 1995

  
By: \_\_\_\_\_, in Office



LAWRENCE INSURANCE GROUP, INC.

## RESOLUTION

Upon motion duly made by Triles Knorr and seconded by Kevin D. Harbans, after discussion, it was

Resolved that the Board of Directors of Lawrence Insurance Group, Inc. does hereby consent to the order of liquidation of United Community Insurance Company dated the 9th day of November, 1995, and authorize this consent to be affixed to such order, and it further authorizes Albert W. Lawrence to execute such other documents as are necessary to implement such consent.

## CERTIFICATION

I, Barbara C. Lawrence, the Secretary of Lawrence Insurance Group, Inc., do hereby certify that the above resolution was adopted by a majority of the members of the Board of Directors of Lawrence Insurance Group, Inc., at a meeting thereof held on the 9th day of November, 1995 at which a quorum was present, and that it has not been amended or rescinded.

Barbara C. Lawrence  
BARBARA C. LAWRENCE  
Secretary

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