## P. 2 PMB

## IN THE COMMONWEALTH COURT OF PENNSYLVANIA

M. Diane Koken, Insurance Commissioner, Commonwealth of Pennsylvania,

**Plaintiff** 

V.

No. 183 M.D. 2002

Legion Insurance Company,
Defendant

## ORDER

AND NOW, this 25<sup>th</sup> day of September, 2002, upon consideration of the Petition for Liquidation filed by the Rehabilitator of Legion Insurance Company (In Rehabilitation), it is herby ORDERED as follows:

- 1. A hearing will be held on the Petition for Liquidation at a date to be determined after a Prehearing Conference.
- 2. A Prehearing Conference will be held October 4, 2002, at 10:00 a.m. in Courtroom No. 2, South Office Building, Harrisburg, Pennsylvania.
- 3. The Rehabilitator shall use good faith efforts to give notice of the Prehearing Conference by facsimile to all entities or persons who have a claim against Legion and have expressed an objection to, or support of, the entry of a Liquidation Order to the Rehabilitator.
- 4. The Liquidator shall cause notice of the Prehearing Conference on the Liquidation Petition to be published in newspapers of general circulation where Legion Insurance Company (In Rehabilitation) has its principal places of business and in the national edition of *The Wall Street Journal*.

- 5. Pending a hearing on the Liquidation Petition, the Stay set forth in Paragraph 24 of the March 28, 2002 Order is extended for sixty-four (64) additional days. Court actions, arbitrations and mediations, including but not limited to discovery, currently pending, or hereafter filed, against Legion Insurance Company (In Rehabilitation) or its insureds in the Commonwealth of Pennsylvania or elsewhere, are stayed beginning September 28, 2002 and ending December 1, 2002.
- 6. Pending a hearing on the Liquidation Petition, Paragraph 20 of the March 28, 2002 Order is amended as follows: the Rehabilitator's authorization to make continued payment of claims arising under policies of workers compensation and under policies providing accident and health benefits or certain hardship claims arising under various insurance policies is revoked in those states where statutory deposits for the benefit of such claimants are not made available to the Rehabilitator for the payment of said claims; provided, however, where good cause exists to make said payment notwithstanding the refusal of state officials to make available statutory deposits, the Rehabilitator may seek authorization from this Court for such payment. This revocation takes effect as soon as the Rehabilitator, can implement the systems for terminating claim payments but in no case later than thirty (30) days after entry of this Order.

MARY HANNAH LEAVITT, Judge

Certified from the Record

SEP 2 6 2002 and Order Exit