

**IN THE MATTER OF THE LIQUIDATION OF
U.S. CAPITAL INSURANCE COMPANY
Supreme Court County of New York
Index No.: 403176/97**

NOTICE

Pursuant to an order of the Supreme Court of the State of New York, County of New York, entered on November 20, 1997, the Superintendent of Insurance of the State of New York (“Superintendent of Insurance”) and his successors in office were appointed as liquidator (“Liquidator”) of U.S. Capital Insurance Company (“U.S. Capital”) and, as such, has been directed to take possession of U.S. Capital’s property, liquidate its business and affairs, and dissolve its corporate charter 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 Liquidator of U.S. Capital. The Liquidator has, pursuant to Insurance Law Article 74, appointed Michael J. Casey, Acting Special Deputy Superintendent (“Acting Special Deputy”), as his agent to liquidate the business of U.S. Capital. The Acting Special Deputy carries out his duties through the New York Liquidation Bureau, 110 William Street, New York, New York 10038. The Liquidator has submitted to the Court a verified petition (“Verified Petition”) seeking an order: (i) approving the Liquidator’s report (“Closing Report”) on the status of and request to close U.S. Capital’s liquidation proceeding (“Liquidation Proceeding”) and the financial transactions delineated therein; (ii) authorizing the continued payment of administrative expenses, including such expenses pertaining to the closing of the Liquidation Proceeding; (iii) terminating and closing the Liquidation Proceeding; (iv) authorizing the Liquidator, without further application to this Court, to continue to receive and disburse assets after the termination of the Liquidation Proceeding, pay administrative expenses incurred in connection with the collection of such assets and, if any assets remain after the payment of administrative expenses, to disburse those assets, pursuant to Insurance Law Article 74, to those creditors of U.S. Capital with allowed claims who are eligible to share in *pro-rata* distributions; (v) releasing and discharging the Liquidator, his predecessors and successors in office, and their agents, attorneys and employees, from any and all liability arising from their acts or omissions in connection with the Liquidation Proceeding; (vi) authorizing and directing the Liquidator, in his discretion, to destroy or otherwise dispose of any and all of the books, files, records and other property of U.S. Capital without further order of this Court; and (vii) providing for such other and further relief as this Court deems appropriate and just.

A hearing is scheduled on the Verified Petition on the 18th day of December, at 10:00 a.m., before the Honorable Doris Ling-Cohan, JSC, New York Supreme Court at the Courthouse, IAS Part 36, 60 Centre Street, Room 428, in the County, City and State of New York. If you wish to object to the Verified Petition, you must serve a written statement setting forth your objections and all supporting documentation (“Answering Papers”) upon the Liquidator and Clerk of the Court, at least seven days prior to the hearing.

Service on the Liquidator shall be made by first class mail at the following address:

Superintendent of Financial Services of the State of New York as
Liquidator of U.S. Capital Insurance Company
110 William Street
New York, New York 10038
Attention: John Pearson Kelly
General Counsel

Copies of the Answering Papers to the Court shall be submitted in an envelope with a copy of the first page of the Order to Show Cause attached to the envelope and sent to the following address:

Hon. Doris Ling-Cohan
Supreme Court: New York County
60 Centre Street-Room 428
New York, New York 10007
Attention: Monica Cheng
Assistant Law Clerk

The Verified Petition and Closing Report 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 New York Liquidation Bureau, Creditor and Ancillary Operations Division, at (212) 341-6665.

Benjamin M. Lawsky
Superintendent of Financial Services of the
State of New York as Liquidator of
U.S. Capital Insurance Company