

(3) appointing the Superintendent, and his successors in office, as liquidator of ELNY (the "Liquidator") and:

- (i) vesting the Liquidator with all powers and authority expressed or implied under Insurance Law Article 74;
- (ii) vesting title to ELNY's property, contracts, rights of action, and books and records with the Liquidator;
- (iii) authorizing and permitting the Liquidator to conduct the business of ELNY as he deems wise and expedient; and
- (iv) directing the Liquidator to liquidate ELNY's business and affairs in accordance with Insurance Law Article 74 and in the manner provided in the Restructuring Agreement (defined below);

(4) fixing, as of the date a liquidation order is entered, the rights and liabilities of ELNY and of its policyholders, creditors, and all other persons interested in the estate of ELNY;

(5) granting the injunctions provided for in Insurance Law Section 7419, including enjoining and restraining all persons other than the Liquidator and his agents from:

- (i) dealing with, disposing of, or doing or permitting any act or thing that might waste ELNY's assets;
- (ii) transacting ELNY's business;
- (iii) interfering with this proceeding or with the Liquidator in his possession, control, and management of ELNY's property, or in the discharge of his duties under Insurance Law Article 74; and
- (iv) obtaining any preferences, judgments, attachments, or other liens, and from making any levy against ELNY, its assets, or any part thereof;

(6) granting injunctions enjoining and restraining all persons from commencing or further prosecuting any actions at law or other proceedings against ELNY or its assets, the Liquidator or the New York Liquidation Bureau, or their present or former employees, attorneys, or agents, with respect to this proceeding or the discharge of their duties under Insurance Law Article 74;

(7) granting injunctions enjoining and restraining all parties to actions, lawsuits, and special or other proceedings in which ELNY is obligated to defend a party pursuant to an insurance policy, bond, contract, or otherwise, from proceeding with any discovery, court proceedings, or other litigation tasks or procedures, including, but not limited to, conferences, trials, applications for judgment, or proceedings on settlement or judgment, until further order of this Court;

(8) requiring that all persons or entities having property and/or information, including, but not limited to, insurance policies, claims files (electronic or paper), software programs, and/or bank records owned by, belonging to, or relating to ELNY shall preserve such property and/or information and immediately, upon the Liquidator's request and direction, assign, transfer, turn over, and deliver such property and/or information to the Liquidator;

(9) approving the provisions, terms, and conditions of the Agreement of Restructuring in Connection with the Liquidation of ELNY, by and among the Superintendent, as Receiver of ELNY, the National Organization of Life and Health Insurance Guaranty Associations, and the Participating Guaranty Associations, and joined by NEWCO and the Life Insurance Guaranty Corporation existing under Insurance Law Article 75, including all Exhibits and Schedules thereto (the "Restructuring Agreement"), in substantially the form attached as Exhibit D to the Verified Petition;

(10) overruling any comment, suggestion, and/or objection to the extent any such comment, suggestion, and/or objection that was presented regarding the Liquidation or the Restructuring Agreement, and/or any related document, is inconsistent with the Restructuring Agreement and/or any related document, and denying any relief requested therein;

(11) permitting the Superintendent to continue to direct the full payment of all benefits in respect of ELNY contracts, in accordance with each ELNY contract, until the closing of the Restructuring Agreement;

(12) extending judicial immunity to the Superintendent in his capacity as Receiver of ELNY and his successors in office, the New York Liquidation Bureau, and their respective attorneys, agents, and employees for any cause of action of any nature against them, individually or jointly, for any act or omission when acting in good faith, in accordance with the orders of this Court, or in the performance of their duties pursuant to Insurance Law Article 74;

(13) directing that this Court shall retain subject matter jurisdiction over the Restructuring Agreement;

(14) permitting the Liquidator to at any time make further application to this Court for such further and different relief as he sees fit;

(15) directing that, in accordance with Insurance Law Section 7432(b), all claims against ELNY must be presented to the Liquidator within four months of the date of entry of an order of liquidation; however, in accordance with Insurance Law Section 7433(b)(1), all policyholders and holders of Claim-Overs (as defined in the Restructuring Agreement) who appear on ELNY's books and records as of the date of entry of an order of liquidation are deemed to have duly filed proofs of claim;

(16) directing the Liquidator to provide notice of an order of liquidation and approving the form and sufficiency of such notice;

(17) directing that any distribution of assets shall be in accordance with the priorities applicable to life insurance companies set forth in Section 7435(a) of Insurance Law Article 74 and substantially in accordance with the terms of the Restructuring Agreement;

(18) providing that all further papers in this proceeding shall bear a liquidation proceedings caption; and

(19) granting such other and further relief as the Court may deem just and proper; and
Sufficient cause having been shown therefore, and the Court having found the form and methods of notice specified herein to be the best notice practicable;

IT IS HEREBY ORDERED that the notice of the Liquidation Petition and this Order to Show Cause shall be provided substantially in the form attached hereto as Exhibit 1 and service shall be made by: (i) posting of the notice on the Internet webpage maintained by the New York Liquidation Bureau at <http://www.nylb.org> within thirty (30) days of submission to this Court of Schedule 1.15 to the Restructuring Agreement and a list of Participating Guaranty Associations (“PGAs”) that have ratified the Restructuring Agreement; (ii) mailing of the notice via regular First Class Mail, together with a cover letter, to the last known address of each ELNY policyholder as disclosed by ELNY’s books and records within thirty (30) days of submission to this Court of Schedule 1.15 to the Restructuring Agreement and a list of PGAs that have ratified the Restructuring Agreement; and (iii) publication of the notice in the New York Times and the Wall Street Journal, once a week for four (4) consecutive weeks, commencing within two (2) weeks of submission to this Court of Schedule 1.15 to the Restructuring Agreement and a list of PGAs that have ratified the Restructuring Agreement; and it is further

ORDERED that copies of the motion papers that were filed in support of this Order and a copy of this Order shall be posted on the Internet webpage maintained by the New York Liquidation Bureau at <http://www.nylb.org> within one (1) week of the date of this Order; and it is further

ORDERED that the form and methods of notice specified herein are hereby approved, and are determined to be: (i) in compliance with applicable law; (ii) the best notice practicable; and (iii) due and sufficient notice of this Order to Show Cause, the Return Date herein, the Liquidation Petition, and the relief sought therein, to all persons and entities entitled to receive such notice; and it is further

ORDERED that the approved form of notice shall direct that all answering papers and supporting documents ("Answering Papers") be served on the Superintendent by January 16, 2012, and that service on the Superintendent shall be made by first class mail at the following address:

New York Liquidation Bureau
Superintendent of Insurance of the State of New York
as Receiver for ELNY
110 William Street
New York, New York 10038

and that Answering Papers, with affidavit of service on the Superintendent as above, shall be submitted to this Court at IAS Part 39 at the Courthouse located at 100 Supreme Court Drive, Mineola, New York, within a reasonable time not to exceed five (5) days after service on the Superintendent; and it is further

ORDERED that reply papers, if any, shall be filed and served by the Superintendent by March 1, 2012; and that service shall be made by first class mail to each party that submits Answering Papers or otherwise files a notice of appearance in this matter; and it is further

ORDERED that any person or entity that fails to serve Answering Papers as provided herein shall be deemed to have waived any objections to the relief sought in the Liquidation Petition and shall be barred from raising objections in this or any other proceeding concerning the matters set forth herein; and it is further

ORD

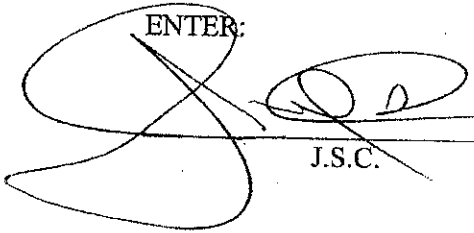

ORDERED that any person or entity that has served Answering Papers as provided herein shall be deemed to have waived any objections that are not set forth in the Answering Papers; and it is further

ORD

ORDERED that unless otherwise expressly modified by this order, the Order of Rehabilitation entered on April 23, 1991 and the December 16, 1992 Order approving the Plan of Rehabilitation in this proceeding are continued in force and effect, including the provisions providing for payments to structured settlement and other annuitants pursuant to the terms of the approved Plan of Rehabilitation; and it is further

ORD

ORDERED that the injunctions provided for in the Order of Rehabilitation entered by this Court on April 23, 1991, shall remain in force and effect.

ENTER:

J.S.C. 

ORDER TO SHOW CAUSE

EXHIBIT 1

IN THE MATTER OF THE REHABILITATION OF
EXECUTIVE LIFE INSURANCE COMPANY OF NEW YORK
New York Supreme Court, Nassau County, Index No. 8023/91

NOTICE

By order of the Supreme Court of the State of New York, County of Nassau (the "Court"), entered April 23, 1991 (the "Rehabilitation Order"), Executive Life Insurance Company of New York ("ELNY") was placed into rehabilitation and the Superintendent of Insurance of the State of New York (the "Superintendent") was appointed Rehabilitator. The Superintendent hereby gives notice that he has petitioned the Court, on motion of Eric T. Schneiderman, Attorney General of the State of New York, by order to show cause (the "Liquidation Petition"), for an order pursuant to Article 74 of the New York Insurance Law (the "Insurance Law"), *inter alia*:

- (1) declaring ELNY to be insolvent;
- (2) converting this rehabilitation proceeding to a liquidation proceeding;
- (3) appointing the Superintendent, and his successors in office, as liquidator of ELNY (the "Liquidator") and:
 - (i) vesting the Liquidator with all powers and authority expressed or implied under Insurance Law Article 74;
 - (ii) vesting title to ELNY's property, contracts, rights of action, and books and records with the Liquidator;
 - (iii) authorizing and permitting the Liquidator to conduct the business of ELNY as he deems wise and expedient; and
 - (iv) directing the Liquidator to liquidate ELNY's business and affairs in accordance with Insurance Law Article 74 and in the manner provided in the Restructuring Agreement (defined below);
- (4) fixing, as of the date a liquidation order is entered, the rights and liabilities of ELNY and of its policyholders, creditors, and all other persons interested in the estate of ELNY;
- (5) granting the injunctions provided for in Insurance Law Section 7419, including enjoining and restraining all persons other than the Liquidator and his agents from:
 - (i) dealing with, disposing of, or doing or permitting any act or thing that might waste ELNY's assets;
 - (ii) transacting ELNY's business;
 - (iii) interfering with this proceeding or with the Liquidator in his possession, control, and management of ELNY's property, or in the discharge of his duties under Insurance Law Article 74; and
 - (iv) obtaining any preferences, judgments, attachments, or other liens, and from making any levy against ELNY, its assets, or any part thereof;
- (6) granting injunctions enjoining and restraining all persons from commencing or further prosecuting any actions at law or other proceedings against ELNY or its assets, the Liquidator or the New York Liquidation Bureau, or their present or former employees,

attorneys, or agents, with respect to this proceeding or the discharge of their duties under Insurance Law Article 74;

- (7) granting injunctions enjoining and restraining all parties to actions, lawsuits, and special or other proceedings in which ELNY is obligated to defend a party pursuant to an insurance policy, bond, contract, or otherwise, from proceeding with any discovery, court proceedings, or other litigation tasks or procedures, including, but not limited to, conferences, trials, applications for judgment, or proceedings on settlement or judgment, until further order of this Court;
- (8) requiring that all persons or entities having property and/or information, including, but not limited to, insurance policies, claims files (electronic or paper), software programs, and/or bank records owned by, belonging to, or relating to ELNY shall preserve such property and/or information and immediately, upon the Liquidator's request and direction, assign, transfer, turn over, and deliver such property and/or information to the Liquidator;
- (9) approving the provisions, terms, and conditions of the Agreement of Restructuring in Connection with the Liquidation of ELNY, by and among the Superintendent, as Receiver of ELNY, the National Organization of Life and Health Insurance Guaranty Associations, and the Participating Guaranty Associations, and joined by NEWCO and the Life Insurance Guaranty Corporation existing under Insurance Law Article 75, including all Exhibits and Schedules attached thereto (the "Restructuring Agreement"), in substantially the form attached as Exhibit D to the Verified Petition;
- (10) overruling any comment, suggestion, and/or objection to the extent any such comment, suggestion, and/or objection that was presented regarding the Liquidation or the Restructuring Agreement, and/or any related document, is inconsistent with the Restructuring Agreement and/or any related document, and denying any relief requested therein;
- (11) permitting the Superintendent to continue to direct the full payment of all benefits in respect of ELNY contracts, in accordance with each ELNY contract, until the closing of the Restructuring Agreement;
- (12) extending judicial immunity to the Superintendent in his capacity as Receiver of ELNY and his successors in office, the New York Liquidation Bureau, and their respective attorneys, agents, and employees for any cause of action of any nature against them, individually or jointly, for any act or omission when acting in good faith, in accordance with the orders of this Court, or in the performance of their duties pursuant to Insurance Law Article 74;
- (13) directing that this Court shall retain subject matter jurisdiction over the Restructuring Agreement;
- (14) permitting the Liquidator to at any time make further application to this Court for such further and different relief as he sees fit;
- (15) directing that, in accordance with Insurance Law Section 7432(b), all claims against ELNY must be presented to the Liquidator within four months of the date of entry of an order of liquidation; however, in accordance with Insurance Law Section 7433(b)(1), all policyholders and holders of Claim-Overs (as defined in the Restructuring Agreement) who appear on ELNY's books and records as of the date of entry of an order of liquidation are deemed to have duly filed proofs of claim;

- (16) directing the Liquidator to provide notice of an order of liquidation and approving the form and sufficiency of such notice;
- (17) directing that any distribution of assets shall be in accordance with the priorities applicable to life insurance companies set forth in Section 7435(a) of Insurance Law Article 74 and substantially in accordance with the terms of the Restructuring Agreement;
- (18) providing that all further papers in this proceeding shall bear a liquidation proceedings caption; and
- (19) granting such other and further relief as the Court may deem just and proper.

By Order of the Court entered on _____, except as expressly modified, the injunctions provided for in the Rehabilitation Order shall remain in full force and effect, and the provisions of the Rehabilitation Order and the December 16, 1992 Order approving the Plan of Rehabilitation are continued in force and effect, including the provisions providing for payments to structured settlement and other annuitants pursuant to the terms of the approved Plan of Rehabilitation.

A hearing on the Liquidation Petition is scheduled for _____, before the Honorable John M. Galasso, J.S.C., at the Courthouse, 100 Supreme Court Drive, Mineola, New York, at IAS Part 39, at ___:___m. (the "Return Date").

If you wish to object to the Liquidation Petition or the Restructuring Agreement, you must serve a written statement setting forth your objections and all supporting documentation (the "Answering Papers") upon the Superintendent so as to be received by the Superintendent by January 16, 2012, and by submitting copies of the Answering Papers, with an affidavit of service evidencing service on the Superintendent, to the Court at IAS Part 39 at the Courthouse located at 100 Supreme Court Drive, Mineola, New York, within a reasonable time not to exceed five (5) days after service on the Superintendent. Service of Answering Papers on the Superintendent shall be made by first class mail at the following address:

New York Liquidation Bureau
Superintendent of Insurance of the State of New York
As Receiver for ELNY
110 William Street
New York, New York 10038

If you fail to serve Answering Papers as provided herein, you shall be deemed to have waived any objections to the relief sought by the Superintendent and shall be barred from raising objections in this or any other proceeding concerning these matters. Further, if you serve Answering Papers as provided herein, you shall be deemed to have waived any objections that are not set forth in the Answering Papers.

The Liquidation Petition and supporting papers, including the Restructuring Agreement, are available for inspection on the New York Liquidation Bureau's webpage at <http://www.nylb.org>. Copies of the order to show cause and supporting papers may also be obtained via mail upon written request. In the event of any discrepancy between this notice and the documents submitted to the Court, the documents submitted to the Court control.

Requests for further information should be directed to the New York Liquidation Bureau,
at 1-888-398-8213.

Dated: New York, New York
_____, 2011

James J. Wrynn
Superintendent of Insurance
of the State of New York
as Rehabilitator of Executive
Life Insurance Company of
New York