

## NOTICE

By order dated October 10, 2001, the Supreme Court of the State of New York, New York County, placed Frontier Insurance Company ("Frontier") into rehabilitation ("Rehabilitation Proceeding") and appointed as rehabilitator of Frontier ("Rehabilitator") the then-Superintendent of Insurance of the State of New York, Gregory V. Serio (and his successors in office) ("Rehabilitation Order"). Pursuant to the New York Insurance Law ("Insurance Law") and the Rehabilitation Order, the Rehabilitator was given the responsibility of, among other things, marshalling Frontier's assets and adjudicating claims consistent with Article 74 of the Insurance Law.

The Rehabilitator has submitted to the Court supervising Frontier's Rehabilitation Proceeding a verified petition ("Petition") seeking an order: (1) establishing a date certain ("Terramar Notice Date") as the last date on which a notice ("Terramar Notice") regarding any insurance policy or insurance or reinsurance contract issued by Terramar Insurance Company, Terramar Insurance Agency, Advanced Risk International, Ltd. or Terramar General Agency ("Terramar Policy") may be submitted to the Rehabilitator so as to preserve any obligation of Frontier pursuant to such Terramar Policy; (2) directing that the Terramar Notice shall be made on forms prescribed by the Rehabilitator and shall accurately and sufficiently set forth the required information identifying (a) the Terramar Policy pursuant to which Frontier has or may have an obligation ("Identified Terramar Policy"), (b) the policyholder(s) of such Identified Terramar Policy, (c) the person(s) with an interest in the Terramar Policy who, by submitting a Terramar Notice, seeks to preserve such person's interest in the Identified Terramar Policy ("Submitting Terramar Policy Interest Holder"), and (d) any claim under such Identified Terramar Policy where the Submitting Terramar Policy Interest Holder has knowledge of such claim prior to the Terramar Notice Date; (3) barring any claim against Frontier pursuant to any Terramar Policy unless such Terramar Policy and the policyholder(s) of such Terramar Policy have been accurately and sufficiently identified in a timely Terramar Notice; (4) barring any claim against Frontier pursuant to any Terramar Policy where the Submitting Terramar Policy Interest Holder had knowledge concerning such claim prior to the Terramar Notice Date and did not submit a timely Terramar Notice setting forth the required information concerning such claim; (5) barring any claim against Frontier pursuant to any Terramar Policy by any person other than the Submitting Terramar Policy Interest Holder who submitted the Terramar Notice in connection with such Terramar Policy; (6) establishing a date certain as the last date ("Bond Bar Date") on which a notice ("Bond Notice") regarding any bond issued by Frontier, including any surety bond or other bond or guaranty identified in New York Insurance Law Sections 1113(16) or 6801 ("Bond"), may be filed with the Rehabilitator so as to preserve any obligation of Frontier pursuant to such Bond; (7) directing that any Bond Notice shall be made on forms prescribed by the Rehabilitator and shall accurately and sufficiently identify (a) the Bond pursuant to which it is alleged that Frontier has an obligation, (b) the default, event, accident, or occurrence allegedly giving rise to a claim pursuant to such Bond ("Triggering Event"), (c) the date of the Triggering Event, (d) the alleged injury, loss or damage caused by the Triggering Event, (e) the dollar amount of the claim alleged as a result of the Triggering Event, and (f) the obligee or principal under such Bond who, by submitting a Bond Notice, seeks to preserve such person's rights under the Bond ("Submitting Bond Interest Holder"); (8) barring any claim against Frontier pursuant to any Bond unless a timely Bond Notice has been submitted that accurately and sufficiently identifies the Bond, the claim alleged pursuant to such Bond, and all other information required by the Bond Notice; (9) barring any claim under any Bond in which the Triggering Event occurs after a date certain ("Bond Cutoff Date"); (10) barring any claim against Frontier pursuant to any Bond by any person other than the Submitting Bond Interest Holder who submitted the Bond Notice in connection with such Bond; (11) approving the form and manner of notice to be given to all persons with an interest in a Terramar Policy or a Bond and all other interested parties (collectively, "Interested Persons") regarding this Order to Show Cause, the

Petition and the relief sought herein; (12) approving the form and manner of notice to be given to all Interested Persons regarding the Terramar Notice Date, the Bond Cutoff Date, the Bond Bar Date and all other relief ordered herein; and (13) for other related relief as is just.

The Petition will be submitted to the Court on October 9, 2009 (“Return Date”). If you wish to object to the Petition, you must serve a written affidavit or affirmation setting forth your objections and all supporting documentation (“Answering Papers”) upon the Rehabilitator so as to be received by the Rehabilitator at least seven days prior to the Return Date, and by submitting copies of the Answering Papers, with affidavits of service on the Rehabilitator, to the Clerk, at the Courthouse, located at 16 Eagle Street, Albany, New York, on or before the Return Date. Service on the Rehabilitator shall be made by first class mail at the following address:

The Superintendent of Insurance of the State of New York as  
Rehabilitator of Frontier Insurance Company  
123 William Street  
New York, New York 10038-3889  
(Attention: Andrew J. Lorin, Esq. – General Counsel)

All Frontier policyholders and creditors and other interested parties are advised to review all available information and to protect their rights accordingly. The Liquidator has posted the Petition on its website, [www.NYLB.org](http://www.NYLB.org). In the event of any discrepancy between this notice and the documents submitted to Court, the submitted documents control.

KERMITT J. BROOKS, Acting Superintendent  
of Insurance of the State of New York as  
Rehabilitator of Frontier Insurance  
Company