

**PROLIANCE INSURANCE COMPANY  
NOTICE OF LIQUIDATION ORDER, DEADLINE FOR FILING  
PROOFS OF CLAIM, AND CONTINUOUS HEARINGS**

**LIQUIDATION ORDER**

On April 24, 2001, Proliance Insurance Company ("PROLIANCE") was determined to be insolvent and ordered liquidated by Judge McGrath of the Court of Common Pleas, Franklin County, Ohio, Case No. 00 CVH12 11391. J. Lee Covington, II, Ohio Superintendent of Insurance, was appointed as Liquidator pursuant to Ohio Revised Code Chapter 3903 (the "Liquidator"). It is the Liquidator's responsibility to collect all of the assets of PROLIANCE and distribute them to creditors of PROLIANCE according to priorities established under Ohio law.

The Liquidation Order enjoins all persons from (1) instituting or continuing to prosecute any civil action or claim against PROLIANCE or the Liquidator, (2) in any way interfering with the possession, control, title, rights, and interests of the Liquidator as provided by Ohio Revised Code Sections 3903.01 to 3903.99, inclusive, or (3) taking any action which tends to give rise to a waste of assets, preference, judgment, attachment, lien or the making of a levy against PROLIANCE or its property or assets subject to the possession or control of the Liquidator.

**To: PROLIANCE POLICYHOLDERS AND THIRD PARTY CLAIMANTS HAVING A CLAIM AGAINST A PROLIANCE POLICYHOLDER**

The Liquidation Order triggered certain obligations of the Ohio Insurance Guaranty Association ("OIGA"). OIGA was established by the laws of the State of Ohio to provide important, but limited, protection to policyholders and certain third party claimants against an insolvent insurance company's failure to perform its contractual obligations under its policies of insurance. The Deputy Liquidator has been working closely with OIGA to develop procedures for paying Policyholder and certain third party claims incurred under PROLIANCE insurance policies. Proliance Insurance Company claims incurred after December 31, 2000, were reinsured with Celina Mutual Insurance Company. Claims with dates of loss after December 31, 2000, should be submitted directly to Celina Mutual Insurance Company, Attn: Claims Department, 1 Insurance Square, Celina, OH 45822.

**PROLIANCE Policyholders and third party claimants having claims against a Proliance policyholder are not required to file a Proof of Claim form with the Liquidator to obtain Ohio Insurance Guaranty Association ("OIGA") protection.** OIGA is currently processing claims incurred under PROLIANCE insurance policies. The Ohio Guaranty Association limit is \$300,000 per policyholder. If Policyholders or third party claimants have claims that exceed the Ohio Insurance Guaranty Association limit, they must file a Proof of Claim for the excess with the Liquidator. A Proof of Claim form must be used for making a claim for any amounts in excess of the OIGA limits. If policyholders have a claim in excess of OIGA limits, policyholders may **send a written request** for a Proof of Claim form to the Office of the Ohio Insurance Liquidator, 1366 Dublin Road, Columbus, OH 43215. The written request for a Proof of Claim must contain your name, policy number, address, and phone number.

**THE DEADLINE FOR FILING PROOFS OF CLAIM IS APRIL 24, 2002.**

**To: PROLIANCE AGENTS, EMPLOYEES, TRADE VENDORS, DEFENSE ATTORNEYS, CLAIMS ADJUSTERS, AND ALL OTHER CREDITORS KNOWN OR REASONABLY EXPECTED TO HAVE CLAIMS AGAINST PROLIANCE INSURANCE COMPANY**

If the records of PROLIANCE indicate you are a creditor of PROLIANCE, you will be mailed a Proof of Claim form to be used in filing a claim in the liquidation proceedings. A Proof of Claim form must be used for making a claim for any amounts owed to you by PROLIANCE.

Proof of Claim forms will be mailed to all agents, employees, trade vendors, defense attorneys, claim adjusters, and all other creditors of PROLIANCE known to have a claim. If you have a claim against PROLIANCE and you do not receive a Proof of Claim form, you should send a written request for a Proof of Claim form to the Office of the Ohio Insurance Liquidator, 1366 Dublin Road, Columbus, OH 43215. **See reverse side for more information on the claim filing procedures.**

**THE DEADLINE FOR FILING PROOFS OF CLAIM IS APRIL 24, 2002.**

**CONTINUOUS HEARINGS**

Continuous hearings concerning matters related to the Liquidation will be held by the Court on June 18, 2001, in Courtroom 7C and thereafter on the third Monday of every month, at 9:00 a.m., EDT, and at other times pursuant to further orders of the Court. If there are no matters scheduled, there will be no hearing. It is the obligation of each policyholder, creditor, or other claimant or party in

interest having business with PROLIANCE or the Liquidator to check the Court calendar prior to the hearing date. Information regarding each session of such hearing will be available by calling the Bailiff at (614) 462-5890 prior to each such session. NO FURTHER NOTICE OF THESE HEARINGS WILL BE GIVEN. Copies of materials filed with the Court (which will include a status of the matters scheduled to be heard) will be available at the Court for inspection and copying by persons having an interest in the PROLIANCE Liquidation, at their own expense.

**THIS NOTICE OF DEADLINE FOR FILING PROOFS OF CLAIM APPLIES TO ANY POTENTIAL CLAIMANT ASSERTING A CLAIM AGAINST PROLIANCE. THIS TIME LIMITATION APPLIES NOTWITHSTANDING ANY STATUTE OF LIMITATIONS OTHERWISE APPLICABLE TO SUCH CLAIMS.**

J. Lee Covington, II  
Superintendent of Insurance, State of Ohio  
Liquidator of PROLIANCE INSURANCE COMPANY

**(SEE REVERSE SIDE FOR ADDITIONAL INFORMATION)**

**PROLIANCE INSURANCE COMPANY, IN LIQUIDATION**  
**CLAIM NOTICE AND CLAIM FILING PROCEDURES**

1. If no proof of claim form is attached with this notice, proofs of claim will be mailed to all known claimants and creditors as reflected on the books and records of Proliance Insurance Company. The Proof of Claim should be completed in its entirety and all questions answered.
2. Proof of Claim forms and all supporting documentation **must be received by the Liquidator on or before April 24, 2002**, the claim filing deadline established by the Liquidation Court.
3. If your claim is for unearned premium, you must submit documentation evidencing proof of premium payment and certify that you have not received the return of premium from your agent or broker, and/or that it has not been applied/credited to premium due from you for your new/replacement coverage.
4. If you move prior to receiving your Proof of Claim or after filing your Proof of Claim, it is your responsibility to provide the Liquidator with your new address. Failure to do so may result in your claim being barred from participating in any distribution of assets.
5. The Liquidator, in the normal course of the liquidation proceeding, will independently evaluate claims made against the assets of the Proliance Insurance Company.
6. When your claim is evaluated by the Liquidator, you will be notified as to the Liquidator's determination for the allowance or disallowance of your claim, and you will have 60 days from the date of the notice in which to submit a written objection if you disagree with the Liquidator's determination.
7. Claims received against Proliance will be evaluated and determined in accordance with the priority of claim classes established by Ohio law (see Ohio Revised Code, Section 3903.42). After all claims have been evaluated and the amount determined and approved by the Liquidation Court, claims that are allowed will be paid by priority level based on available funds. The amount to be paid will depend on the amount of assets collected by the Liquidator and the amount of claims in each priority class. As claims are paid, the highest priority class of claims is paid first and every claim in each successive class must be paid in full before members of the next lower priority class receive any payment. If there are not sufficient assets to pay a particular class in full, the creditors of that class will share in any distribution on a pro rata basis based upon the assets available and the total amount of claims in that class. The Liquidator will not know the distribution percentage that can be paid on any individual claim until claims are evaluated and all assets converted to cash. This process will take a number of years after the deadline of April 24, 2002, for filing Proofs of Claim has passed and the Liquidator cannot state at this time if or when any distribution of assets will be made on allowed claims.
8. Proliance Insurance Company claims incurred after December 31, 2000, were reinsured with Celina Mutual Insurance Company. Claims with dates of loss after December 31, 2000, should be submitted directly to Celina Mutual Insurance Company, Attn: Claims Department, 1 Insurance Square, Celina, OH 45822
9. Questions and general inquiries concerning the liquidation should be directed to the Office of the Ohio Insurance Liquidator, 1366 Dublin Road, Columbus, OH 43215, telephone number (614) 487-9200.

**(SEE REVERSE SIDE FOR ADDITIONAL INFORMATION)**