

by or resulting from any alleged act, error or omission of the Receiver, Assistant Receiver, Receiver's retained counsel and/or Receiver's employees, the Receiver, Assistant Receiver, Receiver's retained counsel and/or Receiver's employees shall be immune from liability and indemnified as defined by 36 Okla. Stat. §1937.

3. As of the Liquidation Date, the Receiver is vested with title to all property of the Company, wherever located, now or hereafter discovered, including without limitation, bank accounts, certificates of deposit, other cash equivalents, stocks, bonds, other securities, rapture, fixtures, office supplies, other personal property of any nature, real estate, contracts, receivables, claims, rights of action, books, files, and records, and is hereby directed to take immediate and exclusive possession and control of the same. The Receiver may deal with such property in the name of the Company or in the name of the Receiver.

4. The recording of a certified copy of this Order in the office of the County Clerk of Oklahoma County, Oklahoma, shall impart the same notice as would be imparted by a deed, bill of sale or other evidence of title duly recorded or filed. All agents, brokers, and other persons or entities holding funds, assets, or property of or on behalf of the Company shall immediately deliver such funds, assets or property to the Receiver along with an accounting of the same.

5. As of the Liquidation Date, until further Order of the Court, no obligation, claim, or debt of the Company shall be paid except those which the Receiver deems to be necessary or appropriate to facilitate the taking of possession and commencement or furtherance of liquidation. Except as provided above, no distribution of the Company's property will be made without approval by the Court.

6. As of the Liquidation Date, the Company, together with its directors, trustees, shareholders, officers, employees, agents and representatives, shall continue to be enjoined,

restrained and prohibited from paying claims, debts, or obligations of the Company. Except as ordered by the Court in this liquidation, the Company and all persons identified in this paragraph shall issue no further drafts or checks. The Company and all persons identified in this paragraph, along with the Company's attorneys and accountants, are hereby directed to assign, transfer and deliver any property of the Company to the Receiver.

7. As of the Liquidation Date, all persons and entities, including but not limited to the directors, trustees, shareholders, officers, employees, agents, and representatives of the Company, are hereby enjoined and restrained from interfering in any manner with the Receiver's possession, title, and rights in and to the property of the Company and the liquidation thereof, until further order of the Court. All such persons and entities are further enjoined and restrained from wasting, transferring, selling, concealing, destroying, disbursing, disposing, and assigning, in any manner whatsoever, any property of the Company, until further order of the Court.

8. As of the Liquidation Date, all parties claiming a secured, collateral, priority or preferred interest and/or claim or right of set off in any property of the Company, including any governmental entity, are hereby stayed, enjoined and restrained from taking any action to foreclose, transfer, sell, dispose, or otherwise exercise creditor's rights in or against any property of the Company without further order of the Court.

9. As of the Liquidation Date, all parties who have dealt with the Company, including but not limited to claimants, plaintiffs, petitioners, physicians, hospitals, other medical or health care providers and governmental agencies are hereby enjoined and restrained, until further order of the Court, from:

- a. bringing, maintaining or further prosecuting any judicial or administrative action against the Company or the Receiver;

b. attaching, levying or executing against the property of the Company;

c. instituting, maintaining or further prosecuting a judicial or administrative action against a member, policyholder or insured of the Company due to the Company's insolvency, the failure of the Company to pay claims or the failure of the Company to meet its contractual obligations; and/or,

d. interfering in any manner with the Receiver's possession and control of the Company's property or the discharge of his duties hereunder.

10. As of the Liquidation Date, all person and entities, except the Receiver and his counsel, assistants, deputies, and clerks shall be restrained and enjoined from commencing, maintaining or further prosecuting any direct or indirect action against a reinsurer of the Company for proceeds of reinsurance policies issued to the Company.

11. Except as otherwise provided in this Order, the rights and liabilities between the Company, its creditors, policyholders, shareholders and all other persons interested in the liquidation estate are fixed as of the date of the entry of the Order of Liquidation.

12. As of the Liquidation Date, the Receiver shall have the power:

a. To liquidate all property of the Company and wind up the affairs and business of the Company under the general supervision of the Court;

b. To pay as expenses of administration all expenses heretofore incurred by the Receiver or his designees and appointees, in furtherance of the liquidation;

c. To pay from the funds or assets of the Company all expenses of possessing, conserving, liquidating, disposing, or otherwise dealing with the business and property of the Company;

- d. To process claims against the Company in accordance with the liquidation statutes;
- e. To take any action the Receiver deems economically feasible to correct or liquidate all debts, claims and monies to the Company;
- f. To conduct private and public sales of the property of the Company;
- g. To acquire, lease, invest, deposit, encumber, improve, sell, transfer, abandon, or otherwise dispose or deal with the property of the Company;
- h. To deliver deeds, assignments, bills of sale, releases, and other instruments to effectuate the conveyance, sale or mortgage of any property of the liquidation estate;
- i. Subject to the limitations of 36 Okla. Stat. § 1924, to borrow money with or without security. Neither the Commissioner nor Receiver shall be under any obligation, personally or in his official capacity, to repay any loan made pursuant to this paragraph;
- j. To enter into such contracts or agreements as are necessary to carry out this Order and to affirm or disavow any contract to which the Company is a party;
- k. To institute, prosecute, or defend, either in the name of the Company or the Receiver, suits and other legal proceedings in this State or elsewhere in which the Company or Receiver is a party and to move to stay dismiss or restrain such suits, or to settle, dismiss or abandon such suits or legal proceedings at the time and on such terms and conditions as Receiver deems appropriate;
- l. To exercise and enforce all rights and prosecute all actions which the Company may have against creditors, policyholders, shareholders and against officers, directors, shareholders, agents, or employees of the Company;
- m. To remove all records and other property of the Company to the offices of the

Receiver or such other place as may be convenient for the efficient administration of this proceeding;

n. To destroy, in the ordinary course of business, such records and property which the Receiver deems are unnecessary;

o. To hire and fire employees of the Company on such terms as the Receiver deems appropriate and to employ additional persons, including consultants and experts, as the Receiver deems appropriate;

p. To settle claims brought or filed in this proceeding on such terms as the Receiver deems appropriate and in furtherance of this liquidation; and,

q. To perform such further and additional acts as the Receiver deems necessary or appropriate in the furtherance of this liquidation proceeding.

13. Effective as of the Liquidation Date, all judicial or administrative proceedings, excluding the instant case, in which the Company is a party or is obligated to defend a party in any court are hereby stayed as against the Company until further order of the Court.

14. Effective as of the Liquidation Date, all existing, in-force policies and business of the Company shall be cancelled and all continuing obligations and liabilities in connection with such policies and business shall be terminated.

15. Receiver shall send or cause to be sent notice of the entry of the Order of Liquidation within thirty (30) days after entry thereof, as follows:

a. By first class mail to all claimants against the Company, to the extent that such are reasonably ascertainable, at their last known address as indicated in the records of the Company;

b. By first class mail to the Insurance Commissioner of each jurisdiction in which the Company is or has done business, either on an admitted or surplus lines basis;

c. By first class mail to any guaranty association which is or may become obligated as a result of the Company's liquidation;

d. By first class mail to current active producers and all current active insurance agents of the Company at their last known address as indicated in the Company's records;

e. By first class mail to all policyholders of the Company and to all providers of health care services enrolled in the preferred physician program sponsored by the Company; and

f. By publication in a local newspaper in Oklahoma City, Oklahoma and Amarillo, Texas, once a week for three successive weeks, with the first publication to be made within thirty (30) days of the entry of the Order of Liquidation.

16. The notice addressed in paragraph 15 shall require that any person seeking to receive distributions in this liquidation proceeding as a claimant must file a proof of claim, together with sufficient proof of loss, by no later than four (4) months after the date of the Order of Liquidation. Such proof of claim shall be filed in care of (c/o) Robert Price, Assistant Receiver, at P.O. Box 18637, Oklahoma City, Oklahoma 73154. The form of the proof of claim shall be as that attached to this motion. *See Proof of Claim - MDPhysicians Insurance Company and Instructions*, appended hereto as Exhibit A. The notice required in paragraph 14 shall contain a copy of such Proof of Claim and may contain such additional rules, instructions and information as the Receiver deems necessary for the purpose of fixing and determining all lawful claims and demands against the Company. The allowance procedure shall be established by further order of the Court.

17. If the notice set forth in paragraph 15 is given by the Receiver, this proceeding shall be final and conclusive to all claimants whether or not they receive actual notice.

18. The Receiver may, in his discretion, allow a claimant to file a late proof of claim, but such late-filed claims shall not share in the distribution of assets until all timely filed and allowed claims, which are allowed, have been paid in full as to the allowed amount, with any interest required under Oklahoma law.

19. Effective as of the Liquidation Date, the Receiver may settle and compromise the amount of a claim with any claimant subject to approval of the Court.

20. When all assets justifying the expense of collection and distribution have been collected and distributed under this Order, the Receiver shall apply to the Court for discharge. The Court will make such orders as it deems appropriate at the time.

21. Any person, other than the Receiver, may apply for an order discharging the Receiver; however, if such application is denied, the applicant will pay all costs, expenses, and attorneys' fees incurred by the Receiver in resisting such application.

22. Effective as of the Liquidation Date, existing contracts and other obligations by and between the Company and any reinsurer may, at the discretion of Receiver, be terminated. Such termination shall be effective upon written notice by Receiver to the reinsurers.

23. Any person or entity having notice of the Order of Liquidation who fails to abide by its terms shall be directed to appear before this Court to show good cause as to why the person or entity should not be held in contempt of Court for violation of the provisions of this Order.

24. The Receiver may, at any time, make further applications for such additional and different relief as the Receiver deems appropriate.

The above and foregoing Order of Liquidation is entered this 27 day of May, 1998.

JOHN M. AMICK

John M Amick, District Judge

Approved As To Form:



Kirk D. Fredrickson, OBA #3115
McDonald & Fredrickson, P.C.
24 West Park Place
Oklahoma City, Oklahoma 73103
(405) 232-4774
FAX (405) 971-0585

Attorney for Receiver, John P. Crawford,
Insurance Commissioner

I, PATRICIA PRESLEY, Court Clerk for Oklahoma County, Okla., hereby certify that the foregoing is a true, correct and complete copy of the instrument herewith set out as appears of record in the District Court Clerk's Office of Oklahoma County, Okla., this 27 day of May, 1998.

By  PATRICIA PRESLEY, Court Clerk Deputy

CERTIFICATE OF SERVICE

I hereby certify that on this 22 day of May, 1998 the above Order of Liquidation was mailed, postage prepaid, to:

Robert Price
Assistant Receiver
P.O. Box 18637
Oklahoma City, Oklahoma 73152

Joel R. Hogue, Esq.
Mullin Hoard & Brown
P.O. Box 31656
Amarillo, Texas 79120-1656



Kirk D. Fredrickson

PROOF OF CLAIM
MD PHYSICIANS INSURANCE COMPANY
(the "Company")
In Receivership

District Court of Oklahoma County, Oklahoma; Case No. CJ-97-1652-61

PLEASE READ THE INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE PROOF OF CLAIM.

Form with two columns: PART 1 Name of Person Making Claim (Claimant) and PART 2 OFFICIAL USE ONLY - DO NOT COMPLETE. Includes fields for Name, Address, City, State, Zip Code, Policy Number, Date of Loss, Insured, and Claim Number.

PLEASE COMPLETE PART 3.

- 3. a. Have you asserted or do you have a claim against the Company?
3. b. Name and address of parties, other than the Company, against whom you are making a claim:
3. c. Describe nature of claim:
3. d. State the amount of your claim and the nature of damages claimed:

ALL CLAIMANTS MUST COMPLETE PART 4.

- 4. a. Have you received any payments on the claim which is the subject of this Proof of Claim from any source?
4. b. Do you owe any money to the Company?
4. c. Are there any other persons or entities who may have any responsibility for this claim?
4. d. Is this a secured claim?
4. e. Is this claim the subject of legal action?
4. f. Is this claim contingent or unliquidated?

ALL CLAIMANTS MUST COMPLETE PART 5.

- 5. a. Claimants social security number and/or Federal Tax ID:
5. b. Claimants phone number: (home) (business)
5. c. Attorney representing Claimant with regard to claim:
Attorneys address:
and phone number:

Form for Part 5 with fields: Name, Mailing Address, City, State, Zip Code. Includes instruction: Complete This Section ONLY IF NAME OR CURRENT ADDRESS IS DIFFERENT THAN SHOWN IN PART 1

State of _____)
County of _____) ss:

Affirmation

The undersigned subscribes and affirms as true under the penalties of perjury as follows: that he or she has read the foregoing Proof of Claim and knows the contents thereof; that this claim in total amount of \$ _____ against the Company is justly owing to the Claimant; that the matters set forth above and in any accompanying statements and supporting documents are true and correct; that no payment of or on account of the aforesaid claim has been received except as above stated; and that there are no setoffs or counterclaims thereto except as above stated.

Claimant (signature)

Title or Official Capacity (if any)

Subscribed and sworn to before me this _____ day of _____, 19__.

My Commission Expires:

(SEAL)

Notary Public

IMPORTANT: PROOF OF CLAIM MUST BE PROPERLY SIGNED AND SWORN TO BEFORE A NOTARY PUBLIC OR PERSON AUTHORIZED TO ADMINISTER OATHS. DEADLINE FOR FILING PROOF OF CLAIM IS _____.

PLEASE CAREFULLY REVIEW PARAGRAPH 25 OF THE ATTACHED INSTRUCTIONS.

RETURN TO : MR. JERRY L. LANIER, ASSISTANT RECEIVER, P. O. BOX 18637, OKLAHOMA CITY, OK 73154

PROOF OF CLAIM
MD PHYSICIANS INSURANCE COMPANY
 (the "Company")
 In Receivership

District Court of Oklahoma County, Oklahoma; Case No. CJ-97-1652-61

PLEASE READ THE INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE PROOF OF CLAIM.

PART 1 Name of Person Making Claim (Claimant)	PART 2 OFFICIAL USE ONLY - DO NOT COMPLETE
Name _____	Policy Number _____
Mailing Address _____	Date of Loss _____
City _____ State _____ Zip Code _____	Insured _____
	Claim Number _____

PLEASE COMPLETE PART 3.

3. a. Have you asserted or do you have a claim against the Company? _____
3. b. Name and address of parties, other than the Company, against whom you are making a claim: _____
3. c. Describe nature of claim: _____
3. d. State the amount of your claim and the nature of damages claimed: _____ \$ _____

ALL CLAIMANTS MUST COMPLETE PART 4.

4. a. Have you received any payments on the claim which is the subject of this Proof of Claim from any source? _____ If yes, specify the total amount received: \$ _____ and identify all sources: _____
4. b. Do you owe any money to the Company? _____. If yes, specify the amount: \$ _____
4. c. Are there any other persons or entities who may have any responsibility for this claim? _____ If yes, identify name(s) and address(es). _____
4. d. Is this a secured claim? _____. If yes, specify all security for such claim: _____
4. e. Is this claim the subject of legal action? _____. If yes, specify Court: _____ Case number: _____ and all parties and attorneys: _____
4. f. Is this claim contingent or unliquidated? ____ yes ____ no If yes, specify the reason why: _____

ALL CLAIMANTS MUST COMPLETE PART 5.

5. a. Claimants social security number and/or Federal Tax ID: _____
5. b. Claimants phone number: _____ (home) _____ (business)
5. c. Attorney representing Claimant with regard to claim: _____
 Attorneys address: _____
 and phone number: _____

Complete This Section ONLY IF NAME OR CURRENT ADDRESS IS DIFFERENT THAN SHOWN IN PART 1	
Name _____	Mailing Address _____
City _____	State _____ Zip Code _____

State of _____)
 County of _____) ss: Affirmation

The undersigned subscribes and affirms as true under the penalties of perjury as follows: that he or she has read the foregoing Proof of Claim and knows the contents thereof; that this claim in total amount of \$ _____ against the Company is justly owing to the Claimant; that the matters set forth above and in any accompanying statements and supporting documents are true and correct; that no payment of or on account of the aforesaid claim has been received except as above stated; and that there are no setoffs or counterclaims thereto except as above stated.

 Claimant (signature)

 Title or Official Capacity (if any)

Subscribed and sworn to before me this _____ day of _____, 19____.

My Commission Expires: _____

(SEAL)

 Notary Public

IMPORTANT: PROOF OF CLAIM MUST BE PROPERLY SIGNED AND SWORN TO BEFORE A NOTARY PUBLIC OR PERSON AUTHORIZED TO ADMINISTER OATHS. DEADLINE FOR FILING PROOF OF CLAIM IS _____.

PLEASE CAREFULLY REVIEW PARAGRAPH 25 OF THE ATTACHED INSTRUCTIONS.

RETURN TO : MR. JERRY L. LANIER, ASSISTANT RECEIVER, P. O. BOX 18637, OKLAHOMA CITY, OK 73154

RECEIVED MAY 26 1998

INSTRUCTIONSGeneral

1. The Proof of Claim must be typed or legibly printed in Ink.
2. The information set forth in the boxes in Parts 1 and 2 was completed by the Receiver based on the records of the Company. Do not alter the form sent to you. If the name and address shown in Part 1 are not correct, then complete the change of address box in the lower portion of the form. If the information in Part 2 is incorrect or incomplete, please reflect the correct or missing information on a separate sheet and attach to your Proof of Claim.
3. All claimants must complete Parts 3, 4 and 5 of the Proof of Claim and those other portions of the Proof of Claim which may apply to your claim.
4. If you need additional space to fully answer any question on the Proof of Claim, please do so on a separate sheet of paper and attach to your Proof of Claim.
5. You must attach to the Proof of Claim documents or evidence supporting your Proof of Claim including without limitation, any claim for property damage, personal injury, loss of income and other out-of-pocket expenses and costs. If you assert your claim is secured by any assets or property, you must attach all documents evidencing the collateral security. You have an ongoing duty to supplement your Proof of Claim with supporting documentation as additional information is received. **FAILURE TO PROVIDE SUFFICIENT DOCUMENTS OR EVIDENCE SUPPORTING YOUR CLAIM IS GROUNDS FOR DENIAL THEREOF.**
6. The Proof of Claim must be signed by the Claimant, if such Claimant is an individual. If the Claimant is a corporation or other business organization, the Proof of Claim must be signed by a representative of the corporation or business organization who has knowledge of the matters set forth in the Proof of Claim and is authorized to sign on behalf of such corporation or business organization.
7. The Proof of Claim must be sworn to before a notary public or person authorized to administer oaths.
8. The Proof of Claim and supporting documentation must be received no later than _____. The Receiver may, in his discretion, permit a claimant to file a Proof of Claim out of time. However, such late-filed claims are subject to certain provisions of Oklahoma's Insurance Code, including, but not limited to, provisions discussing the possible loss of priority.
9. Mail the completed Proof of Claim and supporting documentation to Mr. Jerry Lanier, Assistant Receiver, P. O. Box 18637, Oklahoma City, OK 73154. Telefaxed Proof of Claims and supporting documentation will not be accepted.
10. If you have any questions about the Proof of Claim procedure, you may call (405)858-0022.

Part 3

11. Complete Part 3 if you are making a claim.
12. You must fully describe the nature of your claim in 3(c). You must state the total amount of your claim by completing 3(d). If you are uncertain as to the amount you are claiming, give your best estimate along with support for such. Failure to state a total amount of your claim is grounds for denial of your claim.

Part 4

13. All Claimants must complete Part 4.
14. If you have received any payments from any source relating to your claim, you must complete 4(a).
15. If there are any other persons or entities who may have any responsibility for your claim, answer "yes" to the first portion of subpart 4(c). If you answer "yes" to the first part of subpart 4(c), identify as completely as possible such person(s) or entity(ies).
16. A "secured claim" is any claim for which you hold an interest in any property as collateral for such claim.
17. If your claim is the subject of a lawsuit, you must complete 4(e).
18. If your claim is contingent or unliquidated (for example, the amount of your claim has yet to be determined), you must complete 4(f) and provide a brief explanation why your claim is contingent or unliquidated.

Part 5

19. All Claimants must complete Part 5.

Affirmation

20. You must insert the total amount of your claim in the affirmation.
21. You are signing the Proof of Claim under penalties of perjury. Please read the Affirmation carefully before signing the Proof of Claim.

Allowance Procedures

22. Your claim may be referred to the Oklahoma Life and Health Insurance Guaranty Association or Texas Life, Accident, Health & Hospital Service Insurance Guaranty Association, as appropriate. Nonetheless, within such period as the Court may establish, the Receiver will prepare and file a report setting forth the claimant, amount and Receiver's recommendation with respect to each Claim.
23. Upon filing of such report, the Court will schedule a time for hearing the report. If you file a Proof of Claim, you will receive notice of the hearing and such other information concerning the report and hearing as the Court deems appropriate under the circumstances. In addition to such other information which may be provided, if, for any reason, the Receiver does not recommend acceptance of a claim as filed by a claimant, such claimant will be advised of the Receiver's recommendation regarding such claim.
24. After all claims have been allowed, disallowed or estimated, the Receiver will seek Court approval to begin making distributions to the claimants from the assets of the Company.

CANCELLATION OF POLICIES

25. PLEASE BE ADVISED THAT BY ORDER OF THE COURT DATED _____, THE EXISTING INSURANCE POLICIES ISSUED BY THE COMPANY WERE CANCELLED. ANY QUESTIONS REGARDING YOUR POLICY OR ANY CLAIMS ARISING ON OR AFTER _____ SHOULD BE DIRECTED TO YOUR AGENT.

RECEIVED MAY 26 1998

IN THE DISTRICT COURT
 STATE OF OKLAHOMA
 OKLAHOMA COUNTY

FILED IN THE DISTRICT COURT
 STATE OF OKLAHOMA
 OKLAHOMA COUNTY
 MAY 11 1998
 PATRICIA PRESLEY, COURT CLERK
 Deputy

STATE OF OKLAHOMA, ex rel.
 JOHN P. CRAWFORD, Insurance
 Commissioner

Petitioner,)

v.)

Case No. CJ-97-1652-61

MDPHYSICIANS INSURANCE
 COMPANY, a licensed domestic
 insurer in the State of Oklahoma,

Respondent.)

**ORDER OF HEARING
 ON MOTION FOR ORDER OF LIQUIDATION**

It is hereby ordered that the Motion for Order of Liquidation filed herein by the Receiver of MDPhysicians Insurance Company shall be heard on the 22nd day of May, 1998, at 9:00 o'clock a.m. before the Honorable John M. Amick, District Judge, Oklahoma County Courthouse, 321 Park Avenue, Seventh Floor, Oklahoma City, Oklahoma 73102.

Dated: May 8, 1998.

S/ John M. Amick
 John M Amick, District Judge

Approved:

Kirk D. Fredrickson
 Kirk D. Fredrickson, OBA #3115
 McDonald & Fredrickson, P.C.
 24 West Park Place
 Oklahoma City, Oklahoma 73103
 (405) 232-4774
 FAX (405) 971-0585

Attorneys for Receiver

I, PATRICIA PRESLEY, Court Clerk for Oklahoma County, Okla., hereby certify that the foregoing is a true, correct and complete copy of the instrument herewith set out as appears of record in the District Court Clerks Office of Oklahoma County, Okla., this 11 day of May, 1998
 By *Patricia Presley*
 PATRICIA PRESLEY, Court Clerk
 Deputy

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of May, 1998, the above Order of Hearing on Motion for Order of Liquidation was mailed, postage prepaid, to:

Robert Price
Assistant Receiver
P.O. Box 18637
Oklahoma City, Oklahoma 73152

Joel R. Hogue, Esq.
Mullin Hoard & Brown
P.O. Box 31656
Amarillo, Texas 79120-1656

Orval Edwin Jones, Esq.
Oklahoma Insurance Department
3814 North Santa Fe
Oklahoma City, Oklahoma 73118



Kirk D. Fredrickson

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

STATE OF OKLAHOMA, ex rel.)
JOHN P. CRAWFORD, Insurance)
Commissioner)
)
Petitioner,)
)
v.) Case No. CJ-97-1652-61
)
MDPHYSICIANS INSURANCE)
COMPANY, a licensed domestic)
insurer in the State of Oklahoma,)
)
Respondent.)

**NOTICE OF HEARING
ON MOTION FOR ORDER OF LIQUIDATION**

Please take notice that the Motion for Order of Liquidation filed herein by the State of Oklahoma, ex rel, John P. Crawford, Insurance Commissioner shall be heard on the 6th day of FEBRUARY, 1998, at 9 o'clock a.m before the Honorable John M. Amick, District Judge, Oklahoma County Courthouse, 321 Park Avenue, Oklahoma City, Oklahoma 73102.

Dated: January 20, 1998.



Kirk D. Fredrickson, OBA #3115
McDonald & Fredrickson, P.C.
24 West Park Place
Oklahoma City, Oklahoma 73103
(405) 232-4774
FAX (405) 971-0585

CERTIFICATE OF SERVICE

I hereby certify that on this 20th day of January, 1998, the above Notice of Hearing on Motion for Order of Liquidation was mailed, postage prepaid, to:

Jerry L. Lanier
Assistant Receiver
P.O. Box 18637
Oklahoma City, Oklahoma 73152

Joel R. Hogue, Esq.
Mullin Hoard & Brown
P.O. Box 31656
Amarillo, Texas 79120-1656



Kirk D. Fredrickson

IN THE DISTRICT COURT OF OKLAHOMA AND IN THE DISTRICT COURT
STATE OF OKLAHOMA OKLAHOMA COUNTY, OKLA.

JAN 20 1998

STATE OF OKLAHOMA, ex rel.)
JOHN P. CRAWFORD, Insurance)
Commissioner)
)
Petitioner,)

PATRICIA PRESLEY, COURT CLERK
By _____
Deputy

v.)
)
MDPHYSICIANS INSURANCE)
COMPANY, a licensed domestic)
insurer in the State of Oklahoma,)
)
Respondent.)

Case No. CJ-97-1652-61

MOTION FOR ORDER OF LIQUIDATION

The State of Oklahoma, ex rel John P. Crawford, Insurance Commissioner, as Receiver for MDPhysicians Insurance Company ("Receiver"), respectfully moves the Court for entry of an order of liquidation in these proceedings. In support of this motion, the Receiver shows the Court as follows:

A. On June 3, 1997, an Agreed Order Appointing Receiver and Permanent Injunction was entered herein as to MDPhysicians Insurance Company, an Oklahoma licensed domestic insurer (the "Company"). In this Order, John P. Crawford, the Oklahoma Insurance Commissioner, was appointed receiver of the Company and other matters were addressed regarding the operation of the Company. See Order dated June 3, 1997, attached hereto as Exhibit A.

B. Subsequent to entry of the June 3 Order, the Receiver has operated the Company by and through his appointed Assistant Receiver, Jerry L. Lanier.

C. The Receiver has determined that rehabilitation of the Company is not possible due to recurring operating losses and the imminent expiration of reinsurance treaties currently in place.

D. The Receiver hereby moves the Court for entry of an order of liquidation and further moves the Court to include in said order provisions sufficient to define the liquidation proceedings and to include the following procedures, powers and rulings for the liquidation of the Company:

1. As of the Liquidation Date, the Receiver is vested with all powers and authority, express and/or implied under the provisions of the Oklahoma Uniform Insurers Liquidation Act, 36 Okla. Stat. §1901 et seq., as amended. The Receiver is authorized and directed to take all actions necessary and appropriate for the accomplishment of the liquidation of the Company.

2. Effective as of the Liquidation Date, if any legal action is commenced against the Receiver, Assistant Receiver, the Receiver's retained counsel and/or the Receiver's employees, whether personally or in an official capacity, alleging personal injury or other civil liability caused by or resulting from any alleged act, error or omission of the Receiver, Assistant Receiver, Receiver's retained counsel and/or Receiver's employees, the Receiver, Assistant Receiver, Receiver's retained counsel and/or Receiver's employees shall be immune from liability and indemnified as defined by 36 Okla. Stat. §1937.

3. As of the Liquidation Date, the Receiver is vested with title to all property of the Company, wherever located, now or hereafter discovered, including without limitation, bank accounts, certificates of deposit, other cash equivalents, stocks, bonds, other securities, rapture, fixtures, office supplies, other personal property of any nature, real estate, contracts, receivables, claims, rights of action, books, files, and records, and is hereby directed to take immediate and

exclusive possession and control of the same. The Receiver may deal with such property in the name of the Company or in the name of the Receiver.

4. The recording of a certified copy of this Order in the office of the County Clerk of Oklahoma County, Oklahoma, shall impart the same notice as would be imparted by a deed, bill of sale or other evidence of title duly recorded or filed. All agents, brokers, and other persons or entities holding funds, assets, or property of or on behalf of the Company shall immediately deliver such funds, assets or property to the Receiver along with an accounting of the same.

5. As of the Liquidation Date, until further Order of the Court, no obligation, claim, or debt of the Company shall be paid except those which the Receiver deems to be necessary or appropriate to facilitate the taking of possession and commencement or furtherance of liquidation. Except as provided above, no distribution of the Company's property will be made without approval by the Court.

6. As of the Liquidation Date, the Company, together with its directors, trustees, shareholders, officers, employees, agents and representatives, shall continue to be enjoined, restrained and prohibited from paying claims, debts, or obligations of the Company. Except as ordered by the Court in this liquidation, the Company and all persons identified in this paragraph shall issue no further drafts or checks. The Company and all persons identified in this paragraph, along with the Company's attorneys and accountants, are hereby directed to assign, transfer and deliver any property of the Company to the Receiver.

7. As of the Liquidation Date, all persons and entities, including but not limited to the directors, trustees, shareholders, officers, employees, agents, and representatives of the Company, are hereby enjoined and restrained from interfering in any manner with the Receiver's possession,

title, and rights in and to the property of the Company and the liquidation thereof, until further order of the Court. All such persons and entities are further enjoined and restrained from wasting, transferring, selling, concealing, destroying, disbursing, disposing, and assigning, in any manner whatsoever, any property of the Company, until further order of the Court.

8. As of the Liquidation Date, all parties claiming a secured, collateral, priority or preferred interest and/or claim or right of set off in any property of the Company, including any governmental entity, are hereby stayed, enjoined and restrained from taking any action to foreclose, transfer, sell, dispose, or otherwise exercise creditor's rights in or against any property of the Company without further order of the Court.

9. As of the Liquidation Date, all parties who have dealt with the Company, including but not limited to claimants, plaintiffs, petitioners, physicians, hospitals, other medical or health care providers and governmental agencies are hereby enjoined and restrained, until further order of the Court, from:

- a. bringing, maintaining or further prosecuting any judicial or administrative action against the Company or the Receiver;
- b. attaching, levying or executing against the property of the Company;
- c. instituting, maintaining or further prosecuting a judicial or administrative action against a member, policyholder or insured of the Company due to the Company's insolvency, the failure of the Company to pay claims or the failure of the Company to meet its contractual obligations; and/or,
- d. interfering in any manner with the Receiver's possession and control of the Company's property or the discharge of his duties hereunder.

10. As of the Liquidation Date, all person and entities, except the Receiver and his counsel, assistants, deputies, and clerks shall be restrained and enjoined from commencing, maintaining or further prosecuting any direct or indirect action against a reinsurer of the Company for proceeds of reinsurance policies issued to the Company.

11. Except as otherwise provided in this Order, the rights and liabilities between the Company, its creditors, policyholders, shareholders and all other persons interested in the liquidation estate are fixed as of the date of the entry of the Order of Liquidation.

12. Notwithstanding the provisions of this Order, the guaranty association of the State of Texas shall remain obligated after entry of this Order pursuant to the applicable laws of that state.

13. As of the Liquidation Date, the Receiver shall have the power:

a. To liquidate all property of the Company and wind up the affairs and business of the Company under the general supervision of the Court;

b. To pay as expenses of administration all expenses heretofore incurred by the Receiver or his designees and appointees, in furtherance of the liquidation;

c. To pay from the funds or assets of the Company all expenses of possessing, conserving, liquidating, disposing, or otherwise dealing with the business and property of the Company;

d. To process claims against the Company in accordance with the liquidation statutes;

e. To take any action the Receiver deems economically feasible to correct or liquidate all debts, claims and monies to the Company;

f. To conduct private and public sales of the property of the Company;

g. To acquire, lease, invest, deposit, encumber, improve, sell, transfer, abandon, or otherwise dispose or deal with the property of the Company;

h. To deliver deeds, assignments, bills of sale, releases, and other instruments to effectuate the conveyance, sale or mortgage of any property of the liquidation estate;

i. Subject to the limitations of 36 Okla. Stat. § 1924, to borrow money with or without security. Neither the Commissioner nor Receiver shall be under any obligation, personally or in his official capacity, to repay any loan made pursuant to this paragraph;

j. To enter into such contracts or agreements as are necessary to carry out this Order and to affirm or disavow any contract to which the Company is a party;

k. To institute, prosecute, or defend, either in the name of the Company or the Receiver, suits and other legal proceedings in this State or elsewhere in which the Company or Receiver is a party and to move to stay dismiss or restrain such suits, or to settle, dismiss or abandon such suits or legal proceedings at the time and on such terms and conditions as Receiver deems appropriate;

l. To exercise and enforce all rights and prosecute all actions which the Company may have against creditors, policyholders, shareholders and against officers, directors, shareholders, agents, or employees of the Company;

m. To remove all records and other property of the Company to the offices of the Receiver or such other place as may be convenient for the efficient administration of this proceeding;

n. To destroy, in the ordinary course of business, such records and property which the Receiver deems are unnecessary;

o. To hire and fire employees of the Company on such terms as the Receiver deems appropriate and to employ additional persons, including consultants and experts, as the Receiver deems appropriate;

p. To settle claims brought or filed in this proceeding on such terms as the Receiver deems appropriate and in furtherance of this liquidation; and,

q. To perform such further and additional acts as the Receiver deems necessary or appropriate in the furtherance of this liquidation proceeding.

14. Effective as of the Liquidation Date, all judicial or administrative proceedings, excluding the instant case, in which the Company is a party or is obligated to defend a party in any court are hereby stayed as against the Company until further order of the Court.

15. Effective as of March 1, 1998, all existing, in-force policies and business of the Company shall be cancelled and all continuing obligations and liabilities in connection with such policies and business shall be terminated.

16. Receiver shall send or cause to be sent notice of the entry of the Order of Liquidation within thirty (30) days after entry thereof, as follows:

a. By first class mail to all claimants against the Company, to the extent that such are reasonably ascertainable, at their last known address as indicated in the records of the Company;

b. By first class mail to the Insurance Commissioner of each jurisdiction in which the Company is or has done business, either on an admitted or surplus lines basis;

c. By first class mail to any guaranty association which is or may become obligated as a result of the Company's liquidation;

d. By first class mail to current active producers and all current active insurance agents of the Company at their last known address as indicated in the Company's records;

e. By first class mail to all policyholders of the Company and to all providers of health care services enrolled in the preferred physician program sponsored by the Company; and

f. By publication in a local newspaper in Oklahoma City, Oklahoma and Amarillo, Texas, once a week for three successive weeks, with the first publication to be made within thirty (30) days of the entry of the Order of Liquidation.

17. The notice addressed in paragraph 16 shall require that any person seeking to receive distributions in this liquidation proceeding as a claimant must file a proof of claim, together with sufficient proof of loss, by no later than four (4) months after the date of the Order of Liquidation. Such proof of claim shall be filed in care of (c/o) Jerry Lanier, Assistant Receiver, at P.O. Box 18637, Oklahoma City, Oklahoma 73154. The form of the proof of claim shall be as that attached to this motion. *See Proof of Claim - MDPhysicians Insurance Company and Instructions*, appended hereto as Exhibit B. The notice required in paragraph 15 shall contain a copy of such Proof of Claim and may contain such additional rules, instructions and information as the Receiver deems necessary for the purpose of fixing and determining all lawful claims and demands against the Company. The allowance procedure shall be established by further order of the Court.

18. If the notice set forth in paragraph 16 is given by the Receiver, this proceeding shall be final and conclusive to all claimants whether or not they receive actual notice.

19. The Receiver may, in his discretion, allow a claimant to file a late proof of claim, but such late-filed claims shall not share in the distribution of assets until all timely filed and allowed claims, which are allowed, have been paid in full as to the allowed amount, with any interest required under Oklahoma law.

20. Effective as of the Liquidation Date, the Receiver may settle and compromise the amount of a claim with any claimant subject to approval of the Court.

21. When all assets justifying the expense of collection and distribution have been collected and distributed under this Order, the Receiver shall apply to the Court for discharge. The Court will make such orders as it deems appropriate at the time.

22. Any person, other than the Receiver, may apply for an order discharging the Receiver; however, if such application is denied, the applicant will pay all costs, expenses, and attorneys' fees incurred by the Receiver in resisting such application.

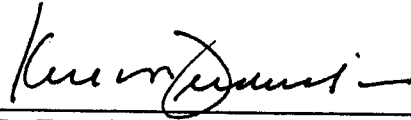
23. Effective as of the Liquidation Date, existing contracts and other obligations by and between the Company and any reinsurer may, at the discretion of Receiver, be terminated. Such termination shall be effective upon written notice by Receiver to the reinsurers.

24. Any person or entity having notice of the Order of Liquidation who fails to abide by its terms shall be directed to appear before this Court to show good cause as to why the person or entity should not be held in contempt of Court for violation of the provisions of this Order.

25. The Receiver may, at any time, make further applications for such additional and different relief as the Receiver deems appropriate.

For these reasons, John P. Crawford, Insurance Commissioner, State of Oklahoma, as Receiver of the MDPhysicians Insurance Company, requests the Court enter its Order of Liquidation and further defining the liquidation proceedings as set forth above.

Dated: January 20, 1998.



Kirk D. Fredrickson, OBA #3115
McDonald & Fredrickson, P.C.
24 West Park Place
Oklahoma City, Oklahoma 73103
(405) 232-4774
FAX (405) 971-0585

Attorneys for Receiver, State of Oklahoma
ex rel., John Crawford, Insurance Commissioner

OF COUNSEL:

Orval Edwin Jones
General Counsel
Oklahoma Insurance Department
3814 North Santa Fe
Oklahoma City, Oklahoma 73118

CERTIFICATE OF SERVICE

I hereby certify that on this 20th day of January, 1998 the above Motion for Order of Liquidation was mailed, postage prepaid, to:

Jerry L. Lanier
Assistant Receiver
P.O. Box 18637
Oklahoma City, Oklahoma 73152

Joel R. Hogue, Esq.
Mullin Hoard & Brown
P.O. Box 31656
Amarillo, Texas 79120-1656



Kirk D. Fredrickson

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

FILED IN THE DISTRICT COURT
OKLAHOMA COUNTY, OKLA.

JUN - 3 1997

STATE OF OKLAHOMA, ex rel.)
JOHN P. CRAWFORD, Insurance)
Commissioner,)
)
Petitioner,)
)
vs.)
)
MDPHYSICIANS INSURANCE COMPANY,)
a licensed domestic insurer in the State)
of Oklahoma,)
)
Respondent.)

PATRICIA PRESLEY, COURT CLERK
By _____
Deputy

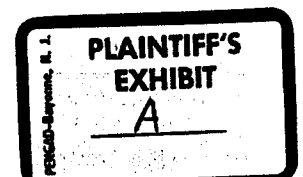
Case No. CJ-97-1652

AGREED ORDER APPOINTING RECEIVER AND PERMANENT INJUNCTION

NOW on this 2nd day of May, 1997, there came on for hearing the March 10, 1997 Order Directing Insurer to Show Cause filed by Petitioner, John P. Crawford, Insurance Commissioner, State of Oklahoma. MDPhysicians Insurance Company ("MDPhysicians"), an Oklahoma domestic insurance company, appeared by and through its counsel of record, as did the Insurance Commissioner. The Court, having examined the Order Directing Insurer to Show Cause and being well advised in the premises, finds as follows:

1. John P. Crawford is duly, qualified and acting Insurance Commissioner of the State of Oklahoma and as such is charged with the duty of administering and regulating the state's insurance industry. That pursuant to Okla. Stat. tit. 36, §1903, the Insurance Commissioner may appear in the District Court to make application for an order directing the insurer to show cause why an Order of Liquidation or Rehabilitation should not be entered and a Receiver appointed.

2. The Court has jurisdiction over this matter pursuant to Okla. Stat. tit. 36, §1902(A).



3. Venue is properly had in the District Court within Oklahoma County pursuant to the provisions of Okla. Stat. tit. 36, §1902(B).

4. MDPhysicians is an Oklahoma domestic insurer which is authorized to transact insurance in Oklahoma, holding certificate of authority number 6872. MDPhysicians is currently authorized to transact life, accident and health insurance, and has its home at Amarillo, Texas.

5. Okla. Stat. tit. 36, §612.1 requires MDPhysicians to maintain no less than \$1,000,000.00 surplus in regard to policyholders.

6. By order dated February 27, 1997, the Insurance Commissioner required MDPhysicians to "not allow its surplus in regard to policyholders to drop below \$1,000,000.00 so long as it is writing guaranteed renewable accident and health policies.

7. In its 1996 annual statement, MDPhysicians' capital and surplus account reflects a balance of \$542,110.00. MDPhysicians has eliminated its insurance risk by reinsuring 100% of its policies and has embarked on a plan to pay the run-out of claims and ultimately dissolve the company.

8. Notwithstanding the above, MDPhysicians' capital remains impaired.

Accordingly, the Court concludes that MDPhysician's surplus in regard to policyholders is currently below the required minimum and that MDPhysicians is currently impaired.

IT IS THEREFORE ORDERED AND DECREED: that John P. Crawford is hereby appointed Receiver of MDPhysicians and directed to rehabilitate the company pursuant to Title 19 of the Oklahoma Insurance Code; that the Insurance Commissioner is vested with all powers and authority, express or implied, under the provisions of Okla. Stat. tit. 36, §1901, et seq. in order to rehabilitate MDPhysicians; that the Insurance Commissioner shall forthwith take possession of the

property of MDPhysicians and conduct its business until further order of the Court; that the Insurance Commissioner shall file a plan of rehabilitation with the Court within sixty (60) days, which plan is anticipated to be similar to the plan embarked upon by MDPhysicians; that the Insurance Commissioner shall pay all valid claims of MDPhysician's policyholders from the rehabilitation estate in due course; that the Insurance Commissioner is hereby vested by operation of law with the title to all of the property, contracts, and rights of action and all of the books and records of the insurer, wherever located, now or hereafter discovered, as of the date of this Order; that the Insurance Commissioner shall be responsible for the proper administration of all assets coming into his possession or control, but no bond shall be required of him; that the Insurance Commissioner may appoint one or more assistant commissioners or receivers to act for him and may employ such counsel, clerks, and assistants as he deems necessary; that the compensation of the assistant commissioners or receivers, counsel, clerks, or deputies and all expenses of taking possession of the insurer and of conducting the proceedings shall be fixed by the Insurance Commissioner, subject to approval of this Court, and shall be paid out of the funds or assets of MDPhysicians; that, within the limits of duties imposed upon them, any assistant commissioner or receiver shall possess all the powers given to and, in the exercise of those powers, shall be subject to all of the duties imposed upon the Insurance Commissioner as Receiver with respect to these proceedings; that the Insurance Commissioner shall not be required to pay any fee to any public officer in this state for filing, recording, issuing a transcript or certificate or authenticating any paper or instrument pertaining to the powers and duties conferred to him hereunder; and that if any legal action is commenced against the Insurance Commissioner, assistant commissioners or receivers, retained counsel, the Insurance Commissioner's employees or personnel, whether personally or in

an official capacity, alleging property damage, property loss, personal injury, or other civil liability caused by or resulting from any alleged act, error, or omission of any such person, the Insurance Commissioner and his assistant commissioners or receivers, retained counsel, employees and personnel shall be immune from liability and indemnified as defined by Okla. Stat. tit. 36, §1937.

Until further order of the Court no obligation, claim or debt of MDPhysicians shall be paid except those which the Insurance Commissioner or the assistant commissioner or receiver deems to be necessary or appropriate to facilitate the taking of possession and commencement/furtherance of the rehabilitation proceedings. Except as provided above, no distribution of the Company's property will be made without approval of the Court.

IT IS FURTHER ORDERED AND DECREED: that MDPhysicians, its officers, directors, stockholders, members, subscribers, agents and all other persons are hereby permanently enjoined and prohibited from transacting any further business of MDPhysicians and wasting, transferring, selling, concealing, destroying, disbursing, disposing of, or assigning any assets, contracts, causes of action, funds, records, correspondence, memorandums, or any documents or other property of MDPhysicians or any of its affiliates which may have any conceivable relevance to these proceedings; that MDPhysicians, together with its directors, trustees, shareholders, officers, employees, agents and representatives are restrained and prohibited from paying any further claims, debts or obligations of MDPhysicians and shall issue no further drafts or checks; that MDPhysicians, together with its directors, trustees, shareholders, officers, employees, agents and representatives, are hereby directed to assign, transfer and deliver any property of the Company to the Insurance Commissioner; that all persons and entities are enjoined and prohibited from interfering with the Insurance Commissioner's possession, title and rights in and to the property of MDPhysicians and

with these proceedings until further order of the Court; that all persons and entities (including secured and unsecured creditors) are hereby enjoined and prohibited from wasting, transferring, selling, concealing, destroying, disbursing, disposing and assigning, in any manner, the assets and property of MDPhysicians and commencing or prosecuting any actions against MDPhysicians, obtaining any preferences, judgements, attachments, or other liens against MDPhysicians, or making of any levy against MDPhysicians or its assets or any part thereof.

IT IS FURTHER ORDERED AND DECREED that any amounts recovered or recoverable by the Insurance Commissioner from any reinsurer of MD Physicians shall not be reduced as a result of this delinquency proceeding.

Dated this 2nd day of May, 1997.

S/ William Burkett
JUDGE OF THE DISTRICT COURT

I, the undersigned, having full authority from MDPhysicians Insurance Company to agree to the above, do hereby consent to the Order Appointing Receiver and Permanent Injunction and to the rehabilitation of MDPhysicians in accordance with the plan to be developed and submitted to the Court by the Insurance Commissioner.

MDPhysicians Insurance Company

by Stan Fogg, President

Approved:

James L. Chastain II
James L. Chastain II, OBA # 13673
Oklahoma Insurance Department
Assistant General Counsel
3814 N. Santa Fe
Oklahoma City, Oklahoma 73118

I, PATRICIA PRESLEY, Court Clerk for Oklahoma County, Okla., hereby certify that the foregoing is a true, correct and complete copy of the instrument herewith set out as appears of record in the District Court Clerks Office of Oklahoma County, Okla., this 3 day of June, 1997

By Patricia Presley Deputy
PATRICIA PRESLEY, Court Clerk

RECEIVED JUNE 3 1998

with these proceedings until further order of the Court; that all persons and entities (including secured and unsecured creditors) are hereby enjoined and prohibited from wasting, transferring, selling, concealing, destroying, disbursing, disposing and assigning, in any manner, the assets and property of MDPhysicians and commencing or prosecuting any actions against MDPhysicians, obtaining any preferences, judgments, attachments, or other liens against MDPhysicians, or making of any levy against MDPhysicians or its assets or any part thereof.

IT IS FURTHER ORDERED AND DECREED that any amounts recovered or recoverable by the Insurance Commissioner from any reinsurer of MD Physicians shall not be reduced as a result of this delinquency proceeding.

Dated this 2nd day of May, 1997.

JUDGE OF THE DISTRICT COURT

I, the undersigned, having full authority from MDPhysicians Insurance Company to agree to the above, do hereby consent to the Order Appointing Receiver and Permanent Injunction and to the rehabilitation of MDPhysicians in accordance with the plan to be developed and submitted to the Court by the Insurance Commissioner.

MDPhysicians Insurance Company



by Stan Fagg, President

Approved:

James L. Chastain II, OBA # 13673
Oklahoma Insurance Department
Assistant General Counsel
3814 N. Santa Fe
Oklahoma City, Oklahoma 73118

Approved:

Joel R. Hogue

Joel R. Hogue, OBA #11351
Mullin Hoard & Brown
P.O. Box 31656
Amarillo, Texas 79120-1656

ATTORNEYS FOR RESPONDENT
MD PHYSICIANS INSURANCE
COMPANY

**PROOF OF CLAIM
MD PHYSICIANS INSURANCE COMPANY**

(the "Company")
In Receivership

District Court of Oklahoma County, Oklahoma; Case No. CJ-97-1652-61

PLEASE READ THE INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE PROOF OF CLAIM.

PART 1 Name of Person Making Claim (Claimant)	PART 2 OFFICIAL USE ONLY - DO NOT COMPLETE
Name _____	Policy Number _____
Mailing Address _____	Date of Loss _____
City _____ State _____ Zip Code _____	Insured _____
	Claim Number _____

PLEASE COMPLETE PART 3.

3. a. Have you asserted or do you have a claim against the Company? _____
3. b. Name and address of parties, other than the Company, against whom you are making a claim: _____
3. c. Describe nature of claim: _____
3. d. State the amount of your claim and the nature of damages claimed: _____ \$ _____

ALL CLAIMANTS MUST COMPLETE PART 4.

4. a. Have you received any payments on the claim which is the subject of this Proof of Claim from any source? _____
If yes, specify the total amount received: \$ _____ and identify all sources: _____
4. b. Do you owe any money to the Company? _____. If yes, specify the amount: \$ _____
4. c. Are there any other persons or entities who may have any responsibility for this claim? _____
If yes, identify name(s) and address(es). _____
4. d. Is this a secured claim? _____. If yes, specify all security for such claim: _____
4. e. Is this claim the subject of legal action? _____. If yes, specify Court: _____
Case number: _____ and all parties and attorneys: _____
4. f. Is this claim contingent or unliquidated? _____. If yes, specify the reason why: _____

ALL CLAIMANTS MUST COMPLETE PART 5.

5. a. Claimants social security number and/or federal tax ID: _____
5. b. Claimants phone number: _____ (home) _____ (business)
5. c. Attorney representing Claimant with regard to claim: _____
Attorneys address: _____
and phone number: _____

Complete This Section ONLY IF NAME OR CURRENT ADDRESS IS DIFFERENT THAN SHOWN IN PART 1	
Name _____	
Mailing Address _____	
City _____	State _____ Zip Code _____

State of _____)
County of _____) ss:

Affirmation

The undersigned subscribes and affirms as true under the penalties of perjury as follows: that he or she has read the foregoing Proof of Claim and knows the contents thereof; that this claim in total amount of \$ _____ against the Company is justly owing to the Claimant; that the matters set forth above and in any accompanying statements and supporting documents are true and correct; that no payment of or on account of the aforesaid claim has been received except as above stated; and that there are no setoffs or counterclaims thereto except as above stated.

Claimant (signature)

Title or Official Capacity (if any)

Subscribed and sworn to before me this _____ day of _____, 19____.

My Commission Expires: _____

(SEAL)

Notary Public

IMPORTANT: PROOF OF CLAIM MUST BE PROPERLY SIGNED AND SWORN TO BEFORE A NOTARY PUBLIC OR PERSON AUTHORIZED TO ADMINISTER OATHS. DEADLINE FOR FILING PROOF OF CLAIM IS _____.

PLEASE CAREFULLY REVIEW PARAGRAPH 25 OF THE ATTACHED INSTRUCTIONS.

RETURN TO : MR. JERRY L. LANIER, ASSISTANT RECEIVER, P. O. BOX 18637, OKLAHOMA CITY, OK 73154



INSTRUCTIONS

General

1. The Proof of Claim must be typed or legibly printed in Ink.
2. The Information set forth in the boxes in Parts 1 and 2 was completed by the Receiver based on the records of the Company. Do not alter the form sent to you. If the name and address shown in Part 1 are not correct, then complete the change of address box in the lower portion of the form. If the information in Part 2 is incorrect or incomplete, please reflect the correct or missing information on a separate sheet and attach to your Proof of Claim.
3. All claimants must complete Parts 3, 4 and 5 of the Proof of Claim and those other portions of the Proof of Claim which may apply to your claim.
4. If you need additional space to fully answer any question on the Proof of Claim, please do so on a separate sheet of paper and attach to your Proof of Claim.
5. You must attach to the Proof of Claim documents or evidence supporting your Proof of Claim including without limitation, any claim for property damage, personal injury, loss of income and other out-of-pocket expenses and costs. If you assert your claim is secured by any assets or property, you must attach all documents evidencing the collateral security. You have an ongoing duty to supplement your Proof of Claim with supporting documentation as additional information is received. FAILURE TO PROVIDE SUFFICIENT DOCUMENTS OR EVIDENCE SUPPORTING YOUR CLAIM IS GROUNDS FOR DENIAL THEREOF.
6. The Proof of Claim must be signed by the Claimant, if such Claimant is an individual. If the Claimant is a corporation or other business organization, the Proof of Claim must be signed by a representative of the corporation or business organization who has knowledge of the matters set forth in the Proof of Claim and is authorized to sign on behalf of such corporation or business organization.
7. The Proof of Claim must be sworn to before a notary public or person authorized to administer oaths.
8. The Proof of Claim and supporting documentation must be received no later than _____. The Receiver may, in his discretion, permit a claimant to file a Proof of Claim out of time. However, such late-filed claims are subject to certain provisions of Oklahoma's Insurance Code, including, but not limited to, provisions discussing the possible loss of priority.
9. Mail the completed Proof of Claim and supporting documentation to Mr. Jerry Lanier, Assistant Receiver, P. O. Box 18637, Oklahoma City, OK 73154. Telefaxed Proof of Claims and supporting documentation will not be accepted.
10. If you have any questions about the Proof of Claim procedure, you may call (405)858-0022.

Part 3

11. Complete Part 3 if you are making a claim.
12. You must fully describe the nature of your claim in 3(c). You must state the total amount of your claim by completing 3(d). If you are uncertain as to the amount you are claiming, give your best estimate along with support for such. Failure to state a total amount of your claim is grounds for denial of your claim.

Part 4

13. All Claimants must complete Part 4.
14. If you have received any payments from any source relating to your claim, you must complete 4(a).
15. If there are any other persons or entities who may have any responsibility for your claim, answer "yes" to the first portion of subpart 4(c). If you answer "yes" to the first part of subpart 4(c), identify as completely as possible such person(s) or entity(ies).
16. A "secured claim" is any claim for which you hold an interest in any property as collateral for such claim.
17. If your claim is the subject of a lawsuit, you must complete 4(e).
18. If your claim is contingent or unliquidated (for example, the amount of your claim has yet to be determined), you must complete 4(f) and provide a brief explanation why your claim is contingent or unliquidated.

Part 5

19. All Claimants must complete Part 5.

Affirmation

20. You must insert the total amount of your claim in the affirmation.
21. You are signing the Proof of Claim under penalties of perjury. Please read the Affirmation carefully before signing the Proof of Claim.

Allowance Procedures

22. Your claim may be referred to the Oklahoma Life and Health Insurance Guaranty Association or Texas Life, Accident, Health & Hospital Service Insurance Guaranty Association, as appropriate. Nonetheless, within such period as the Court may establish, the Receiver will prepare and file a report setting forth the claimant, amount and Receiver's recommendation with respect to each Claim.
23. Upon filing of such report, the Court will schedule a time for hearing the report. If you file a Proof of Claim, you will receive notice of the hearing and such other information concerning the report and hearing as the Court deems appropriate under the circumstances. In addition to such other information which may be provided, if, for any reason, the Receiver does not recommend acceptance of a claim as filed by a claimant, such claimant will be advised of the Receiver's recommendation regarding such claim.
24. After all claims have been allowed, disallowed or estimated, the Receiver will seek Court approval to begin making distributions to the claimants from the assets of the Company.

CANCELLATION OF POLICIES

25. PLEASE BE ADVISED THAT BY ORDER OF THE COURT DATED _____, THE EXISTING INSURANCE POLICIES ISSUED BY THE COMPANY WERE CANCELLED. ANY QUESTIONS REGARDING YOUR POLICY OR ANY CLAIMS ARISING ON OR AFTER _____ SHOULD BE DIRECTED TO YOUR AGENT.