

NOTICE OF LIQUIDATION AND TIME
FOR FILING PROOFS OF CLAIM

TO: ALL POLICYHOLDERS, CLAIMANTS, CREDITORS, AND OTHER INTERESTED PARTIES
HAVING BUSINESS WITH THE PIE MUTUAL INSURANCE COMPANY OR CLAIMS AGAINST
PHYSICIANS FORMERLY INSURED BY THE PIE MUTUAL INSURANCE COMPANY

An Order of Liquidation was entered by the Court of Common Pleas, Franklin County, Ohio, Case No. 97CVH12-10867, on March 23, 1998, appointing Harold T. Duryee, and his successors in office, Liquidator of The PIE Mutual Insurance Company. Pursuant to the Order, the Liquidator is empowered, authorized and directed to liquidate all of the property of The PIE Mutual Insurance Company pursuant to Ohio law and under the continuing jurisdiction of the Court.

The Order also enjoins all persons who have claims against The PIE Mutual Insurance Company from (1) instituting or continuing to prosecute any civil action or claim against The PIE Mutual Insurance Company or the Liquidator, (2) from in any way interfering with the possession, control, title, rights, and interests of the Liquidator as provided by Ohio Revised Code Sections 3903.01 to 3903.99, inclusive, or (3) taking any action which tends to give rise to waste of assets, a preference, judgment, attachment, lien or the making of a levy against The PIE Mutual Insurance Company or its property or assets subject to the possession or control of the Liquidator.

Continuous hearings concerning matters related to the Liquidation will be held by the Court on April 10, 1998 and thereafter on every other Friday beginning on May 1, 1998 at 9:00 a.m., and at other times pursuant to further orders of the Court. If there are no matters scheduled, there will be no hearing. It is the obligation of each policyholder, creditor, obligee or other claimant or party in interest having business with the PIE Mutual Insurance Company or the Liquidator to check the calendar prior to the hearing date. Information regarding each session of such hearing will be available by calling (614) 462-3666 prior to each such session. NO FURTHER NOTICE OF THESE HEARINGS WILL BE GIVEN. Copies of materials filed with the Court (which will include a status of the matters scheduled to be heard) will be available for inspection and copying by any person having a claim against the PIE Mutual Insurance Company, at their own expense, at the Court and at the offices of the Special Counsel to the Liquidator, Calfee, Halter & Griswold, Attn: Mr. James M. Lawniczak, 1400 McDonald Investment Center, Cleveland, Ohio 44114, (216) 622-8200.

All insurance policies, including "tail" policies, bonds, and other similar obligations or contracts of The PIE Mutual Insurance Company are cancelled by Order of the Court as of 12:01 a.m., April 22, 1998, except those policies which expired, or were cancelled by the insured before such date, which shall remain expired or cancelled as of such earlier date.

The order entered on March 23, 1998, provides that all persons having claims against the assets of The PIE Mutual Insurance Company must present such claims to the Liquidator on Proof of Claim forms on or before March 23, 1999. Any person presenting claims to the Liquidator after such date may receive no distribution or a distribution less than they would have otherwise received. Any and all outstanding claims, including those presented to The PIE Mutual Insurance Company prior to its having been placed in liquidation, must be submitted to the Liquidator on Proof of Claim forms approved and provided by the Liquidator.

Proof of Claim forms are anticipated to be mailed to all known policyholders/Insureds, claimants, and creditors as reflected on the books and records of The PIE Mutual Insurance Company within the next 90-120 days.

Requests for Proof of Claim forms for filing claims in this liquidation proceeding can be obtained from:

The PIE Mutual Insurance Company
c/o Office of the Ohio Insurance Liquidator
1366 Dublin Road
Columbus, Ohio 43215
(614-487-9200)

THIS NOTICE OF TIME FOR FILING PROOFS OF CLAIM APPLIES TO ANY POTENTIAL CLAIMANT ASSERTING A CLAIM OF PROFESSIONAL LIABILITY AGAINST ANY PHYSICIAN FORMERLY INSURED BY THE PIE MUTUAL INSURANCE COMPANY. THIS TIME LIMITATION APPLIES NOTWITHSTANDING ANY STATUTE OF LIMITATIONS OTHERWISE APPLICABLE TO SUCH CLAIMS.

Questions and general inquiries concerning the liquidation should be directed to the Cleveland office of PIE Mutual at 216-736-8400 or 800-228-2335.

THE P.I.E MUTUAL INSURANCE COMPANY, IN LIQUIDATION
CLAIM NOTICE AND CLAIM FILING PROCEDURES

1. Proof of Claim forms are anticipated to be mailed within the next 90-120 days to all known policyholders/insureds, claimants and creditors as reflected on the books and records of The P.I.E Mutual Insurance Company. The Proof of Claim should be completed in its entirety and all questions answered. You must file a separate Proof of Claim form for each claim you are making.
2. Your Proof of Claim form and all supporting documentation must be received on or before the Claim Filing Deadline of March 23, 1999, established by the Liquidation Court.
3. If your claim is for unearned premium, you must submit documentation evidencing proof of premium payment and certify that you have not received the return of premium from your agent or broker, and/or that it has not been applied/credited to premium due by you for your new/replacement coverage.
4. If you do not have a claim at this time, you should keep the Proof of Claim form and submit it immediately together with supporting documentation should you become aware of a claim made, or to be made, against you. For the next 60 days, new claims should be submitted to : **The P.I.E Mutual Insurance Company, North Point Tower, 1001 Lakeside Avenue, Cleveland, Ohio, 44114.** After May 23, 1998, new claims should be submitted to : **Office of the Ohio Insurance Liquidator, 1366 Dublin Road, Columbus, Ohio, 43215.**
5. If you move after sending in your Proof of Claim form, it is your responsibility to provide us with your new address. Failure to do so may result in your claim being barred from participating in any distribution of assets. Be sure you include the Liquidator No. from your Proof of Claim and the Claim No. with any change of address correspondence.
6. Claimants who are Ohio residents may be entitled to the protection of the Ohio Insurance Guaranty Association. All such claimants shall have a copy of their Proof of Claim forwarded to the Association by the Liquidator. The Ohio Guaranty Association will contact you or your attorney shortly after its receipt of the claim file and/or Proof of Claim from the Liquidator. Claimants in other states may be similarly protected by their respective state's Guaranty Fund/Association and are directed to communicate directly with such Fund/Association. Proofs of Claim filed for unearned premium will also be forwarded to such Fund/Association for payment consideration.
7. Amounts not covered by the Guaranty Fund/Association remain claims made against the assets of the P.I.E Liquidation Estate (excluding Guaranty Fund/Association statutory deductibles). Such amounts will be independently evaluated by the Liquidator in the normal course of the liquidation proceeding.
8. When your claim is evaluated by the Liquidator, you will be notified as to the Liquidator's Determination for the allowance or disallowance of your claim, and you will have 60 days from the date of the notice in which to submit a written objection if you disagree.
9. After all claims have been evaluated and approved by the Liquidation Court, allowed claims will be paid by priority level based on available funds. The amount paid will depend on the ratio of assets to total allowed claims by priority level. We will not know the distribution percentage that can be paid on any individual claim until all claims in the first three priority levels are evaluated and all assets converted to cash. This process will take a number of years after the deadline for filing Proofs of Claim has passed and we cannot state at this time either whether or when any distribution of assets will be made on allowed claims.

(SEE REVERSE SIDE FOR ADDITIONAL INFORMATION)