

STATE OF MICHIGAN  
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT  
INGHAM COUNTY

ANITA G. FOX, DIRECTOR OF THE  
MICHIGAN DEPARTMENT OF  
INSURANCE AND FINANCIAL SERVICES,

Petitioner,

v

PAVONIA LIFE INSURANCE  
COMPANY OF MICHIGAN,

Respondent.

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Case No. 19-504-CR

HON. WANDA M. STOKES

[IN REHABILITATION]

**ORDER PRELIMINARILY APPROVING PLAN OF REHABILITATION TO:**  
**(i) SET BAR DATE AND ESTABLISH MANDATORY PROCEDURES FOR**  
**CLAIMS FOR UNSCHEDULED LIABILITIES;**  
**(ii) ESTABLISH PROCEDURES FOR NOTICE, COMMENT AND HEARING**  
**CONCERNING FINAL APPROVAL OF PLAN OF REHABILITATION; AND**  
**(iii) AUTHORIZE COMBINED NOTICE**

At a session of said Court  
held in the Circuit Courtrooms  
for the County of Ingham,  
State of Michigan, on the  
8 day of August, 2019.

PRESENT: HONORABLE WANDA M. STOKES, CIRCUIT COURT JUDGE

**WHEREAS**, on July 9, 2019, Anita G. Fox, Director (“**Director**”) of the Michigan Department of Insurance and Financial Services (“**DIFS**”), filed the *Stipulated Petition of the Director of [DIFS] for: (1) An Order Placing Pavonia Life Insurance Company of Michigan into Rehabilitation, Approving Compensation of*

*Special Deputy Rehabilitators, and Providing Injunctive Relief; and (2) A Separate, Forthcoming Order Setting Bar Date and Approving Mandatory Procedures for Claims for Unscheduled Liabilities, Approving Procedures for Notice, Comment, and Hearing Concerning Plan of Rehabilitation, and Approving Combined Notice (the “Rehabilitation Petition”);*

**WHEREAS**, based on the Rehabilitation Petition, on June 9, 2019, this Court entered the *Stipulated Order Placing Pavonia Life Insurance Company of Michigan into Rehabilitation, Approving Compensation of Special Deputy Rehabilitators, and Providing Injunctive Relief* (the “**Rehabilitation Order**”);

**WHEREAS**, as required by Section 8113(1) [MCL 500.8113(1)] of the Insurance Code of 1956 (“**Insurance Code**”), MCL 500.100 *et seq.*, the Rehabilitation Order appointed the Director of DIFS as the Rehabilitator (“**Rehabilitator**”) of Pavonia Life Insurance Company of Michigan (“**Pavonia**”). The Rehabilitator further appointed James Gerber, Janice Sylvertooth, and Julieanne Gulliver as Special Deputy Rehabilitators (collectively, the “**Deputy Rehabilitators**”), whose compensation the Court approved under MCL 500.8114(1);

**WHEREAS**, in accordance with MCL 500.8113(1), the Rehabilitation Order directed the Rehabilitator to take immediate possession of all the assets of Pavonia and to administer those assets under the Court’s general supervision, thereby creating the Pavonia rehabilitation estate (the “**Estate**”);

**WHEREAS**, pursuant to MCL 500.8113(1), the Rehabilitation Order further vested legal title to all assets, accounts, and moneys of Pavonia in the Rehabilitator by operation of law. Among the Estate assets that the Rehabilitator controls and administers is Global Bankers Insurance Group, LLC (“**ServiceCo**”), a wholly-owned subsidiary of Pavonia that provides all executive management, regulatory oversight review, and administrative services for Pavonia’s operations. Because ServiceCo is included as an asset of Pavonia, all references hereafter to “Pavonia” shall include ServiceCo as Pavonia’s wholly-owned subsidiary;

**WHEREAS**, in addition to requesting entry of the Rehabilitation Order, the Rehabilitation Petition requested entry of this separate order—which the parties were still working to finalize when the Court entered the Rehabilitation Order—that preliminarily approves the following procedures contained in the Plan of Rehabilitation (defined below): (1) sets a claims bar date and establishes mandatory procedures applicable to claims for unscheduled liabilities; (2) establishes the procedures for notice, comment, and hearing concerning the Court’s final approval of the Plan of Rehabilitation; and (3) authorizes a single combined notice for these claim and rehabilitation plan procedures (this “**Procedural Order**”);

**WHEREAS**, simultaneously with submitting this Procedural Order for entry by the Court, the Rehabilitator has filed with the Court a plan under MCL 500.8114(4) to effect the reorganization and transformation of Pavonia (the “**Plan of Rehabilitation**”). The Rehabilitator submits this Procedural Order as her

application under MCL 500.8114(4) for preliminary approval to implement the foregoing procedures contained in the Plan of Rehabilitation;

**WHEREAS**, as described below, all interested parties will have a full and fair opportunity to object to the Plan of Rehabilitation in connection with the later Court hearing on final approval of the Plan of Rehabilitation;

**WHEREAS**, as used hereafter in this Procedural Order, the following definitions apply:

**“Buyer”** means Aspida Holdco LLC and **“Seller”** means GBIG Holdings, Inc., which collectively are referred to as the **“Transaction Parties.”**

**“Chapter 81”** means Chapter 81 of the Insurance Code, MCL 500.8101 – 500.8159.

**“Creditor”** means a person having a claim against Pavonia and/or its wholly-owned subsidiary, ServiceCo, whether matured or unmatured, liquidated or unliquidated, secured or unsecured, absolute, fixed, or contingent.

**“Policies”** means insurance policies, annuities, and other insurance contracts of Pavonia, including insurance liabilities and obligations arising under policies, annuities, and contracts assumed or otherwise reinsured by Pavonia.

**“Policyholders”** means the owners, holders, and beneficiaries of Policies.

The rights of Policyholders in or to Policies that are: (1) currently recorded on the books and records of Pavonia or ServiceCo on behalf of Pavonia; or (2) identified or scheduled in: (a) Pavonia’s 2018 annual and first quarter 2019 financial statements prepared according to statutory accounting principles (**“Pavonia’s SAP**

**Statements”); and (b) ServiceCo’s 2018 annual and first quarter 2019 financial statements prepared according to generally accepted accounting principles (“ServiceCo’s GAAP Statements,” and collectively with Pavonia’s SAP Statements, the “Financial Statements”), are referred to as the “Policyholder Liabilities.”**

The rights of, and the liabilities or obligations owed to, non-Policyholder Creditors that Pavonia has not formally disputed and that: (1) are identified or scheduled in the Financial Statements; or (2) Pavonia agrees are due and payable by Pavonia or ServiceCo in the ordinary course of their respective business operations, are referred to as the “Non-Policyholder Liabilities,” and collectively with the Policyholder Liabilities, the “Scheduled Liabilities.”

All other Creditor claims against Pavonia or ServiceCo not included within the definition of “Scheduled Liabilities” above (regardless whether matured or unmatured, liquidated or unliquidated, secured or unsecured, absolute, fixed, or contingent, asserted or unasserted, known or unknown) are collectively referred to as the “Unscheduled Liabilities.”

“**Stock Purchase Agreement**” means that agreement entered into between and executed by Seller and Buyer on July 9, 2019, subject to DIFS’ Form A regulatory approval and the Court’s final approval of the Plan of Rehabilitation, which is attached to the Plan of Rehabilitation as Exhibit A and is fully incorporated into the Plan of Rehabilitation with all of its recitals, terms,

conditions, representations, warranties, covenants, indemnities, and exhibits, under which Buyer will acquire all of the issued and outstanding capital stock of Pavonia.

Any other defined terms used in this Procedural Order that are not specifically defined herein shall have the meanings ascribed to them in the Rehabilitation Order. In the event of a conflict between a term defined in both this Procedural Order and the Rehabilitation Order, the definition contained in this Procedural Order shall control;

**WHEREAS**, the Rehabilitator has determined that entry of this Procedural Order in the Pavonia rehabilitation represents the most effective mechanism under the circumstances to protect the interests of Pavonia, its Policyholders, and Creditors, and therefore requests its entry by the Court; and

**WHEREAS**, the Court has reviewed the Rehabilitation Petition and the terms of this Procedural Order, and being otherwise fully advised;

**NOW, THEREFORE, IT IS HEREBY ORDERED:**

**I. Establishing Claims Bar Date and Mandatory Procedures Applicable to Creditor Claims for Unscheduled Liabilities.**

Claim Procedure, Bar Date, and Proofs of Claim. The Court hereby approves the establishment of a 90-day proof of claim filing process with a claims bar date that applies to Creditors holding claims for Unscheduled Liabilities (the “**Claim Procedure**”). The claims bar date is 90 days from the date this Procedural Order is entered, or **November 6, 2019** (the “**Bar Date**”). On or before the Bar Date, all Creditors holding claims for Unscheduled Liabilities are required to file their proofs of claim with the Rehabilitator (each, a “**Proof of Claim**” and collectively, the

**“Proofs of Claim”**). Proofs of Claim must contain all information required by MCL 500.8136 and use the Rehabilitator’s approved claim form, which is available at the Pavonia rehabilitation website [www.michigan.gov/difs](http://www.michigan.gov/difs), then “Who We Regulate,” then “Receiverships,” then “Pavonia Life Insurance” (the **“Pavonia Rehabilitation Website”**). As provided in the form of notice attached to this Order as Exhibit A and further described in Section III (the **“Combined Notice”**), the Rehabilitator will also direct the mailing of the approved Proof of Claim form and instructions to all Creditors known or reasonably expected to have claims for **Unscheduled Liabilities** against the Estate.

The Rehabilitator will not consider or allow any Creditor claims for **Unscheduled Liabilities** unless that Creditor files a timely Proof of Claim (i.e., on or before the Bar Date) containing substantially all of the information required by MCL 500.8136 and the Rehabilitator’s approved Proof of Claim form. Under MCL 500.8136(3), at any time the Rehabilitator may request that the claimant present information or evidence supplementary to that required on the Proof of Claim form and may take testimony under oath, require the production of documents, filing of affidavits, or taking of depositions, or otherwise obtain additional information or evidence.

Claims to be resolved through the Claim Procedure are limited to those of any Creditors holding claims for **Unscheduled Liabilities**, which includes any Creditors holding claims for otherwise **Scheduled Liabilities** that Pavonia has formally disputed. Conversely, pursuant to the Rehabilitation Order, the

Rehabilitator will pay: (a) all Creditor claims for Policyholder Liabilities arising from benefits payable and/or losses covered under Pavonia Policies, whether incurred or accrued before, on, or after the date of the Rehabilitation Order, according to the Company's normal claim processing procedures; (b) all Creditor claims for Non-Policyholder Liabilities incurred or accrued before the date of the Rehabilitation Order as they become due in the ordinary course of business; and (c) all Creditor claims for Non-Policyholder Liabilities incurred or accrued on or after the date of the Rehabilitation Order that are necessary for the continued operation and/or rehabilitation of Pavonia as they become due in the ordinary course of business. Accordingly, Creditors holding claims for these Scheduled Liabilities (provided the claim has not been formally disputed) are not subject to the Claim Procedure.

As provided by the Rehabilitation Order, the following provisions additionally apply to the Claim Procedure:

- Because the rehabilitation of Pavonia includes the Claim Procedure for Unscheduled Liabilities, the rights and liabilities of all Creditors holding claims for Unscheduled Liabilities, and of Pavonia and ServiceCo with respect to such claims, are fixed as of the date of entry of the Rehabilitation Order pursuant to MCL 500.8118(2).
- All claims by Creditors for Unscheduled Liabilities against Pavonia must be raised or asserted within the rehabilitation proceeding before this Court and are subject to this Court's orders regarding the submission and determination of claims.
- All claims by Creditors for Unscheduled Liabilities against Pavonia are within the exclusive jurisdiction of this Court and will be determined, resolved, paid, and/or discharged, in whole or in part, according to the terms and conditions approved by the Court.



Proof of Claim Resolution. Pursuant to MCL 500.8143, the Rehabilitator will review all Proofs of Claim that are timely and duly filed and will make such further investigation as she deems necessary or advisable to determine which such claims should be allowed and in what amount. She may compound, compromise, or in any other manner negotiate the amount for which claims will be allowed and recommended to the Court.

Pursuant to MCL 500.8139(1), if a claim is denied in whole or in part by the Rehabilitator, written notice of the determination will be given to the claimant by first class mail on the address shown on the Proof of Claim. Within 30 days from the mailing of the notice (which is expedited from the 60-day period provided in the statute), the claimant may file with the Rehabilitator a written objection to the claim determination. If no written objection is timely filed, the Rehabilitator's determination will be a final determination as to the validity, distribution priority, and allowed amount of the claim, and the claimant shall not further object to the Rehabilitator's determination.

Pursuant to MCL 500.8139(2), if the claimant files a timely, written objection with the Rehabilitator and the Rehabilitator does not alter her denial of the claim as a result of the objection, or an agreement cannot be reached to resolve the claimant's claim, then the Rehabilitator will ask the Court for a hearing as soon as practicable. Upon receipt of the Rehabilitator's request for hearing, the Court will set a date and time for such hearing and provide the Rehabilitator with a notice of the hearing date. The Rehabilitator will then give notice of the hearing by first-

class mail to the claimant or his or her attorney and to any other persons directly affected, not less than 10 nor more than 30 days before the date of the hearing. If a hearing is necessary, the Court will determine the validity, distribution priority, and/or allowed amount of the Claim, as applicable. The Court's decision will be a final and appealable order.

Rehabilitator's Report and Recommendation on Timely Filed Claims. As provided by MCL 500.8143(1), as soon as practicable after the Bar Date elapses, the Rehabilitator will present to the Court her report of all timely and duly filed Proofs of Claim received in the Pavonia rehabilitation and will further submit to the Court her recommendations on the handling of such Proofs of Claim (the "**Claim Report and Recommendations**"). The report will include the name and address of each claimant and the amount of the claim finally recommended, if any. The Rehabilitator will recommend that the distribution priority for payment of all allowed Proofs of Claim be made in accordance with MCL 500.8142. Pursuant to MCL 500.8143(2), the Court may then approve, disapprove, or modify the Rehabilitator's Claim Report and Recommendations. Following the Court's entry of a final order on the Rehabilitator's Claim Report and Recommendations, the Rehabilitator will take any action necessary to effectuate the Court's order, including by making any recommended, Court-approved payments on allowed Proofs of Claim.

## **II. Establishing Procedures for Notice, Comment, and Hearing Concerning the Court's Final Approval of Plan of Rehabilitation.**

The Court hereby approves the establishment of the following procedures governing notice, comments or objections, and a hearing concerning the Court's subsequent, final approval of the Plan of Rehabilitation (the "**Plan Procedures**"):

Notice of Plan of Rehabilitation. The Court approves the Combined Notice attached to this Order as Exhibit A and further described in Section III as sufficient to advise interested parties of their rights, and to provide interested parties with a full and fair opportunity to comment or object, regarding the Court's final approval of the Plan of Rehabilitation. Furthermore, the Rehabilitator will cause to be maintained on the Pavonia Rehabilitation Website all:

- (a) Court filings made by or served on the Rehabilitator;
- (b) Orders entered by this Court; and
- (c) Other informational documents prepared by the Rehabilitator or Deputy Rehabilitators

concerning the Pavonia rehabilitation proceeding, which interested parties may view and download from the Pavonia Rehabilitation Website. Interested parties who do not have access to the internet may request copies of documents posted on the Pavonia Rehabilitation Website by writing directly to the Deputy Rehabilitators as instructed on the Combined Notice.

Comments or Objections to Plan of Rehabilitation. Interested parties desiring to submit any comment or objection to the Plan of Rehabilitation, including

any specific aspects thereof, must prepare a written document memorializing the comment or objection and providing all applicable legal support, and:

- (a) File the comment or objection in Case No. 19-504-CR with the Clerk of the Circuit Court of Ingham County, Michigan (“**Clerk of the Court**”), at the address of *Clerk of the Court, Ingham County Circuit Court, Veterans Memorial Courthouse, 313 W. Kalamazoo, Lansing, MI 48901*, on or before **Friday, October 4, 2019, at 4:30 p.m. Eastern Standard Time**; and
- (b) Serve a copy of the comment or objection on the Rehabilitator’s legal counsel by U.S. First Class Mail, at the address of *Michigan Department of Attorney General, Attn: Christopher Kerr and James Long, Corporate Oversight Division, P.O. Box 30736, Lansing, MI 48909*, **postmarked on or before Friday, October 4, 2019**.

Any comment or objection that is not both filed with the Clerk of the Court and served on the Rehabilitator’s legal counsel by the deadlines provided above will be deemed untimely, and an interested party who fails to comply with these two requirements will be deemed to have waived his, her, or its right to comment or object and will have no further right to comment or object to matters related to the Plan of Rehabilitation or any specific aspects thereof.

The Rehabilitator will review all timely filed and served comments or objections to the Plan of Rehabilitation, and on or before **Friday, November 1, 2019**, may file a written response to such comments or objections with the Clerk of the Court and serve a copy on the interested party submitting the comment or objection. Other interested parties may likewise file and serve a written response to such comments or objections on or before **Friday, November 1, 2019**. In addition to or in lieu of a written response, the Rehabilitator may address any comments or objections at the Court’s hearing on final approval of the Plan of Rehabilitation.

Hearing on Final Approval of Plan of Rehabilitation. A hearing on final approval of the Plan of Rehabilitation, together with any comments or objections filed thereto, will be held on **December 5, 2019, at 9:00 a.m** before the Honorable Wanda M. Stokes in the Mason Courthouse, 341 S. Jefferson, Mason, Michigan 48854.

**III. Authorizing Combined Notice for the Claim Procedure and Plan Procedures.**

The Court hereby authorizes a single combined notice for the foregoing Claim Procedure and Plan Procedures, and approves the form of Combined Notice attached to this Order as Exhibit A. The Court further approves the following detailed notification procedures relating to the Combined Notice and associated rehabilitation documents.

The Rehabilitator will provide the Combined Notice:

(a) by U.S. First Class mail to:

(i) All Creditors known or reasonably expected to have claims for Unscheduled Liabilities against the Estate (including, without limitation, adverse parties to any pending litigation or legal proceeding, or otherwise identified in disputed, open claim files); and

(ii) the insurance regulators and other governmental authorities (including, without limitation, taxing authorities) of the United States and Canada, as well as in each state and the District of Columbia where Pavonia is licensed to or otherwise did transact the business of insurance.

Along with the Combined Notice, the Rehabilitator will provide the foregoing interested parties a copy of the Rehabilitation Order, this Procedural Order, the Proof of Claim form and instructions, and the Plan of Rehabilitation (without the Stock Purchase Agreement attached thereto as Exhibit A, which is voluminous and will be

available to view and download on the Pavonia Rehabilitation Website);

(b) by electronic notice to all other potentially interested parties through the Pavonia Rehabilitation Website. As required in Section II above, the Rehabilitator will further cause to be maintained on the Pavonia Rehabilitation Website all:

- (i) Court filings made by or served on the Rehabilitator;
- (ii) Orders entered by this Court; and
- (iii) Other informational documents prepared by the Rehabilitator or Deputy Rehabilitators; and


(c) by publication notice to all other potentially interested parties through publication in:

- (i) the United States national publications of the USA Today and/or Wall Street Journal for three (3) consecutive weeks; and
- (ii) the Canadian national publication of the Toronto Globe and Mail for three (3) consecutive weeks.

All interested parties are advised to regularly monitor the Pavonia Rehabilitation Website for future court filings and pertinent information concerning the Pavonia rehabilitation proceeding.

**IT IS SO ORDERED.**

8/8/19

  
Honorable Wanda M. Stokes  
Circuit Court Judge

## EXHIBIT A

### Pavonia Life Insurance Company of Michigan, *In Rehabilitation* Ingham County, Michigan, Circuit Court – Case No. 19-504-CR

#### **Notice of Rehabilitation Order, Mandatory 90-day Claim Procedure with Bar Date for Claims for Unscheduled Liabilities, and Schedule for Comments or Objections and Hearing on Final Approval of Plan of Rehabilitation**

On July 9, 2019, the Honorable Wanda M. Stokes, Circuit Court Judge for the County of Ingham, Michigan (the “**Rehabilitation Court**”), entered an order in Case No. 19-504-CR (the “**Rehabilitation Order**”) placing Pavonia Life Insurance Company of Michigan, including its wholly-owned subsidiary Global Bankers Insurance Group, LLC (“**ServiceCo**,” and collectively hereafter, “**Pavonia**”), into rehabilitation. The Rehabilitation Order appointed Anita G. Fox, Director of the Michigan Department of Insurance and Financial Services, as the statutory and court-appointed rehabilitator for Pavonia (the “**Rehabilitator**”). Subsequently, on August 8, 2019, the Rehabilitation Court entered an order preliminary approving the Plan of Rehabilitation (“**Plan**”) for Pavonia, which was simultaneously filed by the Rehabilitator, to: (i) set a bar date and establish mandatory procedures for claims for unscheduled liabilities; (ii) establish a schedule for comments or objections and a hearing on final approval of the Plan; and (iii) authorize this combined notice (the “**Procedural Order**”).

Rehabilitation is a corporate reorganization under Chapter 81 of the Michigan Insurance Code, MCL 500.8101 – 500.8159, that is conducted under the Rehabilitation Court’s supervision. As explained in the Plan, this rehabilitation has been initiated to effect a transaction by which Pavonia will be sold to an independent third-party and operate within a new holding company system, apart from potential risks created by its current ownership. The “**Buyer**” in this transaction is Aspida Holdco, LLC and the “**Seller**” is GBIG Holdings, Inc., and these parties have signed a “**Stock Purchase Agreement**” attached as Exhibit A to the Plan that forms the basis for the transaction. No policyholder coverage is being cancelled, reduced, or modified in any manner as a result of the transaction.

#### **Definitions, including “Scheduled Liabilities” and “Unscheduled Liabilities”**

The following definitions apply to this Notice and are critical for determining whether you are a potential Creditor of Pavonia who is required to file a proof of claim in the Pavonia rehabilitation.

“**Creditor**” means a person having a claim against Pavonia and/or its wholly-owned subsidiary, ServiceCo, whether matured or unmatured, liquidated or unliquidated, secured or unsecured, absolute, fixed, or contingent.

“**Policies**” means insurance policies, annuities, and other insurance contracts of Pavonia, including insurance liabilities and obligations arising under policies, annuities, and contracts assumed or otherwise reinsured by Pavonia.

“**Policyholders**” means the owners, holders, and beneficiaries of Policies.

The rights of Policyholders in or to Policies that are: (1) currently recorded on the books and records of Pavonia or ServiceCo on behalf of Pavonia; or (2) identified or scheduled in: (a) Pavonia’s 2018 annual and first quarter 2019 financial statements prepared according to statutory accounting principles (“**Pavonia’s SAP Statements**”); and (b) ServiceCo’s 2018 annual and first quarter 2019 financial statements prepared according to generally accepted accounting principles (“**ServiceCo’s GAAP Statements**,” and collectively with Pavonia’s SAP Statements, the “**Financial Statements**”), are referred to as the “**Policyholder Liabilities**.”

The rights of, and the liabilities or obligations owed to, non-Policyholder Creditors that Pavonia has not formally disputed and that: (1) are identified or scheduled in the Financial Statements; or (2) Pavonia agrees are due and payable by Pavonia or ServiceCo in the ordinary course of their respective business operations, are referred to as the “**Non-Policyholder Liabilities**,” and collectively with the Policyholder Liabilities, the “**Scheduled Liabilities**.”

All other Creditor claims against Pavonia or ServiceCo not included within the definition of “Scheduled Liabilities” above (regardless whether matured or unmatured, liquidated or unliquidated, secured or unsecured, absolute, fixed, or contingent, asserted or unasserted, known or unknown) are collectively referred to as the “**Unscheduled Liabilities**.”

### **Claim Procedure and Bar Date Applicable to Creditor Claims for Unscheduled Liabilities**

Under the Procedural Order, the Rehabilitation Court established a 90-day proof of claim filing process with a claims bar date that applies to Creditors holding claims for Unscheduled Liabilities (the “**Claim Procedure**”). The claims bar date is 90 days from the date the Procedural Order was entered, or **November 6, 2019** (the “**Bar Date**”).

On or before the Bar Date, all Creditors holding claims for Unscheduled Liabilities, which includes any Creditors holding claims for otherwise Scheduled Liabilities that Pavonia has formally disputed, are required to file their proofs of claim with the Rehabilitator (each, a “**Proof of Claim**” and collectively, the “**Proofs of Claim**”). Proofs of Claim must contain all information required by MCL 500.8136, comply with the Rehabilitator’s Proof of Claim instructions, and use the Rehabilitator’s approved claim form. The approved Proof of Claim form and instructions are enclosed with this Notice and are available at the Pavonia rehabilitation website [www.michigan.gov/difs](http://www.michigan.gov/difs), then “Who We Regulate,” then “Receiverships,” then “Pavonia Life Insurance” (the “**Pavonia Rehabilitation Website**”). Also enclosed with this Notice are copies of the Rehabilitation Order, the Procedural Order, and the Plan (without the Stock Purchase Agreement attached thereto as Exhibit A, which is available on the Pavonia Rehabilitation Website).

**Please Note:** Creditors holding claims for Scheduled Liabilities that have not been formally disputed are excluded from the Claim Procedure and do not need to file a Proof of Claim in the Pavonia rehabilitation.

### **Comments or Objections to Plan**

Interested parties desiring to submit any comment or objection to the Plan must prepare a written document memorializing the comment or objection and providing all applicable legal support, and:

(a) File the comment or objection in Case No. 19-504-CR with the Clerk of the Circuit Court of Ingham County, Michigan (“**Clerk of the Court**”), at the address of Clerk of the Court, Ingham County Circuit Court, Veterans Memorial Courthouse, 313 W. Kalamazoo, Lansing, MI 48901, on or before **Friday, October 4, 2019, at 4:30 p.m. Eastern Standard Time**; and

(b) Serve a copy of the comment or objection on the Rehabilitator’s legal counsel by U.S. First Class Mail, at the address of Michigan Department of Attorney General, Attn: Christopher Kerr and James Long, Corporate Oversight Division, P.O. Box 30736, Lansing, MI 48909, postmarked on or before **Friday, October 4, 2019**.

Any comment or objection that is not both filed with the Clerk of the Court and served on the Rehabilitator’s legal counsel by the deadlines provided above will be deemed untimely, and an interested party who fails to comply with these two requirements will be deemed to have waived his, her, or its right to comment or object and will have no further right to comment or object to matters related to the Plan or any specific aspects thereof.

### **Hearing on Final Approval of Plan**

A hearing on final approval of the Plan, together with any comments or objections filed thereto, will be held on **December 5, 2019, at 9:00 a.m.** before the Honorable Wanda M. Stokes in the Mason Courthouse, 341 S. Jefferson, Mason, Michigan 48854.

### **Pavonia Rehabilitation Website**

The Rehabilitator will maintain on the Pavonia Rehabilitation Website all; (i) Court filings made by or served on the Rehabilitator; (ii) Orders entered by the Rehabilitation Court; and (iii) Other informational documents prepared by the Rehabilitator or Special Deputy Rehabilitators. You may view and download copies of these documents from the Pavonia Rehabilitation Website at no cost. If you do not have internet access, you may request



copies of documents by writing to the Special Deputy Rehabilitator at Department of Insurance and Financial Services, Attn: James Gerber, P.O. Box 30220, Lansing, MI 48909-7720.

**All interested parties are advised to regularly monitor the Pavonia Rehabilitation Website for future court filings and pertinent information concerning the Pavonia rehabilitation proceeding.**