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SUPERIOR COURT OF NJ
MERCER COUNTY
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Anne Milgram
DEPUTY ATTORNEY GENERAL
NEW JERSEY DEPARTMENT OF BANKING AND INSURANCE

ANNE MILGRAM
ATTORNEY GENERAL OF NEW JERSEY
22 South Clinton Avenue
4 Station Plaza, 2nd Floor
P.O. Box 117
Trenton, New Jersey 08625-0117
Attorney for Plaintiff,
Commissioner of the Department
of Banking and Insurance

By: Emerald Erickson Kuepper
Deputy Attorney General
(609) 984-8469

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION-MERCER COUNTY
DOCKET NO. C-84-06

I/M/O THE REHABILITATION)
OF EAGLE INSURANCE COMPANY)
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Civil Action

ORDER OF LIQUIDATION

This matter having been opened to the Court by Anne Milgram, Attorney General of New Jersey, by Emerald Erickson Kuepper, Deputy Attorney General, as attorney for Steven M. Goldman, the Commissioner of the Department of Banking and Insurance ("Commissioner"), Rehabilitator of Eagle Insurance Company and its Subsidiaries (Newark Insurance Company, GSA Insurance Company and National Consumer Insurance Company) (collectively, Eagle, Newark, GSA and NCIC shall be referred to as "Eagle and its Subsidiaries") upon application for an Order to be entered (a) terminating the rehabilitation phase of

these proceedings; (b) directing the Commissioner to liquidate Eagle and its Subsidiaries; © permanently enjoining all persons and entities from pursuing litigation against Eagle and its Subsidiaries or from interfering with the Commissioner's efforts to liquidate Eagle and its Subsidiaries and the Court having considered the Commissioner's application, *and for the reasons set forth in this Court's Order and Statement of Reasons dated JUL 26, 2007* the Court hereby finds that:

1. Eagle and its Subsidiaries are insurance companies domiciled in the State of New Jersey governed by the provisions of Title 17 of the Statutes of New Jersey, which were placed in rehabilitation pursuant to N.J.S.A. 17:30C-1 et seq., by this Court's January 29, 2007, Order of Rehabilitation ("Order of Rehabilitation").

2. This Court has general jurisdiction, pursuant to N.J.S.A. 17:30C-1 et seq., over this proceeding.

3. The written and published notice of the Petition for Liquidation to interested persons evidenced by the Affidavit and Notice filed with the Court constitutes the best notice practicable under the circumstances and meets the requirements of due process concerning such notice.

4. Sufficient grounds exist under N.J.S.A. 17:30C-7(b) and N.J.S.A. 17:30C-8 for the entry of an Order of Liquidation and Declaration of Insolvency, and such Order of Liquidation should be entered pursuant to N.J.S.A. 17:30C-9.

It is, therefore, on this 9th day of July, 2007;

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

ORDERED that the Commissioner is appointed as Liquidator of Eagle Insurance and its Subsidiaries with all the powers and authority expressed or implied by N.J.S.A. 17:30C-1, et seq. including the power to appoint and recompense a Deputy Liquidator; and it is further

ORDERED that the Commissioner is directed to liquidate Eagle Insurance and its Subsidiaries; and it is further

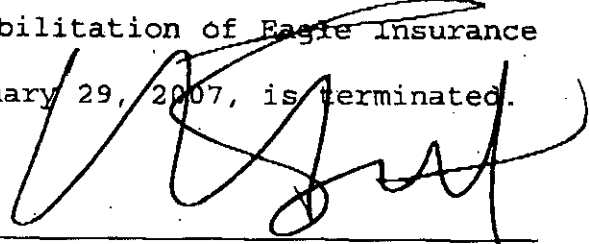
ORDERED that all persons and entities shall be permanently enjoined from pursuing litigation against Eagle Insurance and its Subsidiaries, or from interfering with the Commissioner's efforts to liquidate Eagle Insurance and its Subsidiaries; and it is further

ORDERED that there shall be no further payment of claims by Eagle Insurance and its Subsidiaries; and it is further

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

ORDERED that the Commissioner as Liquidator shall establish procedures governing the payment of claims by Eagle Insurance and its Subsidiaries; and it is further

ORDERED that the Order of Rehabilitation of Eagle Insurance and its Subsidiaries entered on January 29, 2007, is terminated.



Neil H. Shuster, P.J.Ch.Diy.