



GRANTED

**EFiled: May 28 2009 9:37AM EDT
Transaction ID 25377718
Case No. 12789-VCL**



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN THE MATTER OF)
THE LIQUIDATION OF) C.A. No. 12789-VCL
CONSUMERS UNITED INSURANCE COMPANY)

**ORDER CONCERNING RECEIVER’S SEVENTH
CLAIM RECOMMENDATION REPORT AND PETITION
SEEKING HEARING ON GUARANTY ASSOCIATION CLAIMS**

WHEREAS, pursuant to 18 DEL. C. § 5917(c), the Receiver of Consumers United Insurance Company in Liquidation (“CUIC”) filed the Seventh Claim Recommendation Report pertaining to Proofs of Claim filed by the state life and health insurance guaranty associations affected by the CUIC liquidation for their administrative expenses and policy benefit claims paid by them or on their behalf. CUIC was licensed to issue insurance policies in forty states and the District of Columbia. Therefore, forty one guaranty associations were affected by the insolvency;

WHEREAS, the Receiver has recommended that the priority classifications and values be assigned to the guaranty association claims as set forth in Exhibits 1 through 6 to the Petition, subject to the provisions of the Early Access Agreement entered into among the Receiver, the guaranty associations, and the National Organization of Life and Health Insurance Guaranty Associations (“NOLHGA”), the national coordinating organization for the guaranty associations;

WHEREAS, this Court entered an Order to Show Cause dated April 8, 2009, which set May 28, 2009, at 9:30 a.m., as the date and time for the hearing on the allowance, allowance in part, or disallowance of the guaranty association claims. The Order to Show Cause further required the guaranty associations to notify the Court in writing of their intent to appear at the hearing by May 18, 2009, or their objections, if any, would be considered abandoned and the Receiver's recommendations as to their claims would be adopted by the Court;

WHEREAS, the Receiver has filed proof that that all of the guaranty associations except one received due notice at their last known addresses of the hearing date and the requirement to notify the Court of their intent to appear;

WHEREAS, the Receiver mailed notice of the Petition and hearing to the **CALIFORNIA LIFE AND HEALTH INSURANCE GUARANTEE ASSOCIATION** at their last known address by certified mail. The United States Post Office did not return either the return receipt card or the package mailed to that association. Although that association did not object to its initial Notice of Determination, the association has not had the full notice period to reconcile the figures in the Receiver's Petition. Therefore, the Receiver has removed the provisions concerning that association's claim from the proposed final Order and will attempt to resolve this claim through stipulation in the near future once the association has had sufficient time to reconcile their records with the Receiver's recommendation;

WHEREAS, the Receiver and the **NEW HAMPSHIRE LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** have agreed to a minor adjustment of the **NEW**

HAMPSHIRE LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION'S Class VI claim as set forth in paragraph 25 below; and

WHEREAS, none of the other guaranty association claimants notified the Court in writing of their intent to appear at the hearing or appeared at the hearing to object, and are deemed to have abandoned their objections, if any, to the Receiver's Recommendation.

NOW, THEREFORE, the Court finds that, except for the **CALIFORNIA LIFE AND HEALTH INSURANCE GUARANTEE ASSOCIATION**, the guaranty association claimants have abandoned their objections to the Receiver's Recommendation by failing to appear at the hearing or have otherwise not provided a sufficient basis for the Court to reject the Receiver's recommendation as to the classification and/or value to be assigned to the guaranty association claims listed on Exhibits 1 through 6 to the Petition;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

PROVISIONS APPLICABLE TO INDIVIDUAL GUARANTY ASSOCIATION CLAIMS

1. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **ALABAMA LIFE AND DISABILITY INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$7,617.12, on which \$7,617.12 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **ALABAMA LIFE AND DISABILITY INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$59,922.87 net of premium collections, on which \$19,372.13 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

2. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **ALASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$3,431.89, on which \$3,431.89 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **ALASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$35,561.42 net of premium collections, on which

\$11,149.58 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

3. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **ARIZONA LIFE AND DISABILITY INSURANCE GUARANTY FUND** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$55,483.00, on which \$45,483.00 has been paid to date through early access distributions, leaving a balance due of \$10,000.00, which the Receiver shall promptly pay as an early access distribution upon entry of this Order. After such payment of \$10,000.00, this administrative expense claim shall be deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **ARIZONA LIFE AND DISABILITY INSURANCE GUARANTY FUND** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$431,605.60 net of premium collections, on which \$104,241.84 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

4. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **ARKANSAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$4,198.04, on which \$4,198.04 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **ARKANSAS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$52,598.59 net of premium collections, on which \$17,090.40 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

5. The claim of the **CALIFORNIA LIFE AND HEALTH INSURANCE GUARANTEE ASSOCIATION** shall be the subject of a subsequent stipulation between that association and the Receiver if the parties can reach agreement on the value of that association's claim. If that association and the Receiver cannot reach agreement, that claim shall be the subject of a subsequent petition to resolve the parties' differences.

6. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **COLORADO LIFE AND HEALTH INSURANCE PROTECTION ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$8,718.47, on which \$8,718.47 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **COLORADO LIFE AND HEALTH INSURANCE PROTECTION ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$173,500.49 net of premium collections, on which \$55,028.56 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the

section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

7. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **DELAWARE LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$197,511.24, on which \$197,511.24 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **DELAWARE LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$3,121,770.00 net of premium collections, on which \$994,769.44 has been paid to date through early access distributions, is hereby adopted by the Court. This Class III policy benefit claim of the Delaware Life and Health Insurance Guaranty Association does not include any interest which the Association has in the claim of the Hotel, Restaurant Institution Employees and Bartenders Union – Local 26 (“Local 26”), Proof of Claim number 1159. The Association’s interest in that claim and the Local 26 interest in that claim will be the subject of a later petition. Nothing herein is intended to affect that claim or the Association’s interest in that claim.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

8. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim, policy benefits claim, or any other claim of the **DISTRICT OF COLUMBIA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the late claims priority class (**Class VII**) pursuant to 18 DEL. C. §5918(e)(7) (relating to claims not timely filed by the bar date) with a value to be determined, if necessary, if funds are determined to later be available for distribution to claimants in Class VII. This claimant shall not share in the assets of the estate unless and until all expenses and claims in Classes I through VI under 18 DEL. C. §5918(e) are satisfied in full.

(b) As no payments have been made to this claimant as early access, the provisions of the Early Access Agreement so not apply to this claimant. These claims are subject to the other provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

9. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **FLORIDA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$80,761.83, on which \$80,761.83 has been paid to date through early access distributions, leaving a balance due

of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **FLORIDA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$1,640,072.63 net of premium collections, on which \$520,854.93 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

10. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **GEORGIA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$12,691.00, on which \$12,691.00 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **GEORGIA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and

valued at an Allowed Class III Claim of \$174,085.55 net of premium collections, on which \$59,688.00 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

11. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **IDAHO LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$8,895.52, on which \$8,895.52 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **IDAHO LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$87,880.49 net of premium collections, on which \$25,047.76 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the

section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

12. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **ILLINOIS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$37,422.72, on which \$37,422.72 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **ILLINOIS LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$427,363.74 net of premium collections, on which \$134,276.71 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

13. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **INDIANA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**)

pursuant to 18 DEL. C. §5918(e)(2) and valued at \$18,922.24, on which \$18,922.24 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **INDIANA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$167,299.41 net of premium collections, on which \$52,651.26 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

14. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **IOWA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$10,130.33, on which \$10,130.33 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **IOWA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$84,390.09 net of premium collections, on which \$26,301.74 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

15. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **KENTUCKY LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$9,203.42, on which \$9,203.42 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **KENTUCKY LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$135,478.49 net of premium collections, on

which \$42,650.17 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

16. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **LOUISIANA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$6,328.39, on which \$6,328.39 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **LOUISIANA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$104,974.84 net of premium collections, on which \$32,933.41 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

17. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **MICHIGAN LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$38,236.00, on which \$38,236.00 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **MICHIGAN LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$719,549.20 net of premium collections, on which \$228,836.42 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

18. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **MINNESOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$22,127.71, on which \$22,127.71 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **MINNESOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$245,051.89 net of premium collections, on which \$77,209.17 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

19. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **MISSISSIPPI LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$1,252.99, on which \$1,252.99 has been paid to date through early access distributions, leaving a balance due

of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **MISSISSIPPI LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$121,607.93 net of premium collections, on which \$38,001.58 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

20. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **MISSOURI LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$24,635.76, on which \$24,635.76 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **MISSOURI LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and

valued at an Allowed Class III Claim of \$250,002.15 net of premium collections, on which \$79,527.27 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

21. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **MONTANA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$2,993.21, on which \$2,993.21 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **MONTANA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$26,064.46 net of premium collections, on which \$8,277.93 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the

section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

22. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **NEBRASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$6,704.10, on which \$6,704.10 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **NEBRASKA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$53,766.66 net of premium collections, on which \$16,808.59 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

23. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **NEVADA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**)

pursuant to 18 DEL. C. §5918(e)(2) and valued at \$9,697.36, on which \$9,697.36 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **NEVADA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$116,489.99 net of premium collections, on which \$36,413.31 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

24. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **NEW MEXICO LIFE INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(c) and valued at \$28,512.00 as a claim against CUIC's funds on deposit in New Mexico, on which \$28,512.00 was paid out of the funds on deposit, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied. As this claim was satisfied out of special deposit funds, those payments are not subject to recall pursuant to the Early Access Agreement.

(b) The Receiver's recommendation that the policy benefits claim of the **NEW MEXICO LIFE INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(c) and valued at an Allowed Class III Claim of \$76,450.90 as a claim against CUIC's funds on deposit in New Mexico, on which \$76,450.90 was paid out of the funds on deposit, leaving a balance due of \$0, is hereby adopted by the Court. Such policy benefits claim is hereby deemed fully satisfied. As this claim was satisfied out of special deposit funds, those payments are not subject to recall pursuant to the Early Access Agreement.

(c) These claims are not subject to recall under the Early Access Agreement, but are subject to the other provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

25. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim and policy benefits claim of the **NEW HAMPSHIRE LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the general creditor priority class (**Class VI**) pursuant to 18 DEL. C. §5918(c) (relating to deficiency claims from owners of special deposit claims) and valued at a special deposit deficiency claim of \$82,740.59, based upon a \$225,425.92 claim which was partially satisfied through the payment of \$142,685.33 from CUIC's funds on deposit in New Hampshire, leaving a deficiency claim of \$82,740.59 in the general creditor class. Such special deposit deficiency claim shall not share in assets available for distribution to the Class VI general creditor claims until the other Class VI general creditor claimants have been paid

percentages of their claims equal to the percentage paid to this Claimant from the special deposit.

(b) The New Hampshire special deposit funds received by this claimant are not subject to recall under the Early Access Agreement. These claims are subject to the other provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

26. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **NORTH DAKOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$411.00, on which \$411.00 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **NORTH DAKOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$1,813.46 net of premium collections, on which \$565.04 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

27. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **OHIO LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$11,489.33, on which \$11,489.33 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **OHIO LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$186,858.80 net of premium collections, on which \$59,783.80 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

28. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **OKLAHOMA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$10,037.12, on which \$10,037.12 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **OKLAHOMA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$282,434.25 net of premium collections, on which \$88,165.26 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

29. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **OREGON LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$17,303.76, on which \$17,303.76 has been paid to date through early access distributions, leaving a balance due of \$0. Such

administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **OREGON LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$187,244.79 net of premium collections, on which \$59,727.07 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

30. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **PENNSYLVANIA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$69,928.43, on which \$69,928.43 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **PENNSYLVANIA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C.

§5918(e)(3) and valued at an Allowed Class III Claim of \$738,003.97 net of premium collections, on which \$232,487.54 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

31. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **RHODE ISLAND LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$4,265.44, on which \$4,265.44 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **RHODE ISLAND LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$47,251.71 net of premium collections, on which \$15,037.99 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the

section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

32. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **SOUTH CAROLINA LIFE, ACCIDENT AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(c) and valued at \$23,228.23 as a claim against CUIC’s funds on deposit in South Carolina, on which \$23,228.23 was paid out of the funds on deposit, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied. As this claim was satisfied out of special deposit funds, those payments are not subject to recall pursuant to the Early Access Agreement.

(b) The Receiver’s recommendation that the policy benefits claim of the **SOUTH CAROLINA LIFE, ACCIDENT AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(c) and valued at an Allowed Class III Claim of \$61,771.77 (not including the claim of Margaret Warden, POC No. 335) as a claim against CUIC’s funds on deposit in South Carolina, on which \$61,771.77 was paid out of the funds on deposit and through premium collections, leaving a balance due of \$0, is hereby adopted by the Court. Such policy benefits claim is hereby deemed fully satisfied. As this claim was satisfied out of special deposit funds, those payments are not subject to recall pursuant to the Early Access Agreement.

(c) These claims are not subject to recall under the Early Access Agreement, but are subject to the other provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

33. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **SOUTH DAKOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$1,147.82, on which \$1,147.82 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **SOUTH DAKOTA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$77,623.04 net of premium collections, on which \$24,185.98 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

34. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **TEXAS LIFE, ACCIDENT, HEALTH AND HOSPITAL SERVICE INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$74,817.80, on which \$74,817.80 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **TEXAS LIFE, ACCIDENT, HEALTH AND HOSPITAL SERVICE INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$1,366,276.35 net of premium collections, on which \$429,062.51 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

35. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **UTAH LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$1,432.61, on which \$1,432.61 has been paid to date through early access distributions, leaving a balance due of \$0. Such

administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **UTAH LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$12,020.30 net of premium collections, on which \$3,848.02 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

36. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **VERMONT LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$1,613.39, on which \$1,613.39 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **VERMONT LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and

valued at an Allowed Class III Claim of \$18,200.81 net of premium collections, on which \$6,138.96 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

37. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **VIRGINIA LIFE, ACCIDENT AND SICKNESS INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$58,838.23, on which \$58,838.23 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **VIRGINIA LIFE, ACCIDENT AND SICKNESS INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$846,599.42 net of premium collections, on which \$269,425.36 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the

section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

38. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **WASHINGTON LIFE AND DISABILITY INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$41,174.03, on which \$41,174.03 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver’s recommendation that the policy benefits claim of the **WASHINGTON LIFE AND DISABILITY INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$431,597.76 net of premium collections, on which \$137,735.35 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

39. (a) The Court hereby adopts the Receiver’s recommendation that the administrative expense claim of the **WEST VIRGINIA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority

class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$9,107.00, on which \$9,107.00 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **WEST VIRGINIA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$211,014.74 net of premium collections, on which \$68,650.66 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

40. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **WISCONSIN INSURANCE SECURITY FUND** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$34,167.03, on which \$34,167.03 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **WISCONSIN INSURANCE SECURITY FUND** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$326,324.09 net of premium collections, on which \$103,168.82 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled "Provisions Applicable to All Guaranty Association Claims" in paragraphs 42 through 47 below.

41. (a) The Court hereby adopts the Receiver's recommendation that the administrative expense claim of the **WYOMING LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the guaranty administrative expense priority class (**Class II**) pursuant to 18 DEL. C. §5918(e)(2) and valued at \$4,148.04, on which \$4,148.04 has been paid to date through early access distributions, leaving a balance due of \$0. Such administrative expense claim is hereby deemed fully satisfied unless such early access distributions are recalled by the Receiver.

(b) The Receiver's recommendation that the policy benefits claim of the **WYOMING LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION** be assigned to the policyholder level priority class (**Class III**) pursuant to 18 DEL. C. §5918(e)(3) and valued at an Allowed Class III Claim of \$36,705.15 net of premium collections, on which \$11,436.70 has been paid to date through early access distributions, is hereby adopted by the Court.

(c) These allowed claims are subject to recall under the Early Access Agreement as set forth therein and are further subject to the provisions below in the section entitled “Provisions Applicable to All Guaranty Association Claims” in paragraphs 42 through 47 below.

PROVISIONS APPLICABLE TO ALL GUARANTY ASSOCIATION CLAIMS

42. Except as noted above for individual guaranty association claimants, both the allowed administrative expense claims and the allowed policy benefits claim have been partially paid through early access distributions under the Early Access Agreement, and those payment remain subject to recall by the Receiver if such funds are needed to pay higher priority claims or to equalize the distribution percentages received by claimants within a specific priority class. If the Receiver recalls any payments from the claimant in order to pay higher priority claims or to assure that all claimants in a particular class receive the same pro rata share in that class, the Receiver shall subsequently adjust the claimant’s claim to add the recalled payments to the claim in the priority class for which the recalled payments were made.

43. Any guaranty association claims in excess of the amounts recommended by the Receiver except as such recommendations were revised herein are hereby **DISALLOWED**.

44. Each claim allowed in whole or in part pursuant to 18 DEL. C. §5918(e) set forth in this Order is subject to the availability of funds for the assigned priority class pursuant to 18 DEL. C. §5918(e).

45. This Order shall have no effect on the uncovered claims of individual policyholders for whom partial coverage has been afforded by a state life and health insurance guaranty association.

46. Within three (3) business days of receipt of this Order, the Receiver's counsel shall serve, by United States certified mail, postage prepaid, return receipt requested, to the claimant's last known address in the Receiver's file, a copy of this Order on the claimant.

47. There is no just reason for delay, and this Order, pursuant to Chancery Court Rule 54(b), is entered as a final judgment. THE ABOVE GUARANTY ASSOCIATION CLAIMANTS WHOSE CLAIMS HAVE BEEN ALLOWED, DISALLOWED IN ITS ENTIRETY, DISALLOWED IN PART, OR CLASSIFIED MAY APPEAL THIS ORDER TO THE SUPREME COURT OF THE STATE OF DELAWARE. SUCH APPEAL MUST BE FILED WITH (RECEIVED BY) THE CLERK OF THE DELAWARE SUPREME COURT WITHIN THIRTY (30) DAYS OF THE DATE OF THIS ORDER. IF YOU FAIL TO FILE A TIMELY APPEAL, THIS DECISION WILL BECOME FINAL.

Vice-Chancellor

This document constitutes a ruling of the court and should be treated as such.

Court: DE Court of Chancery Civil Action

Judge: Stephen P Lamb

File & Serve

Transaction ID: 25374710

Current Date: May 28, 2009

Case Number: 12789-VCL

Case Name: In re: Matter of the Liquidation of Consumers United Insurance

Court Authorizer: Stephen P Lamb

/s/ Judge Stephen P Lamb