

MERCER COUNTY
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JUN 30 2004
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DEPUTY CLERK OF SUPERIOR COURT

PREPARED BY THE COURT

IN THE MATTER OF THE
REHABILITATION OF SECURITY
INDEMNITY INSURANCE
COMPANY

SUPERIOR COURT OF
NEW JERSEY
MERCER COUNTY
CHANCERY DIVISION
GENERAL EQUITY

DOCKET NO. C-62-03

ORDER

This matter having been presented to the court by way of an Order to Show Cause and Petition brought by the Commissioner of Banking and Insurance seeking the liquidation of Security Indemnity Insurance Company, and the court having heard testimony on March 24, 25, 29, 31, April 1, 7, 8, 14, 19, 20, May 3 and 4, 2004; and post trial submissions having been submitted by all parties on May 21, 2004; and final oral arguments having been given on June 11, 2004; and for good cause shown and for the reasons given in the attached decision:

IT IS ON THIS 30th DAY OF JUNE 2004,

ORDERED that pursuant to N.J.S.A.17:30C-1, et seq., Security Indemnity Insurance Company is deemed to be insolvent and is in such a condition that its further transaction of business will be hazardous to its policyholders, its creditors and to the public; and it is further

ORDERED that the Commissioner is appointed as Liquidator of Security Indemnity with all the powers and authority expressed or implied by N.J.S.A. 17:30C-1, et seq.; and it is further

ORDERED that the Commissioner is directed to liquidate Security Indemnity; and it is further

ORDERED that all persons and entities shall be permanently enjoined from pursuing litigation against Security Indemnity, or from interfering with the Commissioner's efforts to liquidate Security Indemnity; and it is further

ORDERED that there shall be no further payment of claims by Security Indemnity; and it is further

ORDERED that all claims against Security Indemnity must be asserted no later than one year from the date of the Order of Liquidation, in the form established by the Commissioner, or such claims will be forever barred; and it is further

ORDERED that the Commissioner as Liquidator shall establish procedures governing the payment of claims by Security Indemnity; and it is further

ORDERED that the Order of Rehabilitation of Security Indemnity entered on June 27, 2003, is terminated.

A handwritten signature in black ink, appearing to read 'Neil H. Shuster', is written over a horizontal line. The signature is stylized and somewhat cursive.

Neil H. Shuster, P.J. Ch.