

**IN THE MATTER OF THE CONSERVATION OF THE TRUST FUND OF  
HIGHLANDS INSURANCE COMPANY (U.K.) LIMITED  
Supreme Court of the State of New York County of New York  
Index No.: 402246/11**

**NOTICE**

Pursuant to an order of the Supreme Court of the State of New York, County of New York (“Court”), entered September 29, 2011 (“Conservation Order”), the then-Superintendent of Insurance of the State of New York and his successors in office were appointed as conservator (“Conservator”) of a certain trust fund (“Trust Fund”) of Highlands Insurance Company (U.K.) Limited (“Highlands”) and, as such, has been directed to conserve funds in the Trust Fund pursuant to Article 74 of the New York Insurance Law (“Insurance Law”). The Superintendent of Financial Services of the State of New York has now succeeded the Superintendent of Insurance as Conservator of Highlands. The Conservator has, pursuant to Insurance Law Article 74, appointed Michael J. Casey, Acting Special Deputy Superintendent (“Acting Special Deputy”), as his agent to carry out the responsibilities of the Conservator, through the New York Liquidation Bureau (“Bureau”), 110 William Street, New York, New York 10038. The Conservator has submitted to the Court a verified petition (“Verified Petition”) seeking an order: (a) approving the conservation agreement (“Conservation Agreement”) dated January 4, 2013, between Dan Schwarzmann and Mark Batten in their capacity as liquidators of Highlands (the “Office Holders”) and the Conservator; (b) authorizing the Conservator to distribute the funds held in the Trust Fund to the Office Holders in accordance with the terms of the Conservation Agreement; (c) terminating this conservation proceeding upon distribution of the Trust Fund to the Office Holders without further order of this Court; (d) releasing and discharging, upon distribution of the Trust Fund in accordance with the terms of the Conservation Agreement, the Conservator, his predecessors and successors in office, their agents, attorneys and employees, from any and all liability arising from their acts or omissions in connection with this conservation proceeding; (e) authorizing and directing the Conservator, in his discretion, to destroy or otherwise dispose of any and all of the books, files, records and other property of Highlands in his possession without further order of this Court; and (f) providing for such other and further relief as this Court deems just and proper.

A hearing is scheduled on the Verified Petition on the 25th day of June 2013, at 9:30 a.m., before the Honorable Cynthia S. Kern, JSC, New York Supreme Court at the Courthouse, IAS Part 55, Room 432, 60 Centre Street, New York, New York 10007. If you wish to object to the Verified Petition, you must serve a written statement setting forth your objections and all supporting documentation upon the Conservator and Clerk of the Court, at least 7 days prior to the hearing. Service on the Conservator shall be made by first class mail at the following address:

Superintendent of Financial Services of the State of New York as  
Conservator of Highlands Insurance Company (U.K.) Limited  
110 William Street  
New York, New York 10038  
Attention: John Pearson Kelly  
General Counsel

By filing the Verified Petition, the Conservator is seeking approval, from the Court, of the Conservation Agreement and termination of the conservation proceeding upon distribution of the Trust Fund to the Office Holders. The Verified Petition and supporting papers are available for inspection at the above address. In the event of any discrepancy between this notice and the documents submitted to Court, the documents control.

Requests for further information should be directed to the Bureau's Creditor & Ancillary Operations Division at (212) 341-6665.

Benjamin M. Lawsky  
Superintendent of Financial Services  
of the State of New York as Conservator of  
Highlands Insurance Company (U.K.)  
Limited