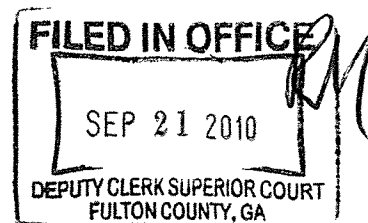


IN THE SUPERIOR COURT OF FULTON COUNTY
STATE OF GEORGIA



STATE OF GEORGIA, Ex. Rel.,
JOHN W. OXENDINE, Commissioner

Petitioner

v.

GEORGIA RESTAURANT MUTUAL
CAPTIVE INSURANCE COMPANY, a Georgia
Captive Insurer

Respondent

CIVIL ACTION

NO. 2010CV190196

CONSENT ORDER OF LIQUIDATION

The Court enters this Order by consent of the parties, John W. Oxendine, Commissioner of Insurance for the State of Georgia ("Commissioner") and Georgia Restaurant Mutual Captive Insurance Company ("Georgia Restaurant").

It appearing to the Court that Respondent is insolvent, that the continuation of its business would substantially increase the risk of loss to the creditors, claimants, policyholders and the public and, further, that it is in the best interest of the company's policyholders and other creditors that Georgia Restaurant be placed in liquidation with the Commissioner of Insurance appointed as Liquidator, IT IS HEREBY ORDERED as follows:

1.

This Order of Liquidation ("Liquidation Order") is entered pursuant to the provisions of the Insurance Rehabilitation and Liquidation Act, O.C.G.A. § 33-37-1 *et seq.*, specifically, but not limited to O.C.G.A. §§ 33-37-15, 33-37-16, and 33-37-17 on the ground that Georgia Restaurant is insolvent and in such condition that the further transaction of business would substantially increase the risk of loss to Georgia Restaurant's creditors, policyholders, and the public. Nothing hereunder shall be construed to limit the Liquidator's powers under Chapter 37 of Title 33 of the Georgia Insurance Code.



2.

John W. Oxendine, as Commissioner of Insurance of the State of Georgia, is hereby appointed Liquidator of Georgia Restaurant (hereinafter "the Commissioner" or "Liquidator") with all the powers and immunities set forth in Title 33, Chapter 37 of the Georgia Insurance Code. The Liquidator shall take possession of the assets of Georgia Restaurant and administer them under the general supervision of this Court. By operation of law, title to all assets of Georgia Restaurant is hereby vested in the Liquidator. The Liquidator shall have ultimate possession and control of all of the assets and property of Georgia Restaurant, wherever located, to which the Liquidator is entitled under Georgia law, specifically including but not limited to all bank accounts, including accounts containing premiums due Georgia Restaurant, records, books, and property wherever located.

3.

The Liquidator appoints Donald F. Roof, CFE as Deputy Liquidator. Pursuant to O.C.G.A. § 33-37-20(a), the Liquidator may also appoint one or more Assistant Deputy Liquidators as deemed necessary. The Deputy Liquidator and any Assistant Deputy Liquidator shall have all powers and responsibilities of the Liquidator granted by this Order and shall serve at the pleasure of the Commissioner as set forth at O.C.G.A. § 33-37-20. The Commissioner retains the right to substitute another person as Deputy Liquidator or Assistant Deputy Liquidator as he may deem necessary. The compensation of the Deputy Liquidator and Assistant Deputy Liquidator shall be fixed by the Commissioner. The compensation of any Deputy Liquidator or Assistant Deputy Liquidator that is not employed by the Department of Insurance shall be paid from the funds of Georgia Restaurant. The Liquidator and each Deputy Liquidator and Assistant Deputy Liquidator shall have all constitutional and statutory immunities; additionally, each Deputy Liquidator and Assistant Deputy Liquidator shall have no personal liability for any acts or omissions in connection with his duties as Deputy Liquidator or Assistant Deputy Liquidator, provided



that such acts or omissions are without intentional or willful and wanton misconduct, as set forth at O.C.G.A. § 33-37-8.1.

4.

Georgia Restaurant, its officers, directors, agents, shareholders, employees, and all other persons are hereby enjoined and restrained from the transaction of any of the business of Georgia Restaurant. Further, Georgia Restaurant, its officers, directors, agents, shareholders, employees, and all other persons are hereby enjoined and restrained from transferring Georgia Restaurant's property without the express permission of the Liquidator, wasting Georgia Restaurant's assets, or transferring or dissipating any of Georgia Restaurant's bank accounts.

5.

Upon the issuance of this Order, the rights and liabilities of Georgia Restaurant and its creditors, policyholders, shareholders and any other person interested in its estate shall become fixed except as provided for in O.C.G.A. §§ 33-37-18 and 33-37-36.

6.

Upon the issuance of this Order, no action at law or in equity or in arbitration shall be brought against Georgia Restaurant, the Liquidator, any Deputy Liquidator or any Assistant Deputy Liquidator, whether in this state or elsewhere, nor shall any such existing actions be maintained or further presented after issuance of this Order, as set forth at O.C.G.A. § 33-37-23.

7.

All officers, directors, agents, managing general agents, affiliates, shareholders and employees of Georgia Restaurant are hereby ordered to immediately deliver to the Liquidator all Georgia Restaurant assets, accounts, books, documents or other records or information, equipment or other property in their possession or wherever located, including all Georgia Restaurant assets, accounts,



books, documents or other records or information, equipment or property in the possession of accountants, accounting firms, investment advisors, attorneys or any other person or entity with which Georgia Restaurant has a contract for services.

8.

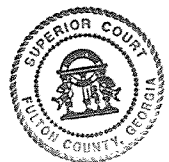
The Liquidator is hereby authorized to initiate such equitable and legal actions or proceedings in Georgia or other states as may appear to him to be necessary to carry out his duties, responsibilities and functions as Liquidator, including any actions he deems necessary against any agents, brokers, directors or officers of Georgia Restaurant or any affiliate company of Georgia Restaurant.

9.

All insurance agents and brokers are hereby ordered to account to the Liquidator, within 15 days of the date of this Order, for all funds of Georgia Restaurant held by them in their fiduciary capacity or due to Georgia Restaurant, without any deductions for commissions, policy fees, allowance for return premiums, unearned premiums, claims, or any other deductions, as said funds are vested in the Liquidator as provided by law; it is further Ordered that such funds be paid by such insurance agents and brokers to the Liquidator.

10.

In accordance with O.C.G.A. § 33-37-32, an agent, broker, premium finance company, or any other person, other than the insured, responsible for payment of a premium shall be obligated to pay any unpaid premium for the full policy term due Georgia Restaurant at the time of this Consent Order of Liquidation, whether earned or unearned, as shown on the records of Georgia Restaurant. The Liquidator shall also have the right to recover from such person any part of the unremitted, unearned premium that represents commissions, whether earned or unearned, of such persons. Credit or set-offs or both shall not be allowed an agent, broker or premium finance company for any amounts advanced



to the insurer by the agent, broker or premium finance company on behalf of, but in the absence of payment by the insured.

11.

Pursuant to O.C.G.A. § 33-37-32, all insureds are obligated to pay any unpaid earned premium due Georgia Restaurant at the time of the declaration of insolvency.

12.

The Liquidator is hereby authorized to avoid all fraudulent transfers made or obligations incurred by Georgia Restaurant, as defined by O.C.G.A. § 33-37-25 and to take any action authorized by O.C.G.A. § 33-37-26.

13.

The Liquidator is hereby authorized to avoid any preferences in accordance with O.C.G.A. § 33-37-27.

14.

The Liquidator, pursuant to O.C.G.A. § 33-13-13 and the limitations set forth therein, is hereby authorized to recover on behalf of the insurer the amount of distributions other than stock dividends paid by the insurer on its capital stock at any time during the five years preceding this Order of Liquidation.

15.

The Liquidator, in accordance with O.C.G.A. § 33-13-13(f), is hereby authorized to examine the affairs, transactions, accounts, records, documents, and other assets of Georgia Restaurant and its affiliates to determine whether any dividends or other distributions made by Georgia Restaurant are recoverable under O.C.G.A. § 33-13-13.

16.



All agents properly notified of the liquidation of Georgia Restaurant in accordance with O.C.G.A. § 33-37-21 shall within 30 days of such notice provide the Liquidator the information in the agent's records related to any policy issued by the insurer through the agent. Additionally, all general agents shall provide the information in the general agent's records related to any policy issued by the insurer through an agent under contract to him including the name and address of such subagent.

17.

The Liquidator is hereby authorized to audit the books and records of all agents of Georgia Restaurant insofar as those records relate to the business activities of Georgia Restaurant.

18.

All reasonable expenses of any litigation, including attorney's fees and costs, incurred by the Liquidator now or in the future, related to or arising out of the delinquency proceeding or this liquidation shall be paid out of the funds or assets of Georgia Restaurant.

19.

The Commissioner shall be relieved from giving bond and, being a public official, he shall be allowed his expenses related to this action, including expenses for clerical or other help as may be necessary, including without limitation, examination, experts' and attorneys' fees, from Georgia Restaurant's funds. The Liquidator may employ such clerks, assistants, and other staff as necessary, and the compensation of such clerks, assistants, and staff shall be paid from the funds of Georgia Restaurant.

20.

In accordance with O.C.G.A. § 33-37-18, all policies, including bonds and other non-cancelable business, other than life or accident and sickness insurance or annuities, in effect at the time of issuance of this Order shall remain in force only for the lesser of: a period of 30 days from the date of entry of this Order, the expiration of the policy coverage, the date when the insured has replaced the insurance



coverage with equivalent insurance in another insurer or otherwise terminated the policy, or the date on which the Liquidator effects a transfer of the policy obligation pursuant to O.C.G.A. § 33-37-20(a)(10).

21.

In accordance with O.C.G.A. § 33-37-20(d), the Liquidator shall have no obligation to defend claims or to continue to defend claims subsequent to the entry of this Order.

22.

In order to perfect claims to monies due Georgia Restaurant in accordance with O.C.G.A. § 33-37-20(a)(8), all policyholders shall report promptly to the Liquidator when any amounts are paid on claims reimbursable by Georgia Restaurant or otherwise payable by Georgia Restaurant. These reports shall be considered partial support for the Proof of Claim described below in Paragraph 23. Such reports shall include claimant names, payees, amounts, cause for payment, copies of bills from providers and any other information deemed necessary by the Liquidator.

23.

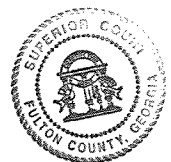
Upon entry of this Order of Liquidation, the Liquidator shall give or cause to be given notice of the liquidation in accordance with O.C.G.A. § 33-37-21 and require claimants to file with the Liquidator their claims on the Proof of Claim form attached as Exhibit 1 and approved by this Court. All claims must be filed with the Liquidator with 180 (one hundred and eighty) days of the entry of this Order or be forever barred.

24.

The Liquidator shall report to the Court regarding the status of the liquidation one year from the date of this Liquidation Order, and provide accounting to the Court on an annual basis thereafter.

25.

This Court shall retain exclusive jurisdiction, as provided in O.C.G.A. § 33-37-4, to determine all suits or motions related to the enforcement of this Order or any litigation related to Georgia Restaurant



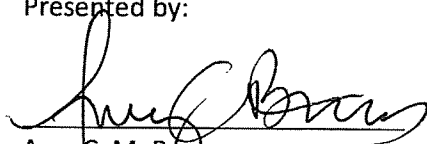
or the Liquidator and his deputies, agents, employees or representatives, which shall be determined in this liquidation proceeding.

SO ORDERED, this 21st day of September, 2010.



Judge, Fulton County Superior Court

Presented by:



Amy C. M. Burns
Georgia Bar # 452851
Assistant Attorney General
Office of the Attorney General
40 Capitol Square, SW
Atlanta, GA 30334-1300

Consent to by:

_____ (Signatory)

_____ (Title)

Georgia Restaurant Mutual
Captive Insurance Company

Sworn and subscribed

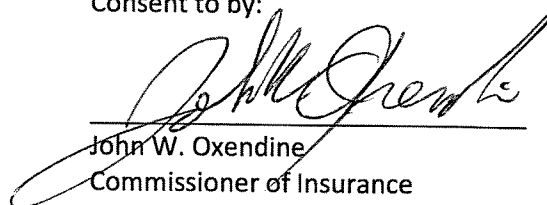
Before me this _____ day of September 2010

_____ [SEAL]

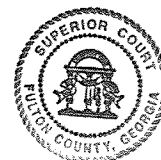
Notary Public, State of Georgia

My Commission Expires _____

Consent to by:



John W. Oxendine
Commissioner of Insurance
State of Georgia



or the Liquidator and his deputies, agents, employees or representatives, which shall be determined in this liquidation proceeding.


SO ORDERED, this _____ day of September, 2010.

Judge, Fulton County Superior Court

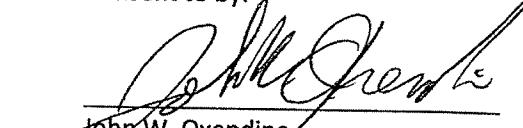
Presented by:

Amy C. M. Burns
Georgia Bar # 452851
Assistant Attorney General
Office of the Attorney General
40 Capitol Square, SW
Atlanta, GA 30334-1300

Consent to by:


Alex Salgueiro (Signatory)
President (Title)
Georgia Restaurant Mutual
Captive Insurance Company

Consent to by:


John W. Oxendine
Commissioner of Insurance
State of Georgia

Sworn and subscribed
Before me this 20 day of September 2010

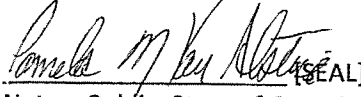
 [SEAL]
Notary Public, State of Georgia
My Commission Expires 9/9/2013



EXHIBIT 1



**GEORGIA RESTAURANT MUTUAL CAPTIVE INSURANCE COMPANY, IN
LIQUIDATION**

READ ALL MATERIALS CAREFULLY BEFORE
COMPLETING THIS FORM – COMPLETE ALL SECTIONS
– FILL IN ALL BLANKS – PLEASE PRINT CAREFULLY
OR TYPE

PROOF OF CLAIM NO. _____
DATE RECEIVED: _____

Name of claimant

Address of claimant

Phone No: xxx-xxx-xxxx

If applicable, name of Georgia Restaurant Mutual Captive Insurance Company policyholder and policy number.

Policyholder Name:

Policy Number:

This claim is for:

- ☐ Loss under policy (Claim by insured of Georgia Restaurant for policy benefits)
☐ Unearned premium refund (Portion of paid premium not earned due or retro or audit adjustment)
☐ General Creditor (Attorney fees, Adjuster fees, Vendors, Landlords, Lessors, Consultants, Cedants, & Reinsurers)
☐ All Other (Describe)

In the space below give a concise statement of facts giving rise to your claim:

AMOUNT OF CLAIM: \$

ATTACH COPIES OF ANY SUPPORTING DOCUMENTS SUCH AS CORRESPONDENCE, LAWSUITS,
JUDGEMENTS, PREMIUM RECEIPTS, CANCELED CHECKS, ETC.

State of _____

County of _____

I HEREBY SWEAR OR AFFIRM UNDER PENALTY OR PERJURY THAT, TO THE BEST OF MY
KNOWLEDGE AND BELIEF, THE STATEMENTS AND ATTACHED SUPPORTING DOCUMENTS IN THIS
CLAIM ARE TRUE AND CORRECT.

X

Claimant's Signature

Date

Notary Public

My Commission Expires: _____

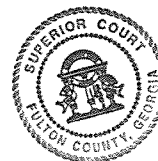
**NOTICE: ALL CLAIMS MUST BE RECEIVED BY THE LIQUIDATOR AT THE FOLLOWING ADDRESS ON
OR BEFORE xxxxxxxxxx, OR BE FOREVER BARRED.**

Georgia Restaurant Mutual Captive Insurance Company, IN LIQUIDATION

XXXXXXXXXX

XXXXXXXXXXXX

PHONE (xxx) xxx-xxxx



GEORGIA RESTAURANT MUTUAL CAPTIVE INSURANCE COMPANY, IN LIQUIDATION ("Georgia Restaurant")

NOTICE OF LIQUIDATION

TO: All Persons and Entities having an interest in Georgia Restaurant

FROM: John W. Oxendine, Commissioner of Insurance of the State of Georgia as Liquidator of Georgia Restaurant

INTRODUCTION

On xx/xx/2010, Georgia Restaurant Mutual Captive Insurance Company ("Georgia Restaurant") was declared insolvent and ordered liquidated pursuant to Order entered by the Honorable XXXXXXXX Judge of the Superior Court of Fulton County, Georgia, in Civil Action File No. XXXXXXXX. John W. Oxendine, the Commissioner of Insurance of the State of Georgia, was appointed Liquidator of Georgia Restaurant. The Liquidator was directed to take possession of the assets of Georgia Restaurant and to administer them under the supervision of the Liquidation Court. The Liquidator is vested by operation of law with title to all the property, contracts and rights, and all books and records of Georgia Restaurant, wherever located.

This notice contains instructions for all persons and entities having an interest in Georgia Restaurant. This notice is issued pursuant to the Official Code of Georgia Annotated 33-36-8 and 33-37-21 and by Order of the Superior Court of Fulton County, Georgia ("Liquidation Court").

A copy of the liquidation order may be obtained from www._____ or by calling _____.

NOTICE OF CANCELLATION

In accordance with O.C.G.A. § 33-37-18, all policies, including bonds and other non-cancelable business, other than life or accident and sickness insurance or annuities, in effect at the time of the issuance of this Order shall remain in force only for the lesser of: xx/xx/xxxx, the expiration of policy coverage, the date when the insured has replaced the insurance coverage with equivalent insurance in another insurer or otherwise terminated the policy, or the date on which the Liquidator effects a transfer of the policy obligation pursuant to O.C.G.A. § 33-37-20(a)(10).

CLAIM PROCEDURES

The Liquidation Court has directed that notice be given to all persons who may have a claim against Georgia Restaurant. If you have such a claim and wish to be considered in the Liquidation proceedings, *you must follow the procedure described below or you will be forever barred from asserting a claim.*

The Liquidation Court has established xx/xx/xxxx, as the "bar date" for the filing of claims against Georgia Restaurant. To have your claim considered in the Georgia Restaurant liquidation, *a Proof of Claim form must be properly completed, mailed, and postmarked no later than x/xx/xxxx.*

1. CLAIMS FOR LOSS UNDER THE POLICY:

If your claim is for **POLICY BENEFITS** and if your claim is already filed with Georgia Restaurant, you need to complete the proof of claim form, but you do not need to resubmit documentation to support your claim. If additional information is required, you will be contacted. **If this is a new claim**, please attach documentation to support claim.

2. RETURN OF UNEARNED PREMIUM OR OTHER PREMIUM REFUNDS:

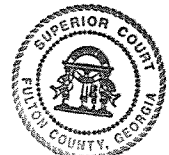
If your claim is for the **Return of Unearned Premium or Other Premium refunds**, please complete the front of this form. Please attach the appropriate documentation to support claim.

3. GENERAL CREDITOR CLAIM:

If your claim is that of a **General Creditor**, please attach copies of all outstanding invoices to this form.

4. ALL OTHER:

If you have **Any Other** type of claim, describe your claim, i.e., stockholder, employee, taxes, license fees, assessments. Please attach copies of information to support you claim.



If you are a policyholder or have a claim against a policyholder of Georgia Restaurant your claim may be covered by the Georgia Insurers Insolvency Pool ("Insolvency Pool"). You may contact the Insolvency Pool at 2177 Flintstone Drive, Suite R, Tucker, Georgia 30084 or by calling (770) 621-9835.

PROOF OF CLAIM FORM

The Proof of Claim must be completed in its entirety and all questions must be answered. Should there be questions that do not apply to your situation, simply complete each blank not requiring an answer with "N/A" or "not applicable". Make sure that your form is *signed under oath before a notary public*. Mail it together with all supporting documentation to the address shown below. Proof of Claim forms must be *postmarked no later than x/xx/xxxx*. Mail Proof of Claim to:

GEORGIA RESTAURANT MUTUAL CAPTIVE INSURANCE COMPANY, IN LIQUIDATION

XXXXXXX

XXXXXXXXXXXXX

All claimants must keep the Liquidator advised of any address changes subsequent to the filing of the Proof of Claim or receipt of this notice. All communications to the Liquidator should identify the claim number to the extent known.

By Order of the Liquidation Court dated xx/xx/xxxx

