EDMUND G. BROWN JR. Attorney General of the State of California **ENDORSED** RANDALL BORCHERDING FILED
San Francisco County Superior Court Supervising Deputy Attorney General SCOTT T. FLEMING, State Bar No. 170507 Deputy Attorney General APR 24 2007 455 Golden Gate Avenue, Suite 11000 San Francisco, CA 94102-7004 GORDON PARK-LI, Clerk Telephone: (415) 703-5710 5 PHILOMENA DIAS Fax: (415) 703-5480 Deputy Clerk E-mail: Scott.Fleming@doj.ca.gov 6 Attorneys for the Insurance Commissioner of the State 7 of California 8 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 COUNTY OF SAN FRANCISCO 11 12 INSURANCE COMMISSIONER OF THE STATE CPF-07-507033 OF CALIFORNIA, 13 [PROPOSED] ORDER AUTHORIZING MODIFIED Applicant, 14 CLAIMS PROCESS AND NOTICE THEREOF 15 April 24, 2007 MUNICIPAL MUTUAL INSURANCE COMPANY, Date: 16 Time: 9:30 A.M. Respondent. Location: Superior Court, County 17 of San Francisco 18 Law & Motion D-301 400 McAllister Street 19 San Francisco, CA 94102 Judge: Hon. PETER BUSCH 20 21 The Motion of the Insurance Commissioner, in his capacity as liquidator of Municipal 22 Mutual Insurance Company, having come on before the Court on April 24, 2007, and the court 23 having considered the Motion, the Memorandum of Points and Authorities, the declarations, exhibit, 24 and the file and record herein, finds that there is good cause to grant the motion, and to authorize the 25 liquidator to provide statutory notice to file claims only to Commercial General Liability 26 policyholders, whose claims may occupy Class 2 of the priority scheme for the liquidation of 27 insolvent insurers set forth in California Insurance Code Section 1033. The court finds that good

[PROPOSED] ORDER AUTHORIZING MODIFIED CLAIMS PROCESS AND NOTICE THEREOF

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cause exists because the Insurance Commissioner has determined, based upon facts as presently known to him, that there are insufficient assets in the estate of Municipal Mutual Insurance Company to pay any claimants in creditor classes subordinate to Class 2, as described in California Insurance Code Section 1033; and moreover, for the reasons set forth in the motion, the expense of providing notice to claimants in classes subordinate to Class 2 would be a financial burden to the estate without providing any benefit to any members within those classes. Should the Insurance Commissioner, at any later time, determine that there shall be assets sufficient to reach any other class of claimant below class 2, the Commissioner shall at that time give notice to that class of creditors, and solicit proofs of claims from that class or classes of creditors, and shall thereafter adjudicate such claims as are filed in the manner set forth in the California Insurance Code. ETER J. BUSCIN Dated: JUDGE OF THE SUPERIOR COURT 40134919.wpd