

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

JOEL S. ARIO, ACTING
INSURANCE COMMISSIONER OF THE
COMMONWEALTH OF
PENNSYLVANIA,

v.

RELIANCE INSURANCE COMPANY

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: NO. 269 M.D. 2001
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OFFICE OF THE
CLERK OF THE COURT

**PRAECIPE TO WITHDRAW THE APRIL 11, 2007
PETITION TO ENFORCE THE COLLATERAL ALLOCATION
ORDER OF OCTOBER 4, 2006**

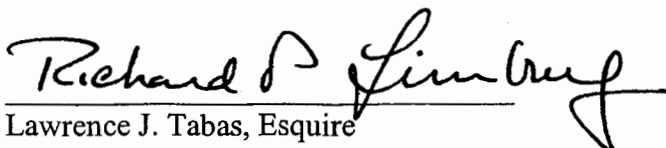
To the Prothonotary:

The Liquidator hereby voluntarily discontinues and withdraws his petition of April 11, 2007 to enforce the Collateral Allocation Order of October 4, 2006, for the reasons set forth below.

On April 11, 2007, Reliance Insurance Company (in Liquidation) ("Reliance") filed a petition (the "Petition") seeking enforcement of the Collateral Allocation Order entered on October 4, 2006. The Petition arose from certain litigation filed against Reliance by its insured, Consolidated Freightways Corporation ("Consolidated Freightways"), in the federal Bankruptcy Court for the Central District of California (the "CF Litigation"). The CF Litigation, which included a temporary restraining order, interfered with Reliance's ability to proceed under the Collateral Allocation Order.

After protracted negotiations, Reliance and Consolidated Freightways have reached an agreement which resolves the CF Litigation and permits Reliance to proceed in full compliance

with the terms of the Collateral Allocation Order. Reliance shall further report to this Court in accordance with the procedures established in the Collateral Allocation Order.

By: 
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(In Liquidation)

Dated: March 28, 2008

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the foregoing Praecept upon the persons and in the manner indicated below which service satisfies the requirements of Pa. R.A.P. 121:

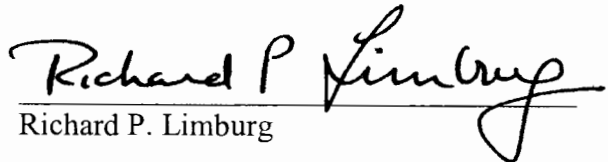
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Certain Affiliates*

I also certify that service of the foregoing Petition was made on the date indicated below on the attached Master Service List through the transmission of a Notice of Filing and through posting of a true and correct copy in PDF file format on the Reliance Documents website (www.reliancedocuments.com).


Richard P. Limburg

Dated: March 28, 2008

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