

SUPREME COURT OF THE STATE OF NEW YORK — NEW YORK COUNTY, IAS PART 7
(Matter of the Liquidation of Midland Insurance Co., Index No. 41294/1986)

NOTICE
TO THE POLICYHOLDERS, GUARANTY FUNDS AND REINSURERS
OF MIDLAND INSURANCE COMPANY IN LIQUIDATION:

This notice is posted to all policyholders, guaranty funds and reinsurers of Midland Insurance Company (“Midland”), now in liquidation. Justice Michael D. Stallman, of the Supreme Court of the State of New York, New York County, presides over Midland’s liquidation.

Justice Stallman issued a Decision on April 15, 2008 pursuant to a Stipulation and Case Management Order No. 1 (the “CMO”) entered into between the Liquidator, a group of Midland’s Policyholders with asbestos bodily injury claims and a group of intervening Affected Reinsurers (the “CMO Proceedings). The Decision involved “choice of law,” which was the Phase 1 legal issue of the CMO Proceedings. Justice Stallman held that “the ‘grouping of contacts’ methodology of the Restatement (Second) of Conflict of Laws and New York case law, giving predominant weight to the insured’s “principal place of business,” should apply..., as articulated in *Certain Underwriters at Lloyd’s London v. Foster Wheeler Corp.*, 36 AD3d 27 (1st Dep’t 2006)....” Pursuant to the CMO, within 45 days of the Decision on the Phase I legal issue, the Liquidator and certain Policyholders were to file a “Stipulation of Fact” pertaining to the Phase II legal issues in consultation with the reinsurers. All parties to that Decision previously consented to an extension of seventy five (75) days from the June 5, 2008 due date for the parties to file the Stipulation of Fact and all other pleadings that are triggered by the Stipulation.

The parties have agreed and the Court has consented to an additional extension of time up to and including October 3, 2008 in which time to complete the Stipulation of Fact. The parties agree that the extension is without prejudice to any party's right to file any other pleading, motion, or application, including without limitation the right to seek a stay, or further extension, of this or any other deadline or submission relating to the CMO.

Do not contact the Judge either by mail or telephone. Unauthorized communications will not be responded to.

Dated: August 19, 2008