

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE  
IN AND FOR NEW CASTLE COUNTY

IN THE MATTER OF )  
GREAT ATLANTIC INSURANCE ) C.A. No. 10436  
COMPANY IN LIQUIDATION )

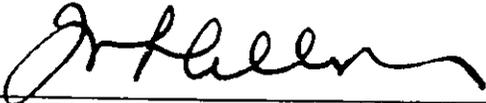
ORDER

WHEREAS, the Receiver of Great Atlantic Insurance Company in Liquidation ("GAICO"), through his attorney, has moved the Court for an Order regarding the extension of the August 13, 1990 deadline for liquidation of contingent claims for six (6) months;

NOW, THEREFORE, IT IS HEREBY ORDERED that the August 13, 1990 deadline for the liquidation of contingent claims is hereby extended until February 12, 1991. All contingent claims which are not liquidated by February 12, 1991 shall be forever barred.

Dated:

7-30-90

  
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CHANCELLOR WILLIAM T. ALLEN

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE  
IN AND FOR NEW CASTLE COUNTY

IN THE MATTER OF )  
GREAT ATLANTIC INSURANCE ) C.A. No. 10436  
COMPANY IN LIQUIDATION )

MOTION FOR EXTENSION OF  
AUGUST 13, 1990 DEADLINE FOR  
LIQUIDATION OF CONTINGENT CLAIMS

The Receiver for the Great Atlantic Insurance Company in Liquidation ("GAICO" or "Great Atlantic"), the Honorable David N. Levinson, Insurance Commissioner for the State of Delaware (the "Commissioner"), by and through his attorney, hereby moves this Honorable Court, pursuant to 18 Del. C. sec. 5902, for an Order extending the August 13, 1990 deadline for liquidation of contingent claims for six (6) months.

In support of this Motion, the Receiver states the following:

1. On November 17, 1988, pursuant to 18 Del. C. sec. 5905, an Order of Rehabilitation was entered against Great Atlantic. The Commissioner and his successors in office were appointed the Rehabilitators of GAICO.

2. On August 11, 1989, Great Atlantic was adjudged insolvent and pursuant to 18 Del. C. Section 5906 an Order of Liquidation was entered on that date. (Exhibit 1 attached hereto).

3. The Commissioner, as the Receiver of GAICO was directed to immediately take possession and control of the property, assets, business and affairs of Great Atlantic and to liquidate the same pursuant to the provisions of Chapter 59 of the Delaware Insurance Code, 18 Del. C. ch. 59.

4. The Commissioner was authorized by the Order of Liquidation to take such actions as the nature of this cause and the interests of the policyholders, creditors and stockholders of GAICO and the public may require.

5. The Commissioner was vested by the Order of Liquidation as the Receiver with title to all property, contracts and rights of action of Great Atlantic and was authorized to deal with the property, business and affairs of Great Atlantic and to sue and defend for the Company, or for the benefit of Great Atlantic's policyholders, shareholders and creditors in courts and tribunals, agencies or arbitration panels for this State and other states in his name as the Insurance Commissioner of the State of Delaware, or in the name of Great Atlantic.

6. On August 23, 1989, the Court of Chancery of the State of Delaware in and for New Castle County ordered that any and all claims against Great Atlantic not presented to the Receiver on or before February 12, 1990 shall be forever barred and that any and all claims against Great Atlantic not liquidated on or before August 13, 1990 shall be forever barred. (Exhibit 2 attached hereto).

7. Although Great Atlantic has not written any insurance business since 1985, there are currently still some contingent claims, for which proofs of claim were filed by February 12, 1990, the date by which such proofs had to be filed. Many of these claims are contingent due to the length of applicable statutes of limitation and the possibility of long-tail or delayed manifestation claims.

8. Several policyholders of Great Atlantic, who filed timely proofs of claim, have indicated to Great Atlantic that they will be unable to liquidate many of their contingent claims by the current August 13, 1990 deadline.

9. If the deadline is not extended, numerous policyholders and claimants will be barred from the estate.

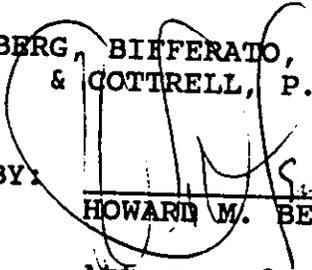
10. The Receiver requests that the August 13, 1990 deadline for the liquidation of contingent claims be extended until February 12, 1991. The Commissioner further requests that the Order bar all contingent claims which are not liquidated on or before February 12, 1991. This extension of the deadline will enable the Receiver to determine the number of claims which will be included in the estate while providing additional time for the contingent claims to be liquidated.

11. The Commissioner believes that it is in the best interest of the liquidation of Great Atlantic that the August 13, 1990 deadline for liquidation of contingent claims be extended until February 12, 1991.

12. This Motion is not intended to affect the February 12, 1990 deadline for filing proofs of claim. Currently, all claims for which a proof of claim was not filed by that deadline are barred from the estate.

WHEREFORE, the Receiver, the Commissioner of Insurance of the State of Delaware as Liquidator and on behalf of Great Atlantic, by and through his undersigned attorney, respectfully requests an order extending the August 13, 1990 deadline for liquidation of contingent claims until February 12, 1991, and barring all claims not liquidated by that date.

BERG, BIFFERATO, TIGHE  
& COTTRELL, P.A.

BY:   
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Dated: July 27, 1990