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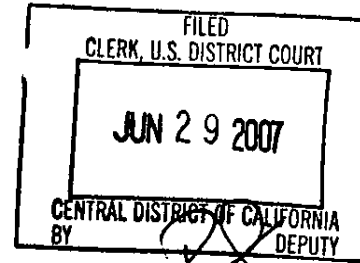
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UNITED STATES LIFE INSURANCE COMPANY



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**UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

10 UNITED STATES LIFE INSURANCE
11 COMPANY,

Petitioner,

12 vs.

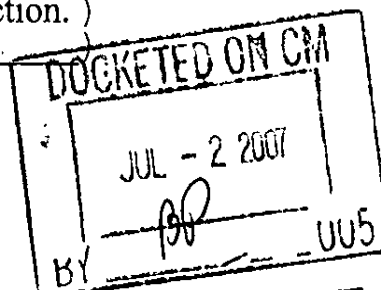
13 SUPERIOR NATIONAL INSURANCE
14 COMPANY, SUPERIOR PACIFIC
15 CASUALTY COMPANY,
16 CALIFORNIA COMPENSATION
17 INSURANCE COMPANY,
18 COMMERCIAL COMPENSATION
19 INSURANCE COMPANY, and
20 COMBINED BENEFITS INSURANCE
21 COMPANY,

22 Respondents.

23 And consolidated related action.

Case No. CV 07-00850 VBF (JTLx)
Case No. CV 07-01458 VBF (JTLx)
[Consolidated cases]

**[PROPOSED] ORDER GRANTING
EX PARTE APPLICATION BY
UNITED STATES LIFE INSURANCE
COMPANY FOR A STAY PENDING
APPEAL WITHOUT SUPERSEDEAS
BOND OR, ALTERNATIVELY, TO
SET AMOUNT OF SUPERSEDEAS
BOND**



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~~UBF~~
[PROPOSED] ORDER

WHEREAS, on June 27, 2007, United States Life Insurance Company ("US Life") moved this Court on an *ex parte* basis pursuant to Rule 62(d) of the Federal Rules of Civil Procedure for an order staying execution of the Court's judgment entered on June 25, 2007 pending appeal without a supersedeas bond, or in the alternative, for an order staying execution of the Court's June 25, 2007 judgment pending appeal upon US Life's posting of a supersedeas bond in the sum of \$187.2 million;

WHEREAS, good cause exists for bringing the application on an *ex parte* basis given that US Life has only ten days following the Court's judgment to post a supersedeas bond before the Superior National Life Insurance Companies in Liquidation ("SNICIL") can execute on the judgment;

WHEREAS, US Life has already provided security pursuant to provisions of the California Insurance Code for liabilities under the reinsurance contract at issue in the underlying arbitration which is the subject of the Court's judgment in an amount which now totals \$405.6 million;

WHEREAS, US Life has established that it has funds available to pay the judgment, and US Life's ability to pay the judgment quickly after a loss on appeal is so obvious that to require a bond would be a waste of money;

~~UBF~~ IT IS HEREBY ORDERED, ADJUDGED AND DECREED, that a supersedeas bond is not necessary in this matter, and the Court hereby stays execution of judgment pending appeal.

[IT IS HEREBY ORDERED, ADJUDGED AND DECREED, that a supersedeas bond in the amount of ~~\$187.2 million~~ ^{\$600 million} provides adequate security for the judgment in this matter pending appeal, the Court hereby approves a bond in such

1 amount, and the Court stays execution of judgment pending appeal upon the posting
2 of the bond.]

3
4 Dated: June 29, 2007

5 Valerie Baker Fairbank
6 Hon. Valerie Baker Fairbank
7 United States District Court Judge
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PROOF OF SERVICE

I declare that I am over the age of eighteen (18) and not a party to this action. My business address is 1999 Avenue of the Stars, 29th Floor, Los Angeles, California 90067.

On **June 27, 2007**, I caused to be served the following document:

[PROPOSED] ORDER GRANTING *EX PARTE* APPLICATION BY UNITED STATES LIFE INSURANCE COMPANY FOR A STAY PENDING APPEAL WITHOUT SUPERSEDEAS BOND OR, ALTERNATIVELY, TO SET AMOUNT OF SUPERSEDEAS BOND

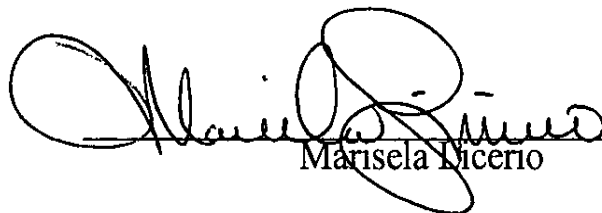
on the interested party(is) in this action by placing a true and correct copy of document(s) in a sealed envelope addressed as follows:

PLEASE SEE ATTACHED SERVICE LIST

- (X) **[U.S. MAIL]** I am readily familiar with the business practice for collection and processing of correspondence for mailing with the United States Postal Service. I know that the correspondence is deposited with the United States Postal Service on the same day this declaration was executed in the ordinary course of business. I know that the envelope was sealed and, with postage thereon fully prepaid, placed for collection and mailing on this date, following ordinary business practices in the United States mailed at Los Angeles, California. I am aware that on motion of a party served, service is presumed invalid if the postal cancellation date or postage meter date on the envelope is more than one day after the date of deposit for mailing contained in this affidavit.
- () **[OVERNIGHT DELIVERY]** Via Federal Express or similar overnight courier service, by depositing in a box or other facility regularly maintained by such overnight delivery service, or delivering such envelope to a courier or driver authorized by said overnight delivery service to receive documents, in an envelope designated by said overnight delivery service with delivery fees paid or provided for, addressed to the address last shown by that person on any documents filed in this action.
- (X) **[PERSONAL SERVICE]** I caused the above-referenced document(s) to be delivered to the above-named person(s).

Executed on **June 27, 2007**, at Los Angeles, California.

- (X) **[FEDERAL]** I declare that I was retained by the office of a member of the bar of this court at whose direction the service was made.


Marisela Licerio

SERVICE LIST

United States Life Insurance Company v. Superior National Insurance Company, et al.

United States District Court for the Central District of California

Consolidated Case Nos. CV07-00850 VBF (JTLx) and CV 07-01458 VBF (JTLx)

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