



GOVERNOR'S OFFICE OF GENERAL COUNSEL

April 11, 2011

Michael F. Krimmel, Chief Clerk
Commonwealth Court of Pennsylvania
601 Commonwealth Avenue, Suite 2100
P.O. Box 69185
Harrisburg, PA 17120-9185

Re: *Constance B. Foster, Insurance Commissioner of the Commonwealth of Pennsylvania v. Westmoreland Casualty Company*
No. 2645 C.D. 1987

Dear Mr. Krimmel:

Enclosed for filing please find an original and two (2) copies of a Petition to Establish a Claims Bar Date regarding the above-referenced matter.

Thank you for your assistance in this matter.

Very truly yours,

Preston M. Buckman
Insurance Department Counsel

RECEIVED & FILED
COMMONWEALTH COURT
OF PENNSYLVANIA
2011 APR 11 A 10:42

PMB:drh

Enclosures

wherever or however such assets may be owned or held, directly or indirectly, must be filed with the Liquidator no later than the Bar Date.

3. A claim must be filed by means of a completed Proof of Claim form, together with proper proofs supporting the claim. The form of Proof of Claim attached as Exhibit "A" to the Petition to Establish a Claims Bar Date is approved and should be utilized by any claimant who files a claim after the date of this Order.

4. A Proof of Claim shall be deemed filed on the day it is received by the Liquidator, unless first class mail is utilized, in which case it will be deemed filed on the date of the postmark.

5. Any Proof of Claim filed after the Bar Date is untimely and shall be disallowed by the Liquidator without consideration of its merits. This Order bars the filing of any such Proof of Claim after the Bar Date for any reason, including, without limitation, a reason constituting "good cause" under the late claims provisions of Article V of the Insurance Department Act of 1921, the discovery of information not previously known, and the fact that a claim was previously unmatured or contingent. Any claim is barred which does not ripen into a legal cause of action prior to the Bar Date, even though the claimant filed a Proof of Claim before the Bar Date. Notwithstanding the foregoing, if a claim first arises within the thirty (30) days prior to the Bar Date, the filing of a POC should be allowed after the Bar Date but only within thirty (30) days of when the claim arose.

6. The establishment of the Bar Date does not constitute the waiver of any defenses to individual Proofs of Claim. Any and all defenses to such claims remain available to Westmoreland and the Liquidator, including defenses otherwise based on the untimeliness of the claims.

7. The Bar Date does not apply to, or affect in any way, claims, actions or rights of Westmoreland or the Liquidator.

8. The establishment of the Bar Date is not an opportunity to refile or reargue a claim previously filed with Westmoreland, and duplicative Proofs of Claim shall not be submitted. If duplicative Proofs of Claim are filed contrary to this Order, the Liquidator shall disallow them without further consideration of their merits.

9. The Bar Date shall not apply to routine administrative expense claims.

10. The Bar Date shall not apply to any claim by a guaranty association.

11. The Publication Notice is hereby approved. The Liquidator shall cause a copy of the Publication Notice to be published in the Pittsburgh Post Gazette, the Harrisburg Patriot, and the newspaper serving the capital city of Delaware, Maryland, Mississippi, New Mexico, and Louisiana, twice in each publication over a two-week period, within thirty (30) days of the date of this Order.

12. The mailing Notice is hereby approved. The Liquidator shall mail by first class mail, as soon as practicable after receipt of this Order, a copy of the mailing Notice to all insureds of record as of the date of the Liquidation Order (September 27, 1998) and to all other persons or entities that filed a proof of claim as referenced in paragraph 5 of the Liquidator's Petition to Establish a Claims Bar Date.

2. The Liquidation Order established September 27, 1989, as the claims filing deadline, and directed the Liquidator to give notice of the Liquidation Order and the claims filing deadline to each policyholder and all known persons having claims against the company.

3. Pursuant to the Liquidation Order, the Liquidator noticed all known creditors and potential creditors or claimants against Westmoreland including all holders of Westmoreland insurance policies.

4. For purposes of this Petition, the Liquidator sets forth the following defined terms. Definitions may include defined terms. Defined terms are capitalized.

POC — A “POC” is a proof of claim form distributed by the Liquidator in connection with the liquidation of Westmoreland.

CONTINGENT PROOF OF CLAIM — A “Contingent POC” is a timely filed POC that includes the following features: (a) the claimant did not provide specific information relating to a claim or cause of action; and (b) the claimant evidences some intent that the POC covers or asserts a claim that might occur or arise after the submission of the POC, including Future Claims.

FUTURE CLAIM — A “Future Claim” is a claim that may be filed in the future that includes one or more of the following features: (a) the claim arises after the Bar Date; (b) the facts surrounding the claim are presently unknown to the Liquidator and/or the claimant whether or not intended to be set forth within a Contingent Proof of Claim; (c) demands where the Westmoreland insured or Liquidator has received reports or notices, whether or not formal demands for payment were included, on the basis that a demand or claim may mature at some point; (d) demands asserted in litigation with the Westmoreland insured that are reopened and reported after the Bar Date; and/or (e) the claim has yet to be asserted against a Westmoreland insured and/or the Liquidator. Future Claims often appear in the form of long-tail liability claims and, once asserted, it is common for such claims to take many years to develop, through litigation, before damages are determined.

UNEVALUATED CLAIM — An “Unevaluated Claim” is a demand or right of action reported to the Liquidator under a POC

that includes one or more of the following features: (a) demands that are not capable of being Perfected by the Bar Date due to active and/or ongoing procedural or litigation matters; and/or (b) rights of action that have accrued but the liability has not been determined or the amount thereof liquidated and the claimant is therefore unable to perfect the claim by the Bar Date.

PERFECTED — “Perfected” means that claimants have provided to the Liquidator sufficient information and documentation describing the facts of the claim, including but not limited to: (a) a detailed statement describing the claim; (b) a detailed statement describing the dollar value of the claim; (c) documents evidencing damage; and (d) all other information or documents helpful to proving the claim, all as required by the Insurance Department Act of 1921 and the instructions on the POC form. When the POC is perfected, Westmoreland issues a Notice of Claim Evaluation (“NOCE”).

5. Between September 27, 1988, and March 31, 2011, the Liquidator received 1,960 completed Proofs of Claim (“POC’s”). The schedule of receipt of those POC’s as of time periods noted below shows that the Liquidator has received no new POC’s since the end of 2005:

	Received by							
	9/27/1989	12/31/1990	12/31/1991	12/31/1994	12/31/1995	12/31/2005	06/30/2010	3/31/2011
	1813	115	26	2	1	3	0	0
TOTAL	1813	1928	1954	1956	1957	1960	1960	1960

6. The Liquidator has issued Notices of Claim Evaluation (“NOCE’s”) for 1,951 POC’s (99.5% of those received). 1,946 of the NOCE’s have been accepted or assumed accepted. As of March 31, 2011 there are 5 pending objections, and 9 POC’s that will be evaluated in the near future.

7. More than 22 years have passed since Westmoreland was placed in liquidation.

8. The Liquidator has determined that it is time to seek the Court’s approval of a final date after which no POC’s will be permitted (i.e., the Bar Date) in order to facilitate an orderly wind up of the affairs of the Westmoreland estate.

9. Unless a Bar Date is established, the Liquidator cannot know, with any degree of certainty, at what point in time all Contingent or Future Claims have been made, since conceivably, they could be submitted for several years to come. This could result in the Westmoreland liquidation remaining open indefinitely until all new claims are determined and all litigation is resolved. Moreover, the Liquidator would be unable to calculate the amount of any final pro-rata distribution until the value of all claims was determined.

10. If untimely filed claims, including Contingent and Future Claims, were to be considered and allowed after the Bar Date, it would adversely impact the distribution percentage to be received by claimants who have legitimate, timely filed claims that will receive a distribution from the Westmoreland estate. Furthermore, the longer the estate remains open, the more administrative expenses are incurred, which further decreases the distribution percentage to be received by those claimants waiting for a distribution from the estate.

11. The only potential claimants who would not file their claims by the Bar Date, or who will be unable to submit documents supporting their claims by the Bar Date, will be potential claimants who have no legitimate claims by the time of the Bar Date, but who might have Contingent or Future Claims. It is inequitable to delay for a significant period the distribution to the vast majority of creditors for the benefit of a small number of “potential” future creditors, who may or may not have claims develop after the Bar Date.

12. For these reasons, the order establishing a Bar Date (“the Bar Date Order”) should, with respect to claims to which the Bar Date applies, preclude the filing of claims after the Bar Date for any reason, including, without limitation, a reason constituting “good cause” under Article V of the Insurance Department Act of 1921. This applies to a Future Claim as described in paragraph 4 above.

13. If a POC filed before the Bar Date asserts a claim that has not ripened into a legal cause of action (i.e., a Contingent POC as described in paragraph 4 above) prior to the Bar Date, the Bar Date Order should disallow that POC. This does not include a POC that asserts a legal cause of action but where the damages are not yet liquidated (i.e., an Unevaluated Claim as described in paragraph 4 above).

14. The Bar Date should apply to all claims arising out of actions or omissions (including representations concerning insurance policies and otherwise) of Westmoreland, its officers, employees, agents and representatives prior to liquidation or arising out of contracts (other than insurance or annuity contracts) entered into by Westmoreland prior to liquidation. It should further apply to all claims arising out of post-liquidation actions or omissions (including representations concerning insurance policies and otherwise) of Westmoreland, the Liquidator or their officers, employees, agents and representatives (including, but not limited to, attorneys, auditors, actuaries, accountants, consultants and other professionals, whether employees or independent contractors), or arises out of post-liquidation contracts entered into by Westmoreland or the Liquidator, as long as those actions, omissions or breaches of contract occurred prior to the Bar Date. If a claim first arises within the thirty (30) days prior to the Bar Date, the filing of a POC should be allowed after the Bar Date but only within thirty (30) days of when the claim arose.

15. The Bar Date should not apply to routine administrative expense claims. However, the claims to which the Bar Date would apply include claims allegedly arising out of or based in any way on the conduct of the liquidation proceedings, and the effects of the Liquidation Order, even if such claims could possibly be characterized as administrative expense claims or policyholder claims.

16. The Bar Date would not apply to, or affect in any way, claims, actions or rights of Westmoreland or the Liquidator.

17. The Bar Date Order should provide that neither the establishment of a Bar Date nor the recognition of certain exceptions to the preclusive effect of the Bar Date constitutes the waiver of any defenses to individual POC's, including any defenses otherwise based on the untimeliness of the claims.

18. The entry of the Bar Date Order should not be viewed as an occasion for a claimant to refile or reargue a claim that has previously been submitted. Accordingly, the Bar Date Order should provide that the filing of duplicate Proofs of Claim is neither required nor permitted and that the Liquidator shall disallow duplicative claims without further consideration of their merits.

19. The Bar Date should not apply to any claim by a guaranty association.

20. The Liquidator requests that the Court fix the Bar Date at the earliest possible time and that the Bar Date be no more than forty-five (45) days after the Court Order setting that date.

21. The Liquidator requests that the Court approve the form of mailing Notice of the Bar Date Order attached to this petition as Exhibit "B", and the form of Publication Notice of the Bar Date Order attached to this petition as Exhibit "C". Moreover, the Liquidator requests that the Court approve the Proof of Claim form that is attached to this petition as Exhibit "A".

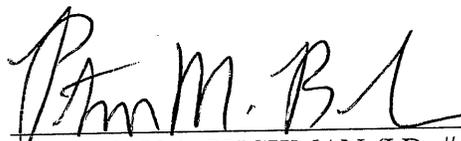
22. In support of his request for a Bar Date Order, the Liquidator would note that this Court has approved two prior requests for a Bar Date Order in other liquidation proceedings, specifically the PHICO Insurance Company ("PHICO") liquidation, which commenced on February 1, 2002, and the Rockwood Insurance Company ("Rockwood") liquidation, which

commenced on August 26, 1991. Copies of the PHICO and Rockwood Bar Date Orders are attached hereto as Exhibit "D".

23. PHICO wrote business in all 50 states and Rockwood wrote business in 32 states. Conversely, Westmoreland wrote business in only 6 states and approximately 94% of its claimants are in Pennsylvania. Accordingly, in the interest of preserving estate assets, while also trying to make the publication notice as meaningful and effective as possible, the Liquidator is proposing that the publication notice be published in the newspaper serving the capital city of each of the six states where Westmoreland wrote business (Pennsylvania, Delaware, Maryland, Mississippi, New Mexico, and Louisiana), as well as the Pittsburgh Post Gazette, given that Westmoreland was in the western Pennsylvania region and many of the claimants are in that area.

WHEREFORE, the Liquidator respectfully requests the entry of an Order in the form attached hereto establishing a Bar Date.

Respectfully submitted,



PRESTON M. BUCKMAN (I.D. #57570)
Governor's Office of General Counsel
Pennsylvania Insurance Department
Capital Associates Building
901 North 7th Street
Harrisburg, PA 17102
(717) 787-6009

Attorney for Michael F. Consedine, Acting
Insurance Commissioner of the
Commonwealth of Pennsylvania, in his
official capacity as Statutory Liquidator of
Westmoreland Casualty Company

Dated: 4/11, 2011

EXHIBIT A

EXHIBIT A



**PROOF OF CLAIM
IN THE MATTER OF**

WESTMORELAND CASUALTY COMPANY (IN LIQUIDATION)

Deadline for filing _____, 2011

FOR OFFICE USE ONLY

PROOF OF CLAIM NO. _____

DATE RECEIVED: _____

READ ALL MATERIALS CAREFULLY BEFORE COMPLETING THIS FORM – COMPLETE ALL SECTIONS
FILL IN ALL BLANKS - PLEASE PRINT CLEARLY OR TYPE

	Make corrections to Name & Address below
	Claimant Name: _____
	Address 1: _____
	Address 2: _____
	City: _____ State: _____
	Zip Code: _____ Country: _____
	Social Security /E.I.N. #: _____
	E-mail: _____
	Daytime Phone #: (include area code) _____
Name of Insured: _____	
Policy Number: _____ Claim Number: (if previously filed) _____	
Date of Loss: _____ Agent Number: _____	

1	POLICYHOLDER or THIRD PARTY CLAIM	Claim by insured of Westmoreland Casualty Company under a Westmoreland Casualty Company policy for POLICY BENEFITS or Liability claim against an insured of Westmoreland Casualty Company for POLICY BENEFITS.
2	RETURN of UNEARNED PREMIUM or OTHER PREMIUM REFUNDS	Portion of paid premium not earned due to early cancellation of policy or retro or audit adjustment.
3	GENERAL CREDITOR	Such as Attorney fees, Adjuster fees, Vendors, Lessors, Consultants, Cedents and Reinsurers.
4	AGENTS' BALANCES	Agents' Earned Commissions.
5	ALL OTHER	Describe _____.

Claim is for (check X or specify below)

In the space below give a Concise Statement of the Facts giving rise to your claim. Attach additional sheets if required.

AMOUNT OF CLAIM:

\$ _____

Is there OTHER INSURANCE that may cover this claim? Yes () No ()
If YES provide name of insurer(s) and policy number(s):

Does an ATTORNEY REPRESENT you? Yes () No () If YES provide attorney's name, address & telephone number:

Has a Lawsuit or other LEGAL ACTION been instituted by anyone regarding this claim? Yes () No () If YES, provide the following:

COURT WHERE FILED:

DATE FILED & DOCKET NUMBER:

PLAINTIFF(S):

DEFENDANT(S):

I verify that the statements made in this proof of claim are true and correct to the best of my knowledge, information and belief. I understand that false statements made herein are subject to the penalties of 19 Pa. C.S. §4904 (relating to unsworn falsification to authorities).

If the foregoing Proof of Claim alleges a claim against a Westmoreland Casualty Company insured (third party claim), the undersigned hereby releases any and all claims which have been or could be made against such Westmoreland Casualty Company insured based on or arising out of the facts supporting the above Proof of Claim up to the amount of the applicable policy limits and subject to coverage being accepted by the Statutory Liquidator, regardless of whether any compensation is actually paid to the undersigned.

Claimant Signature

Date

INSTRUCTIONS FOR COMPLETING PROOF OF CLAIM FORM

Please fill in all of the applicable blanks. Attach additional sheets as required. In the event you do not know certain information, please write "unknown." Please print legibly in ink or type. The form may be duplicated. You are advised to keep a completed copy for your records. The following is some specific additional instruction for certain types of claims.

1. If your claim is for **POLICY BENEFITS** please complete the front of this form. If additional documentation is required, you will be contacted. If a policy was renewed, a claim should be filed for each policy number for which you want to file.
2. If your claim is for the **RETURN OF UNEARNED PREMIUM** or other premium refunds, please complete the front of this form. Please attach the appropriate documentation to support your claim.

3. If your claim is that of a **GENERAL CREDITOR**, please attach copies of all outstanding invoices to this form.
4. If your claim is for **AGENT BALANCES**, please attach a complete accounting by policy/contract in support of your claim.
5. If you have **ANY OTHER** type of claim, describe your claim, i.e., stockholder, employee, taxes, license fees, assessments. Please attach copies of information to support your claim.

The right (but not the obligation) to request additional supporting information is retained by the Statutory Liquidator. The failure to promptly provide such additional information may result in denial of the claim.

The proof of claim form must be signed by the claimant, and must contain the claimant's current address and zip code. No claim can be considered for payment without a social security number or tax identification number. Where applicable, the name and address as well as the telephone number of the claimant's attorney, if any, must be shown. **YOU MUST FILE A SEPARATE PROOF OF CLAIM FORM FOR EACH CLAIM YOU MAKE. IF YOU HAVE MORE THAN ONE CLAIM, YOU MAY MAKE COPIES OF THE ENCLOSED FORM, OR CALL (717) 787-7823 FOR ADDITIONAL PROOF OF CLAIM FORMS.**

You must sign the proof of claim form and mail it to:

Proof of Claim Department
Statutory Liquidator of Westmoreland Casualty Company
PA Insurance Department
901 North 7th Street Harrisburg, PA 17102

NOTE: This form must be received no later than _____, 2011. Claims filed before _____, remain subject to the late filing provisions of Article V of the Insurance Department Act of 1921 as applicable to the claims filing deadline of September 27, 1989 contained in the Commonwealth Court's September 27, 1988 liquidation order for Westmoreland Casualty Company (In Liquidation).

CHANGE OF ADDRESS

You are required by Article V of the Insurance Department Act to notify the Statutory Liquidator of your change of address. If you fail to do so you may jeopardize your chance of recovery from this estate.

INFORMATION REGARDING CLAIMS AGAINST THE

ESTATE OF WESTMORELAND CASUALTY COMPANY

After all claims against this company are evaluated by the Statutory Liquidator and approved by the Court, approved claims will be paid by priority level based on available funds in accordance with 40 P.S. Section 221.1 et seq. The amount of the payment will depend on the assets available. The amount to be paid on an individual claim, if any, will not be known until all claims are evaluated.

EXHIBIT B

EXHIBIT B

NOTICE OF THE CLAIMS BAR DATE FOR WESTMORELAND CASUALTY COMPANY (IN LIQUIDATION)

On _____, 2011, the Commonwealth Court of Pennsylvania entered an Order establishing a claims bar date in connection with the liquidation of Westmoreland Casualty Company.

The full text of the Court's Order is as follows:

<u>ORDER</u>

1. The date forty-five (45) days after the date of this Order is hereby established as a claims bar date ("Bar Date").

2. Any and all claims against Westmoreland, against the Liquidator, his agents and representatives, or in any way affecting or seeking to affect any assets of Westmoreland, wherever or however such assets may be owned or held, directly or indirectly, must be filed with the Liquidator no later than the Bar Date.

3. A claim must be filed by means of a completed Proof of Claim form, together with proper proofs supporting the claim. The form of Proof of Claim attached as Exhibit "A" to the Petition to Establish a Claims Bar Date is approved and should be utilized by any claimant who files a claim after the date of this Order.

4. A Proof of Claim shall be deemed filed on the day it is received by the Liquidator, unless first class mail is utilized, in which case it will be deemed filed on the date of the postmark.

5. Any Proof of Claim filed after the Bar Date is untimely and shall be disallowed by the Liquidator without consideration of its merits. This Order bars the filing of any such

Proof of Claim after the Bar Date for any reason, including, without limitation, a reason constituting “good cause” under the late claims provisions of Article V of the Insurance Department Act of 1921, the discovery of information not previously known, and the fact that a claim was previously unmaturing or contingent. Any claim is barred which does not ripen into a legal cause of action prior to the Bar Date, even though the claimant filed a Proof of Claim before the Bar Date. Notwithstanding the foregoing, if a claim first arises within the thirty (30) days prior to the Bar Date, the filing of a POC should be allowed after the Bar Date but only within thirty (30) days of when the claim arose.

6. The establishment of the Bar Date does not constitute the waiver of any defenses to individual Proofs of Claim. Any and all defenses to such claims remain available to Westmoreland and the Liquidator, including defenses otherwise based on the untimeliness of the claims.

7. The Bar Date does not apply to, or affect in any way, claims, actions or rights of Westmoreland or the Liquidator.

8. The establishment of the Bar Date is not an opportunity to refile or reargue a claim previously filed with Westmoreland, and duplicative Proofs of Claim shall not be submitted. If duplicative Proofs of Claim are filed contrary to this Order, the Liquidator shall disallow them without further consideration of their merits.

9. The Bar Date shall not apply to routine administrative expense claims.

10. The Bar Date shall not apply to any claim by a guaranty association.

11. The Publication Notice is hereby approved. Westmoreland shall cause a copy of the Publication Notice to be published in the Pittsburgh Post Gazette, the Harrisburg Patriot, and the newspaper serving the capital city of Delaware, Maryland, Mississippi, New Mexico, and

Louisiana twice in each publication over a two-week period, within thirty (30) days of the date of this Order.

12. The mailing Notice is hereby approved. The Liquidator shall mail by first class mail, as soon as practicable after receipt of this Order, a copy of the mailing Notice to all insureds of record as of the date of the Liquidation Order (September 27, 1988) and to all other persons or entities that filed a proof of claim as referenced in paragraph 5 of the Liquidator's Petition to Establish a Claims Bar Date.

Any claim should be filed on the Court-approved claim form together with proofs supporting the claim. Proofs of Claim will be provided by first class mail and a form may be obtained by sending a request in writing to:

Proof of Claim Department
Statutory Liquidator of Westmoreland Casualty Company
PA Insurance Department
901 North 7th Street
Harrisburg, PA 17102

Or call:

717-787-7823

Please request a separate claim form for each claim that you wish to file.

**YOUR COMPLETED PROOF OF CLAIM MUST BE FILED BY _____,
2011, OR IT WILL BE FOREVER BARRED UNLESS YOUR CLAIM COMES WITHIN
AN EXCEPTION PROVIDED FOR IN THE COURT'S ORDER.**

EXHIBIT C

EXHIBIT C

PUBLICATION NOTICE OF THE CLAIMS BAR DATE FOR WESTMORELAND CASUALTY COMPANY (IN LIQUIDATION)

NOTICE
TO THE POLICYHOLDERS, CLAIMANTS, CREDITORS AND
ALL OTHER PERSONS INTERESTED IN THE
AFFAIRS OF
WESTMORELAND CASUALTY COMPANY (IN LIQUIDATION)

NOTICE IS HERBY GIVEN THAT:

Westmoreland Casualty Company (In Liquidation) ("Westmoreland") was placed into Liquidation by Order of the Commonwealth Court of Pennsylvania, dated September 27, 1988 (the "Liquidation Order"). The Liquidation Order appointed the Insurance Commissioner of the Commonwealth of Pennsylvania as Statutory Liquidator of Westmoreland and vested him with title to all the property, assets, contracts and rights of action of Westmoreland.

On _____, 2011, the Liquidator filed in the Commonwealth Court of Pennsylvania a Petition to Establish a Claims Bar Date for Westmoreland. On _____, 2011, the Commonwealth Court entered an Order granting the Petition and setting a Claims Bar Date of _____, 2011.

Therefore, all persons who may have a claim against Westmoreland, against the Liquidator, his agents or representatives, or in any way affecting or seeking to affect any of the assets of Westmoreland, wherever or however such assets may be owned or held, directly or indirectly, whether that claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured, must file a Proof of Claim by the Claim Bar Date of _____, 2011, or the claim will be forever barred.

You may obtain a free copy of the Proof of Claim form by writing to Proof of Claim Department, Statutory Liquidator of Westmoreland Casualty Company, Pennsylvania Insurance Department, 901 North 7th Street, Harrisburg, PA 17102, or calling the Liquidator at 717-787-7823.

EXHIBIT D

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

Rec'd By Legal
JUN 17 2009

Joel S. Ario, Insurance Commissioner :
Commonwealth of Pennsylvania, :
Plaintiff :

v. :

No. 427 M.D. 2001

PHICO Insurance Company, :
Defendant :

ORDER

AND NOW, this 15th day of June, 2009, having considered "Liquidator's Petition to Establish a Claims Bar Date" (Petition), to which the court has received no objection, it is hereby ordered that the Petition is granted. It is further ordered as follows:

1. The date forty-five (45) days after the date of this Order is hereby established as a claims bar date (Bar Date).

2. Any and all claims against PHICO, against the Liquidator, his agents and representatives, or in any way affecting or seeking any assets of PHICO, wherever or however such assets may be owned or held, directly or indirectly, must be filed with the Liquidator no later than the Bar Date.

3. A claim must be filed by means of a completed Proof of Claim form, together with proofs supporting the claim. The form of Proof of Claim attached to the Petition as Exhibit A is approved and should be utilized by any claimant who files a claim after the date of this Order. Notwithstanding the foregoing, a Proof of Claim received on the original Proof of Claim form for the PHICO estate shall be reviewed by the Liquidator and will be subject to the terms of this Order.

4. A Proof of Claim shall be deemed filed on the day it is received by the Liquidator unless first class mail is utilized, in which case it will be deemed filed on the date of the postmark.

5. Any Proof of Claim filed after the Bar Date is untimely and shall be disallowed by the Liquidator without consideration of its merits. This Order bars the filing of any such Proof of Claim after the Bar Date for any reason, including, without limitation, a reason constituting "good cause" under the late claims provisions of Article V of the Insurance Department Act of 1921, the discovery of information not previously known, and the fact that a claim was previously unmatured or contingent. Any claim is barred which does not ripen into a legal cause of action prior to the Bar Date, even though the claimant filed a Proof of Claim before the Bar Date. Notwithstanding the foregoing, if a claim first arises within the thirty (30) days prior to the Bar Date, the filing of a Proof of Claim should be allowed after the Bar Date but only within thirty (30) days of when the claim arose.

6. The establishment of the Bar Date does not constitute the waiver of any defenses to individual Proofs of Claim. Any and all defenses to such claims remain available to PHICO and the Liquidator, including defenses otherwise based on the untimeliness of the claims.

7. The Bar Date does not apply, or affect in any way, claims, actions or rights of PHICO or the Liquidator.

8. The establishment of the Bar Date is not an opportunity to refile or reargue a claim previously filed with PHICO, and duplicative Proofs of Claim shall not be submitted. If duplicative Proofs of Claim are filed contrary to this

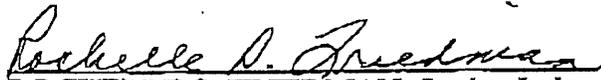
Order, the Liquidator shall disallow them without further consideration of their merits.

9. The Bar Date shall not apply to routine administrative expense claims.

10. The Bar Date shall not apply to any claim by a guaranty association.

11. The Publication Notice is hereby approved. PHICO shall cause a copy of the Publication Notice to be published in *USA Today*, *The Wall Street Journal*, the *Philadelphia Inquirer*, and the *Harrisburg Patriot*, twice in each publication over a two-week period, within thirty (30) days of the date of this Order.

12. The mailing Notice is hereby approved. PHICO shall mail by first class mail, as soon as practicable after receipt of this Order, a copy of the mailing Notice to all insureds of record as of the date of the Liquidation Order (February 1, 2002) and to all other persons or entities that filed a proof of claim as referenced in paragraph 7 of the Petition.


ROCHELLE S. FRIEDMAN, Senior Judge

Certified from the Record

JUN 16 2009

and Order Exit

AUG 12 2010

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: ROCKWOOD INSURANCE :
COMPANY :
: No. 249 M.D. 1990
:

ORDER

AND NOW, this 10th day of August, 2010, Liquidator's Petition to Establish a Claims Bar Date is GRANTED and it is hereby ORDERED as follows:

1. September 24, 2010, is hereby established as a claims bar date ("Bar Date").

2. Any and all claims against Rockwood Insurance Company (Rockwood), against Joel S. Ario, Insurance Commissioner of the Commonwealth of Pennsylvania, in his capacity as Statutory Liquidator (Liquidator) of Rockwood, his agents and representatives, or in any way affecting or seeking to affect any assets of Rockwood, wherever or however such assets may be owned or held, directly or indirectly, must be filed with the Liquidator no later than the September 24, 2010 Bar Date.

3. A claim must be filed by means of a completed Proof of Claim form, together with proper proofs supporting the claim. The form of Proof of Claim attached as Exhibit "A" to the Petition to Establish a Claims Bar Date is

approved and should be utilized by any claimant who files a claim after the date of this Order.

4. A Proof of Claim shall be deemed filed on the day it is received by the Liquidator, unless first class mail is utilized, in which case it will be deemed filed on the date of the postmark.

5. Any Proof of Claim filed after the September 24, 2010 Bar Date is untimely and shall be disallowed by the Liquidator without consideration of its merits. This Order bars the filing of any such Proof of Claim after the September 24, 2010 Bar Date for any reason, including, without limitation, a reason constituting "good cause" under the late claims provisions of Article V of the Insurance Department Act of 1921, the discovery of information not previously known, and the fact that a claim was previously unmatured or contingent. Any claim is barred which does not ripen into a legal cause of action prior to the September 24, 2010 Bar Date, even though the claimant filed a Proof of Claim before the Bar Date. Notwithstanding the foregoing, if a claim first arises within the thirty (30) days prior to the September 24, 2010 Bar Date, the filing of a Proof of Claim should be allowed after the September 24, 2010 Bar Date but only within thirty (30) days of when the claim arose.

6. The establishment of the September 24, 2010 Bar Date does not constitute the waiver of any defenses to individual Proofs of Claim. Any and defenses to such claims remain available to Rockwood and the Liquidator, including defenses otherwise based on the untimeliness of the claims.

7. The September 24, 2010 Bar Date does not apply to, or affect in any way, claims, actions or rights of Rockwood or the Liquidator.

8. The establishment of the September 24, 2010 Bar Date is not an opportunity to refile or reargue a claim previously filed with Rockwood, and

duplicative Proofs of Claim shall not be submitted. If duplicative Proofs of Claim are filed contrary to this Order, the Liquidator shall disallow them without further consideration of their merits.

9. The September 24, 2010 Bar Date shall not apply to routine administrative expense claims.

10. The September 24, 2010 Bar Date shall not apply to any claim by a guaranty association.

11. The Publication Notice is hereby approved. The Liquidator shall cause a copy of the Publication Notice to be published in USA Today, The Wall Street Journal, the Philadelphia Inquirer, and the Harrisburg Patriot, twice in each publication over a two-week period, within thirty (30) days of the date of this Order.

12. The mailing Notice is hereby approved. The Liquidator shall mail by first class mail, as soon as practicable after receipt of this Order, a copy of the mailing Notice to all insureds of record as of the effective date of the Liquidation Order (August 26, 1991) and to all other persons or entities that filed a Proof of Claim as referenced in paragraph 5 of the Liquidator's Petition to Establish a Claims Bar Date.



JAMES R. KELLEY, Senior Judge

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the foregoing document upon the person(s) and in the manner indicated below.

Service by first-class mail and email, addressed as follows:

Donna J. Pankowski, District Counsel
Internal Revenue Service
Mid-Atlantic Region
Liberty Center, Suite 601C
1001 Liberty Avenue
Pittsburgh, PA 15222

Internal Revenue Service
Special Procedures Department
P.O. Box 12051
Philadelphia, PA 19105

John J. Falkenbach, Executive Director
Delaware Insurance Guaranty Association
220 Continental Drive, Suite 309
Newark, DE 19713-4311

Arthur Russell, Executive Director
Mississippi Insurance Guaranty Association
713 South Pear Orchard Road, Suite 200
Ridgeland, MS 39157-4823

Sharon Williams, Deputy Director (via email)
Commercial Litigation Branch
Department of Justice, Civil Division
P.O. Box 875
Ben Franklin Station
Washington, DC 20044

Gary Keenan, President
New Mexico Property and Casualty
Insurance Guaranty Association
c/o Keenan & Associates, Inc.
P.O. Box 14590
Albuquerque, NM 87191-6400

Internal Revenue Service
Taxpayer Services
600 Arch Street
Philadelphia, PA 19105

Joseph R. Petr, Executive VP/Treasurer
Maryland Property & Casualty Insurance
Guaranty Corporation
305 Washington Street, Suite 600
Towson, MD 21204-4715

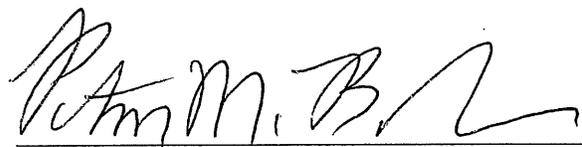
Stephen F. Perrone, Executive Director
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Guaranty Corporation
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Office of Chief Counsel
Department 281061
Harrisburg, PA 17128-1061

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Counsel for Michael F. Consedine, Acting
Pennsylvania Insurance Commissioner, in
his capacity as Statutory Liquidator of
Westmoreland Casualty Company (In
Liquidation)

DATED: 4/11/11