

At the Supreme Court of the State of  
New York, County of Albany, the  
Albany County Courthouse, 16  
Eagle Street, City of Albany, State  
of New York on the 27<sup>th</sup> day of  
October, 2009

PRESENT:

HON. RICHARD M. PLATKIN

JUSTICE.

..... X

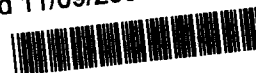
In the Matter of the

Rehabilitation of

FRONTIER INSURANCE COMPANY

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Albany County Clerk  
Document Number 10529129  
Rcvd 11/09/2009 9:54:48 AM



Index No. 000097/2006

**ORDER ESTABLISHING A BAR DATE FOR CERTAIN CLAIMS AGAINST  
FRONTIER INSURANCE COMPANY AND TERMINATION OF  
FUTURE LIABILITY ON BONDS**

UPON the petition of KERMIT J. BROOKS, former Acting Superintendent of Insurance of the State of New York, by former Agent and Special Deputy Superintendent, MARK G. PETERS, as Rehabilitator ("Rehabilitator") of the Frontier Insurance Company, a New York insurance company in rehabilitation ("Frontier"), duly verified the 21st day of July, 2009, and the exhibits annexed thereto (the "Petition"), and due notice thereof having been given to the parties-in-interest pursuant to an Order to Show Cause signed July 24, 2009 and Amended Order to Show Cause signed August 4, 2009, it is hereby

ORDERED, that March 12, 2010 ("Terramar Notice Date") is hereby established as the last date on which a person may submit a notice ("Terramar Notice") with respect to 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”) so as to preserve any obligation of Frontier pursuant to such Terramar Policy; and it is further

ORDERED, that the Terramar Notice 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 the event, accident or occurrence giving rise to the claim, the person or property allegedly injured or damaged, and the nature of the alleged injury or damage, prior to the Terramar Notice Date; and it is further

ORDERED, that all claims against Frontier pursuant to any Terramar Policy will be barred unless the Terramar Policy, the policyholder(s) of such Terramar Policy and all other information required in the preceding paragraph of this Order have been accurately and sufficiently identified in a timely Terramar Notice submitted by the Terramar Notice Date; and it is further

ORDERED, that any claim against Frontier pursuant to any Terramar Policy will be barred where the Submitting Terramar Policy Interest Holder had knowledge concerning the event, accident or occurrence giving rise to the claim, the person or property allegedly injured or damaged, and the nature of the alleged injury or damage, prior to the Terramar Notice Date and did not submit a timely Terramar Notice setting forth such information concerning the claim; and it is further

ORDERED, that all persons will be barred from asserting claims against Frontier pursuant to any Terramar Policy other than Submitting Terramar Policy Interest Holders who submit a timely, accurate and sufficient Terramar Notice in connection with such Terramar Policy; and it is further

ORDERED, that all Terramar Notices must be made in writing and sent to the Rehabilitator by first class mail, postage paid and postmarked on or before the Terramar Notice Date, or by overnight courier, fees paid and written acknowledgement of receipt by such courier on or before the Terramar Notice Date, to the following address:

Frontier Insurance Company in Rehabilitation  
Attn: Legal Department  
195 Lake Louise Marie Road  
Rock Hill, NY 12775-8000

and it is further

ORDERED that March 12, 2010 (“Bond Bar Date”) is hereby established as the last 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 submitted to the Rehabilitator so as to preserve any obligation of Frontier pursuant to such Bond; and it is further

ORDERED that the Bond Notice shall 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”); and it is further

ORDERED that any claim against Frontier pursuant to any Bond shall be barred 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 in the preceding paragraph of this Order by the Bond Bar Date; and it is further

ORDERED that any claim under any Bond in which the Triggering Event occurs after January 11, 2010 (“Bond Cutoff Date”) shall be barred; and it is further

ORDERED that all persons will be barred from asserting claims against Frontier pursuant to any Bond other than the Submitting Bond Interest Holder who submits a timely, accurate and sufficient Bond Notice in connection with such Bond by the Bond Bar Date; and it is further

ORDERED, that all Bond Notices must be made in writing and sent to the Rehabilitator by first class mail, postage paid and postmarked on or before the Bond Bar Date, or by overnight courier, fees paid and written acknowledgement of receipt by such courier on or before the Bond Bar Date, to the following address:

Frontier Insurance Company in Rehabilitation  
Attn: Legal Department  
195 Lake Louise Marie Road  
Rock Hill, NY 12775-8000

and it is further

ORDERED, that notices of this Order (“Notices”) to persons with potential claims under Terramar Policies shall be substantially in the form set forth in Exhibit A appended hereto and to persons with potential Bond claims shall be substantially in the form set forth in Exhibit B appended hereto, and service of such Notices shall be made: (1) by publication in The Wall Street Journal and Business Insurance at least once per week for three consecutive publications commencing within two weeks after entry of this Order; (2) by posting on the internet web page maintained by the New York Liquidation Bureau at <http://www.nylb.org> within two weeks after

entry of this Order; and (3) by first class mail in the form of Exhibit A within two weeks after entry of this Order to policyholders of, and claimants under, Terramar Policies at their last known addresses, as may be determined by a diligent search of Frontier's books and records; and (4) by first class mail in the form of Exhibit B within two weeks after entry of this Order to principals and beneficiaries under all Bonds at their last known addresses as may be determined by a diligent search of Frontier's books and records, except as to Bonds for which Frontier has a release of liability or for which the time for making a claim under the Bond has expired by its own terms; and it is further

ORDERED, that the form and method of notice specified herein are hereby approved as in accordance with the law and as the best notice practicable, and shall therefore constitute due and sufficient notice of this Order to all persons and entities entitled to receive such notice.

ENTER



J. HON. RICHARD PLATKIN, A.J.S.C.

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