

**SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY, IAS PART 21**

(Matter of the Liquidation of Midland Insurance Company, Index No. 41294/86)

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. 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. There have been several extensions of time agreed to by the parties and approved by the Court since the Decision.

In light of the recent decision by the Appellate Division, First Department entered on April 29, 2010, granting certain Midland major policyholders leave to appeal a decision, entered on January 12, 2010, the parties have agreed and the Court has consented to an additional extension of time from August 31, 2010 to a date within 45 days of the Liquidator’s receipt of a decision from the Court of Appeals in connection with the appeal. 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: May 26, 2010