



GRANTED

**EFiled: Jul 16 2007 3:05PM EDT
Transaction ID 15586464
Case No. 12789-VCL**



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN AND FOR NEW CASTLE COUNTY

IN THE MATTER OF)
THE LIQUIDATION OF) C.A. No. 12789-VCL
CONSUMERS UNITED INSURANCE COMPANY)

**ORDER CONCERNING RECEIVER’S FIFTH
CLAIM RECOMMENDATION REPORT AND PETITION
SEEKING HEARING ON DISPUTED CLAIMS OF SUSAN SILVER**

WHEREAS, pursuant to 18 Del. C. § 5917(c), the Receiver of Consumers United Insurance Company in Liquidation (herein “Receiver”) filed the Fifth Claim Recommendation Report (eFile No. 14774474) pertaining to a Proof of Claim, assigned number 857, filed by Ms. Susan Silver, which claim included an undisputed health claim in the amount of \$72.83 (the “Health Claim”) and a claim for an unspecified amount of alleged pension benefits (the “Pension Claim”). The Receiver has taken the position that Ms. Silver’s Health Claim should be allowed as a Class 3 policyholder level claim with a value of \$72.83, and that Ms. Silver’s Pension Claim should be declared a Class 6 general creditor level claim and disallowed in its entirety;

WHEREAS, this Court entered an Order to Show Cause dated May 16, 2007, which set July 17, 2007, at 9:30 a.m., as the date and time for the hearing on allowance of Ms. Silver’s Health Claim and the disallowance of Ms. Silver’s Pension Claim. The Order to Show Cause further required Ms. Silver to notify the Court in writing of her intent to appear at the hearing at least twenty (20) days before the hearing, or her Pension Claim would be considered abandoned and the Receiver’s recommendation as to her Health Claim and her Pension Claim would be adopted by the Court;

WHEREAS, the Receiver has filed proof that Ms. Silver received due notice at her last known address of the hearing date and the requirement to notify the Court of her intent to appear; and

WHEREAS, the Claimant failed to timely notify the Court of her intent to appear at the hearing and is deemed to have abandoned her objection to the Receiver's Recommendation.

NOW, THEREFORE, the Court finds that the Claimant has abandoned her appeal by failing to timely notify the Court of her intent to appear at the hearing;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Receiver's recommendation that Ms. SUSAN SILVER's Health Claim under proof of claim number 857 be assigned to the policyholder priority class (class 3) and valued at \$72.83 is hereby adopted by the Court, and Ms. SUSAN SILVER's Health Claim is HEREBY ALLOWED as a class 3 claim in the total amount of \$72.83.

2. The Receiver's recommendation that Ms. SUSAN SILVER's Pension Claim be assigned to the general creditor class (class 6) and valued at \$0 is hereby adopted and Ms. SUSAN SILVER's Pension Claim is HEREBY DISALLOWED IN ITS ENTIRETY pursuant to 18 Del. C. § 5917(d).

3. This allowance of Ms. Silver's Health Claim and this disallowance of Ms. Silver's Pension Claim shall not affect any amounts which may already have been paid to or on behalf of Ms. Silver by the applicable state life and health insurance guaranty association or any other benefits, if any, received by her from the guaranty association directly or through an assuming insurer.

4. Within three (3) business days of receipt of this Order, the Receiver's counsel shall serve,

by United States certified mail, postage prepaid, return receipt requested, to the claimant's last known address in the Receiver's file, a copy of this Order on the claimant.

5. There is no just reason for delay, and this Order, pursuant to Chancery Court Rule 54(b), is entered as a final judgment. THE ABOVE CLAIMANT WHOSE CLAIM HAS BEEN ALLOWED, DISALLOWED IN ITS ENTIRETY, DISALLOWED IN PART, OR CLASSIFIED MAY APPEAL THIS ORDER TO THE SUPREME COURT OF THE STATE OF DELAWARE. SUCH APPEAL MUST BE FILED WITH (RECEIVED BY) THE CLERK OF THE DELAWARE SUPREME COURT WITHIN THIRTY (30) DAYS OF THE DATE OF THIS ORDER. IF YOU FAIL TO FILE A TIMELY APPEAL, THIS DECISION WILL BECOME FINAL.

Vice-Chancellor

Dated:

This document constitutes a ruling of the court and should be treated as such.

Court: DE Court of Chancery

Judge: Stephen P Lamb

File & Serve

Transaction ID: 15549742

Current Date: Jul 16, 2007

Case Number: 12789-VCL

Case Name: In re: Matter of the Liquidation of Consumers United Insurance

/s/ **Judge Stephen P Lamb**