

IN THE COURT OF COMMON PLEAS
FRANKLIN COUNTY, OHIO

HAROLD T. DURYEE,)
 SUPERINTENDENT OF INSURANCE,)
 OHIO DEPARTMENT OF)
 INSURANCE, in his capacity as)
 LIQUIDATOR OF THE P•I•E MUTUAL)
 INSURANCE COMPANY)
)
 Plaintiff)
)
 v.)
)
 THE P•I•E MUTUAL INSURANCE)
 COMPANY)
)
 Defendant)

CASE NO. 97CVH12-10867

JUDGE MICHAEL WATSON

**ENTRY AND ORDER GRANTING
 LIQUIDATOR'S APPLICATION FOR
 APPROVAL OF THE PLAN FOR
 DISBURSEMENT OF PIE ASSETS TO
 GUARANTY ASSOCIATIONS
 PURSUANT TO R.C. SECTION 3903.34**

FILED
 COURT
 COMMON PLEAS
 FRANKLIN COUNTY, OHIO
 98 NOV -5 PM 3:57
 OF COURTS-01

This matter having come before the Court on the Application for Approval of the Plan for Disbursement of PIE Assets to Guaranty Associations Pursuant to R.C. Section 3903.34 (the "Application"), filed by the Liquidator; and the Objections of Ohio Insurance Guaranty Association, West Virginia Insurance Guaranty Association, Kentucky Insurance Guaranty Association, Pennsylvania Insurance Guaranty Association and Maryland Insurance Guaranty Association to Proposed Plan for Disbursement of P.I.E. Assets to Guaranty Associations Pursuant to R.C. § 3903.34 (the "Objection") and heard by the Court pursuant to notice to all applicable guaranty associations at the regularly scheduled continuous hearing in this matter on October 30, 1998 (the "Hearing"), as noticed to all creditors, and it appearing to the Court, for the reasons stated at the Hearing, having considered the Application, the Objection and the

Liquidator's Response to the Objections of Ohio Insurance Guaranty Association, West Virginia Insurance Guaranty Association, Kentucky Insurance Guaranty Association, Pennsylvania Insurance Guaranty Association and Maryland Insurance Guaranty Association to Proposed Plan for Disbursement of P.I.E. Assets to Guaranty Associations Pursuant to R.C. Section 3903.34, the arguments of counsel at the Hearing and applicable law, that the Application is well taken and should be granted and that the Objection should be overruled.

The Court hereby finds that the proposed Plan for Disbursement of PIE Assets to Guaranty Associations Pursuant to R.C. Section 3903.34 (the "Plan for Disbursement"), attached to the Application as Exhibit A, complies with R.C. § 3903.34 and should be approved. The Court further finds that the notice given of the Application complies with R.C. § 3903.34(E).

NOW, THEREFORE, IT IS HEREBY ORDERED that the Application be, and the same hereby is, GRANTED and the Plan for Disbursement be, and the same hereby is, APPROVED.

IT IS FURTHER ORDERED that any payment to be made to any guaranty association under the Plan for Disbursement is conditioned upon the guaranty association agreeing, executing and returning to the Liquidator the Agreement attached to the Plan for Disbursement as Exhibit "1."

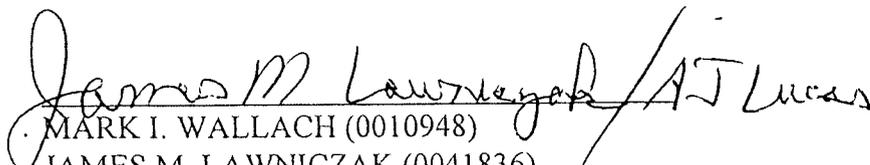
IT IS FURTHER ORDERED that the Objection be, and the same hereby is,
OVERRULED for the reasons stated on the record at the Hearing.

Dated: 11/4/98



Judge Michael Watson

Submitted by:



MARK I. WALLACH (0010948)

JAMES M. LAWNICZAK (0041836)

CHRISTOPHER S. WILLIAMS (0043911)

CALFEE, HALTER & GRISWOLD LLP

800 Superior Avenue

Cleveland, OH 44114

(216) 622-8200; fax (216) 241-0816

**Special Counsel to Betty D. Montgomery,
Attorney General of the State of Ohio,
Attorneys for the Plaintiff, in his capacity
as Liquidator for the P.I.E. Mutual Insurance
Company**