

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

In Re: Reliance Insurance Company :
in Liquidation :
: No. 1 REL 2001

In Re: Liquidator's Application for Approval of the Form of Notice to Payees under Certain Structured Settlement Annuity Contracts of Aurora National Life Assurance Company and Directing Annuity Issuers to Provide Certain Information Preliminary to Seeking Approval of Administration Agreements Related to Transfer of Annuity Contracts

ORDER

AND NOW, this 11th day of April, 2014, upon consideration of the Liquidator's Application for Approval of the Form of Notice to Payees under Certain Structured Settlement Annuity Contracts and Directing Annuity Issuers to Provide Certain Information Preliminary to Seeking Approval of Administration Agreements Related to Transfer of the Annuity Contracts and following review of the Form of Notice to Payees attached to the Application as Exhibit A, the Application for Approval is hereby GRANTED.

Further, the Court hereby:

1. APPROVES the form and substance of the Notice.
2. Directs that, on or before May 9, 2014, the Annuity Issuers (as defined in the Application) shall provide Reliance with the current names and addresses of the payees receiving payments from the Annuity Issuers under the Administration Agreement Annuity Contracts identified in the attachments to the Administration Agreements.

3. Directs that, within 30 days of receipt of such information from the Annuity Issuers, Reliance shall provide notice to the payees by mailing the approved Notice to them by first class mail.

4. Directs that Reliance shall provide written certification to the Court that it has provided the Notice to the payees at the addresses provided by the Annuity Issuers.



BONNIE BRIGANCE LEADBETTER,
Judge

Certified from the Record

APR 11 2014

And Order Exit

NOTICE TO PAYEE of Request to Transfer Contract Ownership

You are receiving this Notice because you receive periodic payments under a structured settlement funded by an annuity contract ("the Annuity Contract") issued by Aurora National Life Assurance Company ("Annuity Issuer"). Reliance Insurance Company ("Reliance"), which is responsible for the payments under the structured settlement, purchased your Annuity Contract to fund those payments and owns your Annuity Contract. Reliance instructed the Annuity Issuer to pay you directly and so you have been receiving payments from the Annuity Issuer. Reliance is being liquidated by the Pennsylvania Insurance Commissioner pursuant to an Order of Liquidation entered by the Commonwealth Court of Pennsylvania (the "Court") in October 2001.

Reliance is seeking Court approval to transfer ownership to you of the Annuity Contract under which you receive payments with such transfer of ownership to be effective two years after the date of entry of an Order setting a date to bar the filing of any more Proofs of Claim in the Reliance liquidation ("Claim Bar Date"). Delaying the transfer of ownership to you of the Annuity Contract until two years after the date of entry of an Order setting the Claim Bar Date is intended to maintain the status quo for you with respect to the tax treatment of the periodic payments you are receiving until the date of the actual transfer of ownership. There may be tax consequences to you as a result of the transfer with respect to the periodic payments received after such transfer. Consequently, you may want to consult a tax advisor or accountant. The Court has not yet set a Claim Bar Date and Reliance does not know when it will do so.

Because your structured settlement is funded in accordance with the Annuity Contract and you have been receiving payments directly from the Annuity Issuer under your Annuity Contract, Reliance's obligation to make any additional payments has been contingent only. Reliance is seeking Court approval to be discharged and released immediately with regard to its contingent obligation to make the periodic payments to you under the structured settlement in the event the Annuity Issuer fails to meet its payment obligation and from all further liability or responsibility related to your structured settlement. Reliance is also seeking Court approval of an agreement between Reliance and the Annuity Issuer under which the Annuity Issuer will administer the annuity contract on behalf of Reliance until the transfer of ownership to you of the Annuity Contract.


Reliance is seeking to have the Court confirm that the Annuity Issuer remains responsible to make annuity payments to you in the same manner as before the transactions. Reliance's request and the Court's response will not affect your rights to receive continuing payments from the Annuity Issuer under your Annuity Contract, although it may have tax implications for you. If the Court approves Reliance's request, you would no longer have any rights with respect to Reliance. If you have any objection to the transfer, you must file an objection with the Commonwealth Court of Pennsylvania at the following address within sixty (60) days from _____, 2014: [insert date Reliance certifies that Notice was mailed by first class mail, postage prepaid to payees]

Chief Clerk's Office
Commonwealth Court of Pennsylvania
Pennsylvania Judicial Center
601 Commonwealth Avenue, Suite 2100
P.O. Box 69185
Harrisburg, PA 17106-9185

If you would like to receive a copy of the Liquidator's filing, you may obtain a copy:

- (1) at www.reliancedocuments.com; or
- (2) by calling Reliance at 215-864-4000; or

Ex A



(3) by e-mail inquiry to Liquidator@relianceinsurance.com (Please refer to the “Structured Settlement Annuity Filing”).