

to be
hereby
mortgage
Truster(s)

AST
ID
E
0.0
THE
RRLY

RECEIVED

by

400-8/50KCP

LANCASTER COUNTY

1991 AUG 22 AM 9:37

BOOK 977 PAGE 511

IN THE DISTRICT COURT OF LANCASTER COUNTY, NEBRASKA

DISTRICT COURT

STATE OF NEBRASKA, EX. REL.,
WILLIAM H. MCCARTNEY,
DIRECTOR OF INSURANCE OF THE
STATE OF NEBRASKA,

PETITIONER,

VS.

LEGACY LIFE INSURANCE COMPANY,

RESPONDENT.

) Docket 471

Page 199
MICRO FILMED

ORDER OF LIQUIDATION AUG 22 '91
AND DISSOLUTION

CLERK DISTRICT COURT
LANCASTER COUNTY

ROLL 2343

This matter came on for consideration on the petition of the Director of Insurance for the State of Nebraska, William H. McCartney ("Director") pursuant to the Insurers Supervision, Rehabilitation and Liquidation Act ("Act"); Neb.Rev.Stat. §44-4801 et seq. (Cum. Supp. 1990, as amended March 12, 1991, LB 236, Neb.Leg.Sess. 1991), for an Order of Liquidation and Dissolution, and for such other further relief as appropriate with respect to Legacy Life Insurance Company ("Legacy Life"). Notice of said petition was provided to Legacy Life. A hearing was held on August 22, 1991. The Director was represented by Robert G. Lange, Deputy Director, Department of Insurance, and David E. Cygan, Assistant Attorney General. Legacy Life waived any appearance. The court on reviewing the petition of the Director, being fully advised in the premises and upon the Respondent's consent, finds as follows:

18108

mid
8-22-91
HC

BK 977 N O/G FEE 6750
PG 511-522 DEL MC 55
OF 11/1 COMP vl F/B

CLERK DISTRICT COURT
REGISTERED DEEDS
DOUGLAS COUNTY, NE

SEP 9 4 02 PM '91

RECEIVED

WHL

1. The court has jurisdiction over the subject matter and the parties.

2. Legacy Life is insolvent as defined by Neb.Rev.Stat. §44-4803(14) and is in such condition that the further transaction of business by Legacy Life would be hazardous, financially or otherwise, to its insureds, creditors or the public.

3. Grounds exist under Neb.Rev.Stat. §44-4817 (Cum. Supp. 1990) authorizing the director to liquidate Legacy Life and to enter an Order of Liquidation and Dissolution pursuant to Neb.Rev.Stat. §§44-4817 and 44-4820.

4. The immediate appointment of a liquidator is necessary to protect the creditors, claimants and policyholders of Legacy Life and is in their best interest and in the best interests of the public that an Order of Liquidation and Dissolution be entered appointing the Director as Liquidator of Legacy Life pursuant to Neb.Rev.Stat. §44-4817.

5. Legacy Life has consented to the entry of an order of liquidation and dissolution of Legacy Life.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that:

1. An Order of Liquidation and Dissolution is entered pursuant to Neb.Rev.Stat. §§44-4818 and 44-4820 authorizing the liquidation and dissolution of Legacy Life.

2. William H. McCartney, Director of Insurance for the State of Nebraska, is appointed Liquidator of Legacy Life pursuant to Neb.Rev.Stat. §44-4818.

3. Legacy Life is insolvent.

4. The Liquidator is authorized and directed to forthwith take possession and control of the assets of Legacy Life and administer them under the general supervision of this Court. The Liquidator is directed to exercise any and all rights of Legacy Life in connection with any collateral or other assets being held for the benefit of Legacy Life by any person or entity. Pursuant to Neb.Rev.Stat. §44-4818, the Liquidator shall be vested by operation of law with title to all of the property, contracts, and rights of action and all of the books and records of Legacy Life, wherever located, as of the entry of this Order of Liquidation.

5. Upon the issuance of this Order, the rights and liabilities of Legacy Life and its creditors, policyholders, shareholders and members and all other persons interested in this State shall become fixed as of the date of entry of the order except as provided in Neb.Rev.Stat. §§44-4818 and 44-4837.

6. The Liquidator shall have all powers and duties as stated in Neb.Rev.Stat. §44-4821, including but not limited to authority to appoint one or more special deputies who shall have all the powers and responsibilities as granted to the Liquidator under that section. The Liquidator may employ agents, legal counsel, actuaries, accountants, appraisers, consultants and other personnel as he may deem necessary to assist in the liquidation. Reasonable compensation of the special deputy, employees, agents, legal counsel, actuaries, accountants, appraisers and consultants and all expenses of taking possession of Legacy Life in and conducting the

liquidation proceedings shall be fixed by the Director, with the approval of the court, and shall be paid out of the funds and assets of Legacy Life. The Liquidator shall do all acts necessary or appropriate to accomplish the liquidation and dissolution of Legacy Life.

7. All officers, managers, directors, trustees, owners, employees, or agents of Legacy Life shall cooperate with the Liquidator as required by Neb.Rev.Stat. §44-4806.

8. All persons and other legal entities shall pay all sums or premiums due Legacy Life in accordance with Neb.Rev.Stat. §44-4833 and deliver any and all property of Legacy Life, personal or real, of every kind or nature, to the Liquidator or his designated representatives.

9. The Liquidator shall have all powers under Neb.Rev.Stat. §§44-4826 and 44-2827 (Cum. Supp. 1990) to avoid fraudulent transfers.

10. Subject to Neb.Rev.Stat. §44-4819, (Cum. Supp. 1990, as amended March 12, 1991, LB 236, Neb.Leg.Sess. 1991),

a. Policies of life and health insurance or annuities shall continue in force for such period and under such terms as is provided for by any applicable guaranty association or foreign guaranty association.

b. Policies of life or health insurance or annuities or any period or coverage of such policies not covered by a guaranty association or foreign guaranty association shall terminate at the earliest of:

- (1) thirty days from the date of entry of the liquidation order;
- (2) the expiration of the policy or certificate coverage;
- (3) the date when the insured has replaced the insurance coverage with equivalent insurance in another insurer or otherwise terminated the policy; or
- (4) the liquidator has effected a transfer of the policy obligation pursuant to subdivision (1)(j) of Section 44-4821.

11. The Liquidator shall give or cause to be given notice of this Liquidation Order pursuant to Neb.Rev.Stat. §44-4822 as soon as possible. Notice to potential claimants shall require them to file with the Liquidator their claims together with proper proofs pursuant to Neb.Rev.Stat. §44-4836 on or before one year from the date this Order is entered, the "Bar Date", for filing claims against Legacy Life. Notice which is sent to agents of Legacy Life and to potential claimants who are policyholders shall include, when applicable, notice that coverage by a guaranty association may be available for all or part of policy benefits in accordance with applicable state insurance guaranty laws.

12. The Liquidator shall file financial reports and accountings with the Court pursuant to Neb.Rev.Stat. §44-4818 for the period ending December 31, 1991, and at least annually thereafter. Such reports shall include at a minimum the assets and liabilities of Legacy Life and all funds received or disbursed by the Liquidator during the current period, and shall be submitted to the court for approval without necessity of a hearing.

13. The Liquidator shall file in duplicate no later than 120 days after the Liquidation Order is entered, a list of Legacy Life's assets. This list shall be amended or supplemented as necessary as required by Neb.Rev.Stat. §44-4825.

14. The Liquidator pursuant to Neb.Rev.Stat. §44-4822 shall promptly provide to any guaranty association information concerning the identities and addresses of policyholders and policy coverages which are within the Liquidator's possession or control and shall cooperate with the guaranty associations to assist in providing to policyholders timely notice of the guaranty associations coverage.

15. Pursuant to Neb.Rev.Stat. §44-4824, no action at law or in equity or in arbitration whether in this state or elsewhere, may be brought against Legacy Life, or its Liquidator, nor shall any existing actions be maintained or further presented after issuance of this Order. The Liquidator may intervene in any pending action in order to protect the estate of the insurer at the expense of the estate of Legacy Life.

16. The Liquidator may institute an action or proceeding on behalf of Legacy Life subject to Neb.Rev.Stat. §§44-4825.

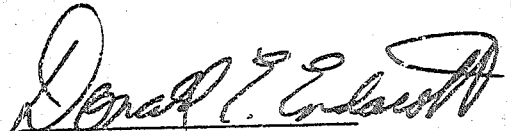
17. Mutual debts or credits between Legacy Life and another person in connection with this Liquidation shall be subject to Neb.Rev.Stat. §§44-4830 (Cum. Supp. 1990, as amended March 12, 1991, LB 236, Neb.Leg.Sess. 1991.)

18. Any amount recoverable by the Liquidator from reinsurers shall not be reduced as a result of this order regardless of any

provision in the reinsurance contract or other agreement pursuant to Neb.Rev.Stat. §44-4832.

19. The Court shall retain jurisdiction of this matter for the purpose of granting such other and further relief as shall be just and equitable and the Liquidator shall apply to the Court for further instructions as necessary.

Dated this 22nd day of August, 1991.


District Judge

IN THE DISTRICT COURT OF LANCASTER COUNTY, NEBRASKA

-CERTIFICATE-

I, Marjorie A. Hart, Clerk of the District Court of Lancaster County, Nebraska, do hereby certify that the foregoing is a full and correct copy of the original instrument duly filed and of record in this Court.

This certificate, which bears the seal of the District Court of Lancaster County, Nebraska, was signed on August 28 1991.

Marjorie A. Hart
Clerk of the District Court

By [Signature]
Deputy



8
CA

08/28/91

09:11

AMERICAN FIDELITY LIFE

BOOK 977 PAGE 519

BOOK 1797 PAGE 102

100 Agnew Court
68102
Douglas County, Nebraska
Lot 5 (A)

CORPORATION WARRANTY DEED

ELLSWORTH FINANCIAL CORP. (Surviving Company After Merger With Union Casualty Underwriters, Inc.), a corporation organized and existing under the laws of the State of Nebraska, Grantor, in consideration of Two Hundred and Fifty Thousand 00/100 Dollars (\$ 250,000.00), received from Grantee, UNION CASUALTY COMPANY, a Nebraska Corporation, conveys to Grantee, the following described real estate (as defined in Neb. Rev. Stat. § 76-201):

Lots 5 and 6, Block 1, Kountze & Ruth's Addition to the City of Omaha, as surveyed, platted and recorded, Douglas County, Nebraska, together with the South One-Half of Vacated Alley adjoining said premises on the North; EXCEPT that part of Lot 5, Block 1, Kountze and Ruth's Addition to the City of Omaha, Douglas County, Nebraska, taken by the City of Omaha, and more particularly described as follows: Beginning at a point on the West line of said Lot 5, Block 1, Kountze and Ruth's Addition, this point being 77 feet North of the Southwest Corner of said lot; thence in a southeasterly direction by a curve whose radius is 143.1 feet (said curve being tangent to the West line of said lot) for a distance of approximately 81.3 feet to the point on the South line of said lot, which is 22.5 feet East of the Southwest corner of said lot; thence West along the South line of said lot a distance of 22.5 feet to the Southwest corner of said lot; thence North along the West line of said lot a distance of 77 feet to the point of beginning.

Grantor covenants (jointly and severally, if more than one) with Grantee that Grantor:

- (1) is lawfully seised of such real estate and that it is free from encumbrances except easements and restrictions of record;
- (2) has legal power and lawful authority to convey the same;
- (3) warrants and will defend title to the real estate against the lawful claims of all persons.

Executed: JANUARY 30, 1987

RECEIVED

1987 FEB -2 AM 9:20

GEORGE J. DUGLEWICZ
REGISTER OF DEEDS
DOUGLAS COUNTY, NEBR.

STATE OF NEBRASKA)
) SS

ELLSWORTH FINANCIAL CORP.
(Surviving Company after Merger
with Union Casualty Underwriters,
Inc.), Grantor

By: [Signature]
Vice President

NEBRASKA DOCUMENTARY
STAMP TAX 7

100 Agnew Court
68102

1189 Recd
B

KNOW ALL MEN BY THESE PRESENTS, THAT UNION CASUALTY COMPANY

a corporation organized and existing under and by virtue of the laws of the State of NEBRASKA in consideration of ONE and no/100 (\$1.00) Dollars and other valuable consideration received from grantee, does grant, bargain, sell convey and confirm unto UNION CASUALTY UNDERWRITERS, INC., a Nebraska corporation,

herein called the grantee whether one or more, the following described real property in OMAHA,

DOUGLAS County, NEBRASKA
Lots 1, 2, 3 and 4, Block 1, of Kountze & Ruth's Add'n. to the City of Omaha, Douglas County, Nebraska, as surveyed, platted and recorded, and Beginning at the Northeast corner of said Block 1 of Kountze & Ruth's Add'n. to the City of Omaha, and running thence East 23-8/12 Feet to the West line of 16th Street; thence South along said line 132 Feet; thence West 22-7/12 Feet to the Southeast corner of said Lot 1, Block 1, aforesaid, thence North 132 Feet to the point of beginning, in the City of Omaha, Douglas County, Nebraska, and also known as the Aquila Court Building, together with vacated alley adjoining said property on the South, and
Lots 7 and 8 in Block 1, Kountze and Ruth's Add'n. to the City of Omaha, Nebraska and a strip of ground adjoining Lot 8 described as follows: Beginning at the Northeast Corner of said Lot 8 and running thence East 22-5/12 Feet to the West line of 16th Street, thence South along the West line of 16th Street, 132 Feet; thence West 21-4/12 Feet to the Southeast corner of said Lot 8; thence North along the East line of said Lot 8, 132 Feet to the place of beginning, together with vacated alley adjoining said property on the North.

To have and to hold the above described premises together with all tenements, hereditaments and appurtenances thereto belonging unto the grantee and to grantee's heirs and assigns forever.

And the grantor for itself and its successors does hereby covenant with the grantee and with grantee's heirs and assigns that grantor is lawfully seized of said premises; that they are free from encumbrances, Except those of record

that grantor has good right and lawful authority to convey the same; and that grantor warrants and will defend the title to said premises against the lawful claims of all persons whatsoever.

In witness whereof, grantor has hereunto caused its corporate seal to be affixed and these presents signed by its President,
Dated October 31 19 77.

UNION CASUALTY COMPANY, a Nebraska Corporation

By *[Signature]* President

STATE Nebraska, County of Douglas

Before me, a notary public qualified in said county, personally name

FRED W. WINKELMANN

UNION CASUALTY COMPANY

known to me to be the President and identical person who signed the foregoing instrument, and acknowledged the execution thereof to be his voluntary act and deed as such officer and the voluntary act and deed of said corporation and that its corporate seal was thereto affixed by its authority.

Witness my hand and seal on October 31st 19 77
GENERAL NOTARY

NEBRASKA DOCUMENTARY STAMP TAX

NOV - 7 1977

President of

\$ *[Signature]* BY *[Signature]* Corporation

BOOK 977 PAGE 521

BOOK 1797 PAGE 103

AQUILA COURT - PARKING LOT

CORPORATION WARRANTY DEED

ELLSWORTH FINANCIAL CORP. (Surviving Company After Merger With Union Casualty Underwriters, Inc.), a corporation organized and existing under the laws of the State of Nebraska, Grantor, in consideration of Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00), received from Grantee, UNION CASUALTY COMPANY, a Nebraska Corporation, conveys to Grantee, the following described real estate (as defined in Neb. Rev. Stat. § 76-201):

Lots 7 and 8 in Block 1, Kountze and Ruth's Addition to the City of Omaha, Nebraska and a strip of ground adjoining Lot 8 described as follows: Beginning at the Northeast Corner of said Lot 8 and running thence East 22-5/12 feet to the West line of 16th Street, thence South along the West line of 16th Street, 132 feet; thence West 21-4/12 feet to the Southeast corner of said Lot 8; thence North along the East line of said Lot 8, 132 feet to the place of beginning, together with the South 1/2 of vacated alley adjoining said property on the North.

Grantor covenants (jointly and severally, if more than one) with Grantee that Grantor:

- (1) is lawfully seised of such real estate and that it is free from encumbrances except easements and restrictions of record;
- (2) has legal power and lawful authority to convey the same;
- (3) warrants and will defend title to the real estate against the lawful claims of all persons.

Executed: JAN 30, 1987

RECEIVED
1987 FEB -2 AM 9:21
GEORGE J. BUGLEWICZ
REGISTER OF DEEDS
DOUGLAS COUNTY, NEBR.

ELLSWORTH FINANCIAL CORP.
(Surviving Company after Merger with Union Casualty Underwriters, Inc.), Grantor

By: Wayne A. Schreck
Vice-President

STATE OF NEBRASKA)
COUNTY OF DOUGLAS) SS

The foregoing instrument was acknowledged before me on JAN. 30, 1987, 1987, by Wayne A. Schreck, Vice President of ELLSWORTH FINANCIAL CORP. (Surviving Company after Merger with Union Casualty Underwriters, Inc.), a Nebraska Corporation.

1190 Deed B

08/28/91

09:12

BOOK 977 PAGE 522

005

HEAVENLY ACRES

BOOK 1818 PAGE 617

CORPORATION WARRANTY DEED

NEBRASKA DOCUMENTARY STAMP TAX \$ 13.88 Subscribed by
--

ELLSWORTH FINANCIAL CORP.

a Corporation organized and existing

under the laws of Nebraska

GRANTOR, in consideration of

Four Hundred Ten Thousand and no/100 (\$410,000.00) ----- DOLLARS received from GRANTEE
LEGACY LIFE INSURANCE COMPANY, formerly known as
UNION CASUALTY COMPANY

conveys to GRANTEE, the following described real estate (as defined in Neb. Rev. Stat. 76-201):

Lots 154 through 159, inclusive, Heavenly Acres Replat, a subdivision, in Douglas County, Nebraska, except that portion of the above described property conveyed to the State of Nebraska for road purposes and legally described as:

Beginning at the Northwest Corner of Lot 155; thence Easterly a distance of 575.00 feet to the Northeast Corner of said Lot 157; thence Southerly deflecting 090 Degrees, 23 Minutes, 00 Seconds right, a distance of 58.87 feet along the East line of said Lot 157; thence Westerly deflecting 088 Degrees, 37 Minutes, 00 Seconds right, a distance of 574.69 feet to a point on the West line of said Lot 155; thence Northerly deflecting 091 Degrees, 00 Minutes, 00 Seconds right, a distance of 68.90 feet along said line to the point of beginning containing 36721.03 square feet, more or less.

GRANTOR covenants (jointly and severally, if more than one) with GRANTEE that GRANTOR:

(1) is lawfully seized of such real estate and that it is free from encumbrances except easements and restrictions of record;

(2) has legal power and lawful authority to convey the same;

(3) warrants and will defend title to the real estate against the lawful claims of all persons.

Executed on December 31, 1987

RECEIVED
JAN 13 AM 11:15
GEORGE J. BUGLEWICZ
REGISTER OF DEEDS
SACRAMENTO, CALIF.
STATE OF NEBRASKA
COUNTY OF DODGE

ELLSWORTH FINANCIAL CORP.
By *W. J. Schreck*
Vice President

STATE OF NEBRASKA)
COUNTY OF DODGE) SS.

The foregoing instrument was acknowledged before me on December 31, 1987
by Wayne A. Schreck, Vice President
of Ellsworth Financial Corp. a Nebraska Corporation
on behalf of the Corporation.