

**IN THE FRANKLIN COUNTY COURT OF COMMON PLEAS
CIVIL DIVISION**

**MARY JO HUDSON,
SUPERINTENDENT,
OHIO DEPARTMENT OF
INSURANCE, IN HER CAPACITY AS
REHABILITATOR**

Plaintiff,

v.

**GUARANTEE TITLE
AND TRUST COMPANY (IN
REHABILITATION),**

Defendant.

) **Case No. 08 CVH 07 10725**
)
) **JUDGE GUY L. REECE, II**
)
) **ORDER**

FILED
COMMON PLEAS COURT
FRANKLIN CO. OHIO
2008 AUG -5 AM 9:17
CLERK OF COURTS

This cause came before this Court on the motion of Plaintiff, Mary Jo Hudson in her capacity as Rehabilitator of Defendant Guarantee Title and Trust Company (“Guarantee”) for an Order clarifying its July 28, 2008 Agreed Order Appointing Rehabilitator (“Rehabilitation Order”). For good cause shown, this Court specifically reiterates that the status quo is to be maintained while the Rehabilitator determines the financial condition of Guarantee and clarifies its Order for the circumstances that have arisen since July 28, 2008 as follows:

1. The Rehabilitation Order enjoins all persons from evicting the Rehabilitator, or entering or remaining on real property leased to Guarantee without permission of the Rehabilitator. Thus, further clarifying numerous provisions in the Rehabilitation Order as to authority of the Rehabilitator and the authority to control all assets and property of Guarantee. See Paragraphs 7 and 11 of the Rehabilitation Order.

2. The Rehabilitation Order suspended Michael T. Harlor's, Vice President of Guarantee, and Hiram Blomquist's, President of Guarantee, authority to act on behalf of Guarantee. See Paragraphs 7(a), 12 and 13 of the Rehabilitation Order. The Rehabilitator, in her discretion, may redelegate specific authority which will be done in writing or by order of this Court. See Paragraphs 7(a) and 13.
3. The Rehabilitation Order prohibits Old Republic National Title Insurance Company ("Old Republic") from unilaterally terminating its Reinsurance Treaty, which renewed on July 1, 2008, during the 90 day stay provision of Paragraphs 10, 12 and 16(c) of the Rehabilitation Order. Old Republic's only ability to terminate the Reinsurance Treaty is through obtaining an order of this Court. See Paragraphs 10 and 12 of the Order. As Old Republic is Guarantee's sole reinsurer, Old Republic is critical to Guarantee's business and Old Republic shall not obstruct or interfere with the Rehabilitation and shall cooperate and shall not interfere with the Rehabilitator in the performance of her duties. See Paragraphs 12, 13 and 16(c) of the Rehabilitation Order.
4. The Rehabilitation Order specifies that as a creditor and attorneys of Guarantee, Michael J. Schofield and his Firm of Clark, Partington, Hart, Larry, Bond & Stackhouse shall not terminate their services, without further order of this Court and shall cooperate with the Rehabilitator in obtaining the stay authorized in Paragraph 17 of the Rehabilitation Order. See Paragraphs 10, 12, 16 and 17 of the Rehabilitation Order.

5. The failure of Old Republic, Mr. Harlor, Mr. Blomquist, Mr. Schofield, Clark, Partington, Hart, Larry, Bond & Stackhouse and/or any other person or entity subject to the Rehabilitation Order to cooperate with the actions of the Rehabilitator, or of such person or entity to interfere with or obstruct the actions of the Rehabilitator, may result in a finding of contempt and/or other remedies as this Court deems appropriate.

IT IS SO ORDERED.

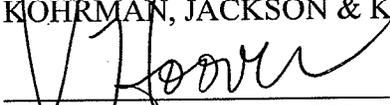
Judge Guy L. Reece II

JUDGE GUY L. REECE, II

APPROVED:

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By Outside Counsel:
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Ohio Department of Insurance, in her
Capacity as Rehabilitator of Guarantee Title
and Trust Company*