

IN THE CIRCUIT COURT OF THE
SECOND JUDICIAL CIRCUIT IN AND
FOR LEON COUNTY, FLORIDA

State of Florida, ex rel., The
Department of Financial Services of
The State of Florida,

Relator,

vs.

CASE NO.: 2010-_____

Northern Capital Insurance Company
a Florida corporation,

Respondent.

**PETITION FOR ORDER APPOINTING THE FLORIDA DEPARTMENT OF FINANCIAL
SERVICES AS RECEIVER FOR PURPOSES OF REHABILITATION,
INJUNCTION, NOTICE OF AUTOMATIC STAY, AND LIQUIDATION PLAN**

The Florida Department of Financial Services (hereinafter the "Department") hereby petitions this Court pursuant to Sections 631.031 and 631.051, Florida Statutes, for a consent order of rehabilitation of Northern Capital Insurance Company (hereinafter the "Respondent"). In support of its petition, the Department states:

1. This Court has jurisdiction pursuant to Section 631.021 (1), Florida Statutes, and venue is proper pursuant to Section 631.021(2), Florida Statutes.

2. Respondent is a corporation authorized pursuant to the Florida Insurance Code to transact business in the state of Florida as a property and casualty insurer since May 04, 2006. Respondent's principal place of business is located at 7200 Corporate Center Drive, Suite 505, Miami, Florida 33126.

10 APR - 8 PM 4:40
0:05
BOB INZER
CLERK CIRCUIT COURT
LEON COUNTY, FLORIDA

COPY - not verified against original
FILED

3. Section 631.021(3), Florida Statutes, provides that a delinquency proceeding pursuant to Chapter 631, Florida Statutes, constitutes the sole and exclusive method of liquidating, rehabilitating, reorganizing, or conserving a Florida domiciled insurer.

4. On May 27, 2009, the Office of Insurance Regulation (OIR) placed Northern Capital Insurance Company (and Northern Capital Select Insurance Company, a smaller affiliate, that was subsequently merged into Northern Capital Insurance Company in December 2009) into Administrative Supervision for the purpose of monitoring the companies' reinsurance programs.

5. On February 19, 2010, after receiving the 2009 actuarial opinion, OIR was notified by Respondent that it was under-reserved by approximately \$6.4 million dollars, resulting in a direct reduction to surplus of that amount, leaving Respondent impaired at year end 2009 with surplus at \$2.6 million dollars.

6. On March 25, 2010, Respondent filed its February monthly financial statement showing its surplus as negative \$3,933,783; thus, the Respondent is insolvent.

7. Respondent has consented to the appointment of the Department as Receiver for the purposes of rehabilitation pursuant to Section 631.051(11) and, if determined necessary by the Receiver, entry of an Order of liquidation without a hearing. A copy of the consent is attached as Exhibit "A."

8. Pursuant to Section 631.031(1), Florida Statutes, Kevin McCarty, the Commissioner of the Office of Insurance Regulation, has written a letter to Chief Financial Officer Alex Sink stating that grounds exist for the initiation of delinquency proceedings against Northern Capital Insurance Company. A copy of the letter is attached as Exhibit "B."

9. Northern Capital Insurance Company is no longer writing new insurance policies. Serious questions exist as to its ability to continue as a viable insurance company.

10. Given the Company's admitted insolvency and the beginning of the 2010 hurricane season in less than two months, the Department requests the entry of an Order of Rehabilitation that


will allow the Department to conserve the assets of Northern Capital Insurance Company and further allow the Department time to assist the policyholders in their efforts to locate and transition to another property and casualty insurer. The Department further requests an Order of Liquidation that would become effective on May 1, 2010 at 12:01 a.m., unless the Receiver petitions for either an extension, or a shortening of, the rehabilitation period prior to that date.

11. Additionally, the Department requests that all policies be canceled the earlier of: the normal expiration of the policies, or at 11:59 PM on May 30, 2010, as part of the Liquidation Order.

12. During the period prior to the entry of the Liquidation Order, the Receiver will work to calculate and make arrangements to return unearned premium to the policyholder so that the policyholder is better able to purchase new coverage. Accordingly, it is in the best interests of Respondent and its creditors and insureds that the relief requested in the petition be granted

WHEREFORE, The Florida Department of Financial Services respectfully petitions this Court for entry of its Order of Rehabilitation attached to this Petition as Exhibit "C", as well as the Order of Liquidation, attached as Exhibit "D."

SUBMITTED on this 8th day of April, 2010.


WILLIAM A. SPILLIAS, CHIEF ATTORNEY
Florida Bar No. 909769
YAMILE BENITEZ-TORVISO,
SENIOR ATTORNEY
Florida Bar No. 0151726
Florida Department of Financial Services
Division of Rehabilitation and Liquidation
Post Office Box 110
Tallahassee, Florida 32302-0110
(786) 336-1382 – Direct Line
(850) 921-6115 – Facsimile



CONSENT TO REHABILITATION

IT IS HEREBY agreed as follows:

1. NORTHERN CAPITAL INSURANCE COMPANY (hereinafter referred to as "NORTHERN CAPITAL") is a Florida corporation licensed as a property and casualty insurer on May 4, 2006.

2. NORTHERN CAPITAL admits that grounds exist for the appointment of a Receiver under Section 631.051, Florida Statutes.

3. Pursuant to Section 631.051, Florida Statutes, NORTHERN CAPITAL consents through a majority of its directors and chief executive officer to the entry of an order of Rehabilitation appointing the Department of Financial Services as receiver for purposes of Rehabilitation and consents to any injunctions this Court deems necessary and appropriate.

4. NORTHERN CAPITAL consents and agrees to the entry of the Order Appointing the Florida Department of Financial Services as Receiver for Purposes of Rehabilitation, Injunction, and Notice of Automatic Stay.

5. If the Receiver determines in its sole discretion that further efforts to rehabilitate NORTHERN CAPITAL would be useless, the Receiver may apply to the Court for entry of an order of liquidation of NORTHERN CAPITAL, without further notice or hearing. NORTHERN CAPITAL consents to the entry of such an order, and waives any and all rights to notice and hearing.

6. NORTHERN CAPITAL hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent to Rehabilitation, in any forum now or in the future available



NORTHERN CAPITAL INSURANCE

to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

Dated this 25th day of February, 2010.

Wayne Fletcher

Wayne Fletcher President & CEO

The foregoing instrument was acknowledged before me this 25 day of Feb 2009, 10

by Wayne Fletcher as President & CEO
(name of person) (type of authority e.g. officer, trustee attorney in fact)

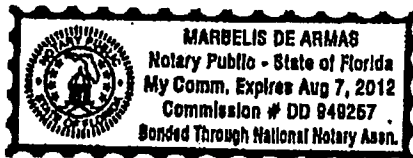
for Northern Capital Insurance Co.
(company name)

Marbelis de Armas
(Signature of the Notary)

Marbelis de Armas
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification ☐

Type of Identification Produced _____



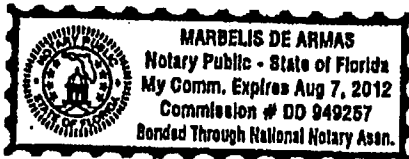


NORTHERN CAPITAL INSURANCE

DIRECTORS of NORTHERN CAPITAL INSURANCE COMPANY

Alexander Anthony
Alexander Anthony

The foregoing instrument was acknowledged before me this 25th day of Feb, 2009, 10
by Alexander Anthony as Director
(name of person) (type of authority, e.g. officer, trustee attorney in fact)
for Northern Capital Insurance Co.
(company name)



Marbelis de Armas
(Signature of the Notary)

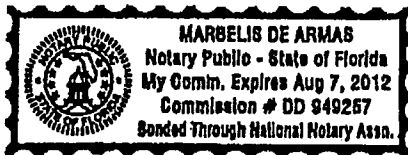
Marbelis de Armas
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification ☐

Type of Identification Produced _____

Wayne Fletcher
Wayne Fletcher

The foregoing instrument was acknowledged before me this 25th day of Feb, 2009, 10
by Wayne Fletcher as President & CEO
(name of person) (type of authority, e.g. officer, trustee attorney in fact)
for Northern Capital Insurance Co.
(company name)



Marbelis de Armas
(Signature of the Notary)

Marbelis de Armas
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification ☐

Type of Identification Produced _____

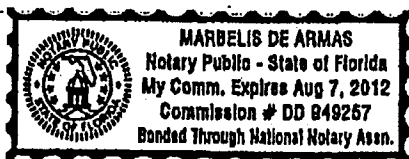


NORTHERN CAPITAL INSURANCE

[Signature]

Albert Fernandez

The foregoing instrument was acknowledged before me this 25th day of Feb, 2009, 10
 by Albert Fernandez as Vice-President
(name of person) (type of authority e.g. officer, trustee attorney in fact)
 for Northern Capital Insurance Company
(company name)



[Signature]
(Signature of the Notary)

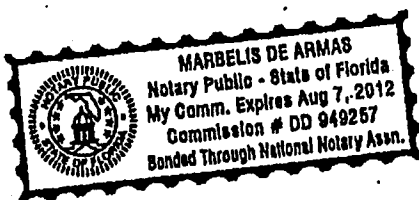
Marbelis de Armas
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification _____

Type of Identification Produced _____

[Signature]
 Maria DiGiorgio

The foregoing instrument was acknowledged before me this 25th day of Feb, 2009, 10
 by Maria DiGiorgio as director
(name of person) (type of authority e.g. officer, trustee attorney in fact)
 for Northern Capital Insurance Company
(company name)

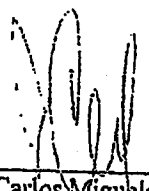


[Signature]
(Signature of the Notary)

Marbelis de Armas
(Print, Type or Stamp Commissioned Name of Notary)

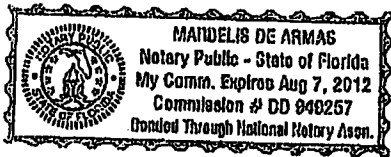
Personally Known ☒ OR Produced Identification _____

Type of Identification Produced _____



Juan Carlos Higuera

The foregoing instrument was acknowledged before me this 15 day of Feb 2009,
by Juan Carlos Higuera as Director
(name of person) (type of authority e.g. officer, trustee attorney in fact)
for Northern Capital Ins Co.
(company name)



Maibelis de Armas
(Signature of the Notary)

Maibelis de Armas
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification _____

Type of Identification Produced _____

COPIES FURNISHED TO:

Wayne Allen Fletcher, President
Northern Capital Insurance Company
7200 Corporate Center Drive, Suite 505
Miami, Florida 33126
wfletcher@northerncapitalinsurance.com

Sandy Fay
Colodny, Fass, Talenfeld, Karlinsky & Abate, P.A.
One Financial Plaza, 23rd Floor
100 Southeast Third Avenue
Fort Lauderdale, FL 33394
sfay@cftlaw.com

Robin Westcott, Director
Property & Casualty Financial Oversight
Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399-4206

Wenceslao Troncoso, Assistant General Counsel
Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399-4206.
850-413-4174
wenceslao.troncoso@flor.com



OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY
COMMISSIONER

**FINANCIAL SERVICES
COMMISSION**

CHARLIE CRIST
GOVERNOR

ALEX SINK
CHIEF FINANCIAL OFFICER

BILL McCOLLUM
ATTORNEY GENERAL

CHARLES BRONSON
COMMISSIONER OF
AGRICULTURE

April 7, 2010

The Honorable Alex Sink
The Chief Financial Officer
Department of Financial Services
The Capitol, PL-11
Tallahassee, FL 32399

Via Email

Re: Northern Capital Insurance Company

Dear Chief Financial Officer Sink:

Please be advised that the Office of Insurance Regulation (hereinafter referred to as the "Office") has determined that one or more grounds exist for the initiation of delinquency proceedings, pursuant to Chapter 631, Florida Statutes, against Northern Capital Insurance Company.

Northern Capital Insurance Company is a Florida corporation and is a domestic insurer authorized to transact insurance business in the State of Florida. (Northern Capital Select Insurance Company, a smaller affiliate, was merged into Northern Capital Insurance Company in December 2009.) The Office worked diligently over the past year to address issues in these companies which resulted from a concentration of risk in Dade, Broward and Palm Beach Counties. Both companies were placed into Administrative Supervision on May 27, 2009 for the purpose of monitoring the companies' reinsurance programs. On June 5, 2009, the Office appointed Rector & Associates, as the Deputy Supervisor to conduct a review to confirm that placement of a 1 in 100 year event program could be financially supported. Subsequent to this report from Rector & Associates showing that the companies would be able to afford the reinsurance, the companies submitted financial statements in August for the second quarter results which showed material deviations from the projected numbers used for the Rector report. As a result the Office extended the Administrative Supervision and monitored the company through required monthly filings and corrective action plans filed by the companies. The companies' financial strength was declining and management for the companies were instructed to seek additional capital.

...

KEVIN M. MCCARTY • COMMISSIONER
200 EAST GAINES STREET • TALLAHASSEE, FLORIDA 32399-0305 • (850) 413-5914 • FAX (850) 488-3334
WEBSITE: WWW.FLOIR.COM • EMAIL: KEVIN.MCCARTY@FLOIR.COM

Affirmative Action / Equal Opportunity Employer

Exhibit "B"

Management for the companies worked through the Fall of 2009 to attract additional capital to support the companies. In October, the companies filed an application of merger whereby Northern Capital Select Insurance Company would be merged into Northern Capital Insurance Company while simultaneously seeking additional capital to support the companies.

The Office continued to monitor the companies' efforts to raise capital. However, in early December, the financial position of Northern Capital Select had declined drastically and it ceased writing all new business after monthly statements revealed that company was at the minimum surplus requirement. Soon thereafter it ceased renewing business. The company had an alternative run off plan for Northern Capital Select with its reinsurers to participate in the recapitalization of Northern Capital Insurance Company. The Office determined that the alternative runoff plan proffered by Northern Capital Select was not viable and the Office then approved the merger of the two companies.

During this period, the Office appointed Exam Resources as the Deputy Supervisor and expanded the supervision to a full supervision with a permanent presence at the company which included review of all transactions in excess of \$25 thousand dollars.

The Office and Deputy Supervisor continued to review the monthly statements and monitor the financial condition of the company through January and February 2010. On February 19, 2010 after receiving the 2009 actuarial opinion, the Office was notified by the company that it was under-reserved by approximately \$6.4 million dollars, resulting in a direct hit to surplus leaving the company impaired at year end 2009 with surplus at \$2.6 million dollars. With this new actuarial information, the reinsurers were not able to recapitalize Northern Capital Insurance Company.

The Company began an active due diligence period, facilitated by the Office, with another Florida domestic insurer seeking purchase of the company. On February 25, 2010 in order to facilitate, an orderly transition to receivership in the event that a purchase did not occur, Northern Capital Insurance Company filed a Consent to Receivership and Liquidation (which is attached as Exhibit "A"). The Office has now been informed by the potential purchaser that it cannot proceed with a transaction.

In addition to the Consent to Receivership and Liquidation, the Office finds that pursuant to Section 31.061, Florida Statutes, Northern Capital Insurance Company is insolvent. Northern Capital Insurance Company filed its February monthly statement (which is attached as exhibit "B") on March 25, 2010. The Company's surplus is (\$3,933,783) dollars rendering it insolvent. The Office has determined that grounds exist for the initiation of delinquency proceedings by the Division of Rehabilitation and Liquidation. The following documents are attached in support of this determination:

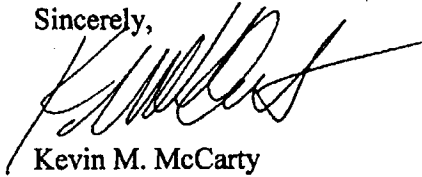
Exhibit A – Stipulation and Consent to Receivership and Liquidation

Exhibit B - Northern Capital Insurance Company's Statutory Balance Sheet as of February 28th, 2010

The Honorable Alex Sink
April 7, 2010
Page 3

As always, the Office stands ready to provide any additional information or assistance the Department needs in order for this matter to proceed as expeditiously as possible. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin M. McCarty', with a long horizontal flourish extending to the right.

Kevin M. McCarty
Commissioner

cc: Ben Diamond, General Counsel
Department of Financial Services

Wayne Johnson, Division Director
Division of Rehabilitation and Liquidation
Department of Financial Services



CONSENT TO REHABILITATION

IT IS HEREBY agreed as follows:

1. NORTHERN CAPITAL INSURANCE COMPANY (hereinafter referred to as "NORTHERN CAPITAL") is a Florida corporation licensed as a property and casualty insurer on May 4, 2006.
2. NORTHERN CAPITAL admits that grounds exist for the appointment of a Receiver under Section 631.051, Florida Statutes.
3. Pursuant to Section 631.051, Florida Statutes, NORTHERN CAPITAL consents through a majority of its directors and chief executive officer to the entry of an order of Rehabilitation appointing the Department of Financial Services as receiver for purposes of Rehabilitation and consents to any injunctions this Court deems necessary and appropriate.
4. NORTHERN CAPITAL consents and agrees to the entry of the Order Appointing the Florida Department of Financial Services as Receiver for Purposes of Rehabilitation, Injunction, and Notice of Automatic Stay.
5. If the Receiver determines in its sole discretion that further efforts to rehabilitate NORTHERN CAPITAL would be useless, the Receiver may apply to the Court for entry of an order of liquidation of NORTHERN CAPITAL, without further notice or hearing. NORTHERN CAPITAL consents to the entry of such an order, and waives any and all rights to notice and hearing.
6. NORTHERN CAPITAL hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent to Rehabilitation, in any forum now or in the future available



NORTHERN CAPITAL INSURANCE

to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

Dated this 25th day of February, 2010.

Wayne Fletcher

Wayne Fletcher President & CEO

The foregoing instrument was acknowledged before me this 25 day of Feb 2009, 10

by Wayne Fletcher as President & CEO
(name of person) (type of authority e.g. officer, trustee attorney in fact)

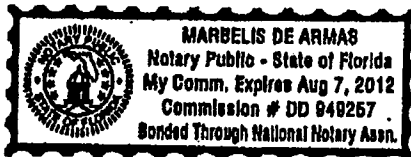
for Northern Capital Insurance Co.
(company name)

Marbelis de Armas
(Signature of the Notary)

Marbelis de Armas
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification ☐

Type of Identification Produced _____



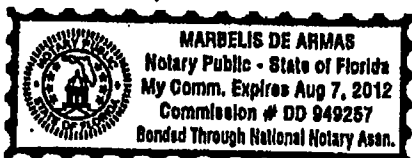


NORTHERN CAPITAL INSURANCE

DIRECTORS of NORTHERN CAPITAL INSURANCE COMPANY

Alexander Anthony
Alexander Anthony

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(name of person) (type of authority e.g. officer, trustee attorney in fact)
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(company name)



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(Signature of the Notary)

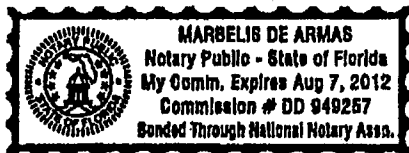
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Wayne Fletcher
Wayne Fletcher

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(name of person) (type of authority e.g. officer, trustee attorney in fact)
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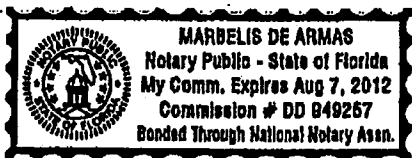


NORTHERN CAPITAL INSURANCE

[Signature of Albert Fernandez]

Albert Fernandez

The foregoing instrument was acknowledged before me this 25th day of Feb 2009, 10
 by Albert Fernandez as Vice-President
(name of person) (type of authority e.g. officer, trustee attorney in fact)
 for Northern Capital Insurance Company
(company name)



[Signature of Marbelis de Armas]
(Signature of the Notary)

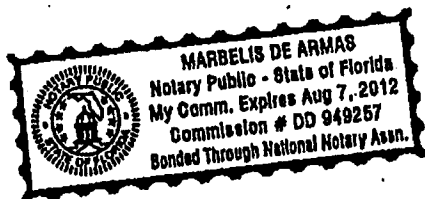
Marbelis de Armas
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification ☐

Type of Identification Produced _____

[Signature of Maria DiGiorgio]
 Maria DiGiorgio

The foregoing instrument was acknowledged before me this 25th day of Feb 2009, 10
 by Maria DiGiorgio as director
(name of person) (type of authority e.g. officer, trustee attorney in fact)
 for Northern Capital Insurance Company
(company name)



[Signature of Marbelis de Armas]
(Signature of the Notary)

Marbelis de Armas
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification ☐

Type of Identification Produced _____

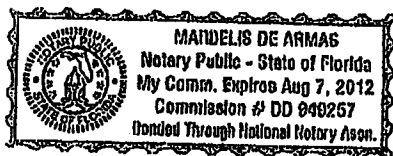


Juan Carlos Higuiez

The foregoing instrument was acknowledged before me this 15 day of Feb 2009,

by Juan Carlos Higuiez as Director
(name of person) (type of authority e.g. officer, trustee attorney in fact)

for Northern Capital Ins Co.
(company name)



Matdelis de Armas
(Signature of the Notary)

Matdelis de Armas
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ☒ OR Produced Identification _____

Type of Identification Produced _____

COPIES FURNISHED TO:

Wayne Allen Fletcher, President
Northern Capital Insurance Company
7200 Corporate Center Drive, Suite 505
Miami, Florida 33126
wfletcher@northerncapitalinsurance.com

Sandy Fay
Colodny, Fass, Talenfeld, Karlinsky & Abate, P.A.
One Financial Plaza, 23rd Floor
100 Southeast Third Avenue
Fort Lauderdale, FL 33394
sfay@cftlaw.com

Robin Westcott, Director
Property & Casualty Financial Oversight
Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399-4206

Wenceslao Troncoso, Assistant General Counsel
Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399-4206
850-413-4174
wenceslao.troncoso@flor.com

ASSETS

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	48,545,667		48,545,667	49,327,443
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances)				
4.2 Properties held for the production of income (less \$.....0 encumbrances)	2,809,130		2,809,130	2,821,904
4.3 Properties held for sale (less \$.....0 encumbrances)				
5. Cash (\$.....4,789,775), cash equivalents (\$.....0) and short-term investments (\$.....3,422,926)	8,212,701		8,212,701	2,866,594
6. Contract loans (including \$.....0 premium notes)				
7. Other invested assets				
8. Receivables for securities				
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	59,567,498		59,567,498	55,015,941
11. Title plants less \$.....0 charged off (for Title insurers only)				
12. Investment income due and accrued	427,582		427,582	392,481
13. Premiums and considerations:				
13.1 Uncollected premiums and agents' balances in the course of collection	3,697,038	86,983	3,610,055	2,102,926
13.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)	2,986,603		2,986,603	3,373,864
13.3 Accrued retrospective premiums				
14. Reinsurance:				
14.1 Amounts recoverable from reinsurers				
14.2 Funds held by or deposited with reinsured companies				
14.3 Other amounts receivable under reinsurance contracts				
15. Amounts receivable relating to uninsured plans				
16.1 Current federal and foreign income tax recoverable and interest thereon	4,293,093	411,392	3,881,701	3,869,607
16.2 Net deferred tax asset	5,680,117	5,680,117		
17. Guaranty funds receivable or on deposit	597,536		597,536	177,042
18. Electronic data processing equipment and software	1,477,414	1,477,414		
19. Furniture and equipment, including health care delivery assets (\$.....0)	142,476	142,476		
20. Net adjustments in assets and liabilities due to foreign exchange rates				
21. Receivables from parent, subsidiaries and affiliates	3,730,280	3,233,606	496,674	17,047
22. Health care (\$.....0) and other amounts receivable				
23. Aggregate write-ins for other than invested assets	413,581	124,371	289,210	289,210
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	83,013,218	11,156,359	71,856,859	65,238,118
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	83,013,218	11,156,359	71,856,859	65,238,118
DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 9 from overflow page				
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301. Prepaid Expenses	124,371	124,371		
2302. Current SIT Recoverable	289,210		289,210	289,210
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	413,581	124,371	289,210	289,210

EXHIBIT**B**

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$.....4,131,237)	23,740,645	21,439,720
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	4,242,696	4,119,081
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	1,752,694	666,524
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	435,166	409,417
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses))		
7.2 Net deferred tax liability		
8. Borrowed money \$.....0 and interest thereon \$.....0		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....0 and including warranty reserves of \$.....0)	32,361,575	23,898,045
10. Advance premium	3,009,955	2,648,611
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	8,884,138	8,884,138
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others	418,821	431,252
15. Remittances and items not allocated		
16. Provision for reinsurance		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		5,633
20. Payable for securities		
21. Liability for amounts held under uninsured plans		
22. Capital notes \$.....0 and interest thereon \$.....0		
23. Aggregate write-ins for liabilities	944,952	1,574,922
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	75,790,641	64,077,343
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	75,790,641	64,077,343
27. Aggregate write-ins for special surplus funds		
28. Common capital stock	2,000,000	2,000,000
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes	8,000,000	8,000,000
32. Gross paid in and contributed surplus	17,800,000	17,800,000
33. Unassigned funds (surplus)	(31,733,783)	(26,639,225)
34. Less treasury stock, at cost:		
34.10 shares common (value included in Line 28 \$.....0)		
34.20 shares preferred (value included in Line 29 \$.....0)		
35. Surplus as regards policyholders (Lines 27 to 33, less 34)	(3,933,783)	1,160,775
36. Totals	71,856,859	65,238,118
DETAILS OF WRITE-INS		
2301. Unearned Commission Income	944,952	1,574,922
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page		
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	944,952	1,574,922
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)		
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)		

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned			
1.1 Direct (written \$.....14,836,519)	17,264,326		91,371,008
1.2 Assumed (written \$.....(7,345))	2,288		19,046,302
1.3 Ceded (written \$.....0)	10,900,971		55,397,007
1.4 Net (written \$.....14,829,174)	6,365,643		55,020,303
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....5,001,884)			
2.1 Direct	7,552,582		36,267,839
2.2 Assumed	225,459		6,247,301
2.3 Ceded			
2.4 Net	7,778,041		42,515,140
3. Loss adjustment expenses incurred	1,144,859		7,271,887
4. Other underwriting expenses incurred	4,743,336		30,865,328
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	13,666,236		80,652,355
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(7,300,593)		(25,632,052)
INVESTMENT INCOME			
9. Net investment income earned	279,811		1,516,424
10. Net realized capital gains (losses) less capital gains tax of \$.....0			1,421,320
11. Net investment gain (loss) (Lines 9 + 10)	279,811		2,937,744
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0)			
13. Finance and service charges not included in premiums	580		3,040
14. Aggregate write-ins for miscellaneous income	629,970		2,247,824
15. Total other income (Lines 12 through 14)	630,550		2,250,864
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(6,390,232)		(20,443,444)
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(6,390,232)		(20,443,444)
19. Federal and foreign income taxes incurred			(4,852,018)
20. Net income (Line 18 minus Line 19) (to Line 22)	(6,390,232)		(15,591,426)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	1,160,775		15,431,278
22. Net income (from Line 20)	(6,390,232)		(15,591,426)
23. Net transfers (to) or from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0	(5,070)		(18,242)
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax			4,220,890
27. Change in nonadmitted assets	1,300,743		(11,500,476)
28. Change in provision for reinsurance			90,000
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from Protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			8,528,751
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	(5,094,559)		(14,270,503)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	(3,933,783)		1,160,775
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)			
1401. Ceded commission income	629,970		2,247,720
1402. Miscellaneous income			104
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	629,970		2,247,824
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)			

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance	14,059,540	64,497,407
2.	Net investment income	272,463	1,534,069
3.	Miscellaneous income	630,550	2,250,863
4.	Total (Lines 1 to 3)	14,962,553	68,282,339
5.	Benefit and loss related payments	5,890,697	32,663,379
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	5,073,155	31,517,130
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		9,322
10.	Total (Lines 5 through 9)	10,963,852	64,189,831
11.	Net cash from operations (Line 4 minus Line 10)	3,998,701	4,092,508
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	5,327,192	31,309,431
12.2	Stocks		
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments	(77,453)	
12.7	Miscellaneous proceeds	51,009	
12.8	Total investment proceeds (Lines 12.1 to 12.7)	5,300,748	31,309,431
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	4,539,024	53,811,076
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		348,941
13.5	Other invested assets		
13.6	Miscellaneous applications		5
13.7	Total investments acquired (Lines 13.1 to 13.6)	4,539,024	54,160,022
14.	Net increase (or decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)	761,724	(22,850,591)
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		10,000,000
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)	585,682	(4,014,072)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	585,682	5,985,928
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	5,346,107	(12,772,155)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	2,866,594	15,638,749
19.2	End of period (Line 18 plus Line 19.1)	8,212,701	2,866,594
Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:			
Description		Amount 1	Amount 2
20.0001			

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**Current Year to Date - Allocated by States and Territories**

1 States, Etc.	2 Active Status	3 Direct Premiums Written		4 Direct Losses Paid (Deducting Salvage)		5 Direct Losses Unpaid	
		Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama (AL)	N						
2. Alaska (AK)	N						
3. Arizona (AZ)	N						
4. Arkansas (AR)	N						
5. California (CA)	N						
6. Colorado (CO)	N						
7. Connecticut (CT)	N						
8. Delaware (DE)	N						
9. District of Columbia (DC)	N						
10. Florida (FL)	L	14,836,519	19,261,396	5,072,339	2,605,980	23,234,555	6,326,489
11. Georgia (GA)	N						
12. Hawaii (HI)	N						
13. Idaho (ID)	N						
14. Illinois (IL)	N						
15. Indiana (IN)	N						
16. Iowa (IA)	N						
17. Kansas (KS)	N						
18. Kentucky (KY)	N						
19. Louisiana (LA)	N						
20. Maine (ME)	N						
21. Maryland (MD)	N						
22. Massachusetts (MA)	N						
23. Michigan (MI)	N						
24. Minnesota (MN)	N						
25. Mississippi (MS)	N						
26. Missouri (MO)	N						
27. Montana (MT)	N						
28. Nebraska (NE)	N						
29. Nevada (NV)	N						
30. New Hampshire (NH)	N						
31. New Jersey (NJ)	N						
32. New Mexico (NM)	N						
33. New York (NY)	N						
34. North Carolina (NC)	N						
35. North Dakota (ND)	N						
36. Ohio (OH)	N						
37. Oklahoma (OK)	N						
38. Oregon (OR)	N						
39. Pennsylvania (PA)	N						
40. Rhode Island (RI)	N						
41. South Carolina (SC)	N						
42. South Dakota (SD)	N						
43. Tennessee (TN)	N						
44. Texas (TX)	N						
45. Utah (UT)	N						
46. Vermont (VT)	N						
47. Virginia (VA)	N						
48. Washington (WA)	N						
49. West Virginia (WV)	N						
50. Wisconsin (WI)	N						
51. Wyoming (WY)	N						
52. American Samoa (AS)	N						
53. Guam (GU)	N						
54. Puerto Rico (PR)	N						
55. U.S. Virgin Islands (VI)	N						
56. Northern Mariana Islands (MP)	N						
57. Canada (CN)	N						
58. Aggregate other alien (OT)	XXX						
59. Totals	(a) 1	14,836,519	19,261,396	5,072,339	2,605,980	23,234,555	6,326,489
DETAILS OF WRITE-INS							
5801.	XXX						
5802.	XXX						
5803.	XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX						
5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX						

(a) Insert the number of L responses except for Canada and Other Alien.

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril	16,747,864	6,116,799	36.523	
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine	214,222	308,565	144.040	
10. Financial guaranty				
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability - occurrence				
17.2 Other liability - claims made				
18.1 Products liability - occurrence				
18.2 Products liability - claims made				
19.1 19.2 Private passenger auto liability	231,049	777,015	336.299	
19.3 19.4 Commercial auto liability				
21. Auto physical damage	71,191	350,203	491.919	
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business				
35. TOTALS	17,264,326	7,552,582	43.747	23.814
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)				

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril	14,519,540	14,519,540	24,482,177
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine	207,628	207,628	31,519
10. Financial guaranty			
11.1 Medical professional liability - occurrence			
11.2 Medical professional liability - claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability - occurrence			
17.2 Other liability - claims made			
18.1 Products liability - occurrence			
18.2 Products liability - claims made			
19.1 19.2 Private passenger auto liability	83,450	83,450	514,286
19.3 19.4 Commercial auto liability			
21. Auto physical damage	25,901	25,901	141,412
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business			
35. TOTALS	14,836,519	14,836,519	25,169,394
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page			
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)			

PART 3 (000 omitted)
LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2009 Loss and LAE Payments on Claims Reported as of Prior Year-End	2009 Loss and LAE Payments Unreported as of Prior Year-End	Total 2009 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2006 + Prior	2		2	10		10	84		112	196	92	112	204
2. 2007	2,990	1,227	4,217	690		690	2,920	41	1,633	4,594	610	447	1,057
3. Subtotals 2007 + Prior	2,990	1,227	4,217	690		690	3,004	41	1,745	4,790	702	559	1,261
4. 2008	8,408	12,932	21,340	4,157	95	4,252	5,078	775	10,072	15,925	827	(1,990)	(1,163)
5. Subtotals 2008 + Prior	11,400	14,159	25,559	4,847	95	4,942	8,082	816	11,817	20,715	1,529	(1,431)	98
6. 2009	XXX	XXX	XXX	XXX	1,590	1,590	XXX	5,112	2,156	7,268	XXX	XXX	XXX
7. Totals	11,400	14,159	25,559	4,847	1,675	6,522	8,082	5,928	13,973	27,983	1,529	(1,431)	96
8. Prior Year-End's Surplus As Regards Policyholders											Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7
											1. 13,412	2. (10,107)	3. 0.383
													Col. 13, Line 7 Line 8
													4.

IN THE CIRCUIT COURT OF THE
SECOND JUDICIAL CIRCUIT IN AND
FOR LEON COUNTY, FLORIDA

IN RE: The Receivership of
NORTHERN CAPITAL INSURANCE
COMPANY, a Florida corporation authorized
to transact an insurance business in Florida

CASE NO.: 2010-

**CONSENT ORDER APPOINTING THE FLORIDA DEPARTMENT OF
FINANCIAL SERVICES AS RECEIVER FOR PURPOSES OF REHABILITATION,
INJUNCTION, AND NOTICE OF AUTOMATIC STAY**

THIS CAUSE was considered on the Department of Financial Services' (hereinafter the "Department") Petition for an Order appointing the Department as Receiver for purposes of Rehabilitation of NORTHERN CAPITAL INSURANCE COMPANY, (hereinafter the "Respondent"). The Court, having reviewed the pleadings of record, and otherwise being fully informed in the premises finds that:

1. This Court has jurisdiction pursuant to Section 631.021(1), Florida Statutes, and venue is proper pursuant to Section 631.021(2), Florida Statutes.
2. Respondent is a corporation authorized pursuant to the Florida Insurance Code to transact business in the state of Florida as a domestic property and casualty insurer. Respondent's principal place of business is at 7200 Corporate Center Drive, Suite 505, Miami, FL 33126.
3. Section 631.021(3), Florida Statutes, provides that a delinquency proceeding pursuant to Chapter 631, Florida Statutes, constitutes the sole and exclusive method of liquidating, rehabilitating, reorganizing, or conserving an insurer. Further, Section 631.025(2), Florida Statutes, authorizes the Department to initiate delinquency proceedings against any insurer if the statutory grounds are present as to that insurer.

4. Section 631.051(11), Florida Statutes, authorizes the Department to apply to this Court for an order directing it to rehabilitate a domestic insurer upon the ground that the insurer has consented to such an order through a majority of its directors, stockholders, members, or subscribers. Respondent has consented to the appointment of the Department as Receiver for purposes of rehabilitation. It is in the best interests of Respondent and its creditors and insureds that the relief requested in the petition be granted.

THEREFORE, IT IS ORDERED AND ADJUDGED as follows:

5. The Department of Financial Services of the State of Florida is appointed Receiver of Respondent for purposes of rehabilitation and that the Receiver is authorized and directed to:

A. Conduct the business of Respondent and take all steps, as the Court may direct, toward the removal of the causes and conditions which have made the order of rehabilitation necessary and to take such further action, as the Receiver deems necessary or appropriate, to reform and revitalize the Respondent.

B. Take immediate possession of all the property, assets, and estate, and all other property of every kind whatsoever and wherever located, belonging to Respondent, pursuant to Sections 631.111 and 631.141, Florida Statutes, including but not limited to: offices maintained by Respondent, rights of action, books, papers, evidences of debt, bank accounts, savings accounts, certificates of deposit, stocks, bonds, debentures and other securities, mortgages, furniture, fixtures, office supplies and equipment, wherever situate and however titled, whether in the possession of Respondent or its officers, directors, shareholders,

trustees, employees, consultants, attorneys, agents or affiliates and all real property of Respondent, wherever situated, whether in the possession of Respondent or its officers, directors, shareholders, trustees, employees, consultants, attorneys, agents or affiliates.

C. Employ and authorize the compensation of legal counsel, actuaries, accountants, clerks, consultants and such assistants as it deems necessary, purchase or lease personal or real property as it deems necessary, and authorize the payment of the expenses of these proceedings and the necessary incidents thereof, as approved by the Court, to be paid out of the funds or assets of Respondent in the possession of the Receiver or coming into its possession

D. Reimburse such employees, from the funds of this receivership, for their actual necessary and reasonable expenses incurred while traveling on the business of this receivership.

E. Not defend or accept service of process on legal actions wherein Respondent, the Receiver, or the insured is a party defendant, commenced either prior to or subsequent to the order, without authorization of this Court; except, however, in actions where Respondent is a nominal party, as in certain foreclosure actions, and the action does not affect a claim against or adversely affect the assets of Respondent, the Receiver may file appropriate pleadings in its discretion.

F. Commence and maintain all legal actions necessary, wherever necessary, for the proper administration of this receivership proceeding.

G. Collect all debts that are economically feasible to collect which are

due and owing to Respondent.

H. Deposit funds and maintain bank accounts in accordance with Section 631.221, Florida Statutes.

I. Take possession of all of Respondent's securities and certificates of deposit on deposit with the Chief Financial Officer of Florida, or any similar official of any other state, if any, and convert to cash as much as may be necessary, in its judgment, to pay the expenses of administration of this receivership or otherwise best benefit the estate.

J. Apply to this Court for further instructions in the discharge of its duties as may be necessary.

K. For purposes of this Order, the term "affiliate" shall be defined in accordance with Section 631.011(10), Florida Statutes, and shall include, but not be limited to, Northern Capital Insurance Inc., Northern Capital Insurance Management, Keystone Adjuster Inc. and InsurePro Technologies Inc.

IT IS FURTHER ORDERED AND DIRECTED:

6. Any officer, director, manager, trustee, administrator, attorney, agent, accountant, actuary, broker, employee, adjuster, independent contractor, or affiliate of the Respondent and any other person who possesses or possesses any executive authority over, or who exercises or exercised any control over, any segment of Respondent's affairs or the affairs of its affiliates is required to fully cooperate with the Receiver, pursuant to Section 631.391, Florida Statutes. Any person who fails to cooperate with the Receiver, interferes with the Receiver, or fails to allow the instruction of the Receiver,

may be excluded from the building where the Respondent's offices are located at the Receiver's discretion.

7. Title to all property, real or personal, all contracts, rights of action and all books and records of Respondent, wherever located, is vested in the Receiver pursuant to Section 631.141, Florida Statutes.

8. The Receiver is granted all of the powers of the Respondent's directors, officers, and managers whose authority shall be suspended, except as such powers are re-delegated in writing by the Receiver. The Receiver has full power to direct and manage the affairs of Respondent, to hire and discharge employees, and deal with the property and business of the Respondent.

9. All attorneys employed by Respondent as of the date of the Order, within 10 days of receiving notice of this Order, are required to report to the Receiver on the name, company claim number and status of each file they are handling on behalf of the Respondent. Said report shall also include an accounting of any funds received from or on behalf of the Respondent. All attorneys employed by Respondent advised that pursuant to Sections 631.011(17) and 631.011(21), Florida Statutes, a claim based on mere possession does not create a secured claim and all attorneys employed by Respondent, pursuant to In Re the Receivership of Syndicate Two, Inc., 538 So.2d 945 (Fla. 1st DCA 1989), who are in possession of litigation files or other material, documents or records belonging to or relating to work performed by the attorney on behalf of Respondent shall be required to deliver such litigation files, material, documents or records intact and without purging to the Receiver, on request, notwithstanding any claim of a retaining lien which, if otherwise valid, shall not be extinguished by the delivery of

these documents.

10. All agents, brokers or other persons having sold policies of insurance and/or collected premiums on behalf of the Respondent are required to account for and pay all premiums and commissions unearned due to cancellation of policies in the normal course of business owed to the Respondent directly to the Receiver within 30 days of demand by the Receiver or appear before this Court to show cause, if any they may have, as to why they should not be required to account to the Receiver or be held in contempt of Court for violation of the provisions of the Order. No agent, broker, premium finance company or other person shall use premium monies owed to the Respondent for refund of unearned premium or for any purpose other than payment to the Receiver.

11. Any premium finance company which has entered into a contract to finance a premium for a policy, which has been issued by the Respondent, is required to pay any premium owed to the Respondent directly to the Receiver.

12. Reinsurance premiums due to or payable by Respondent shall be remitted to, or disbursed by, the Receiver. The Receiver shall handle reinsurance losses recoverable or payable by the Respondent. All correspondence concerning reinsurance shall be between the Receiver and the reinsuring company or intermediary.

13. Upon request by the Receiver, any company providing telephonic services to the Respondent is directed to provide a reference of calls from the number presently assigned to the Respondent to any such number designated by the Receiver or perform any other services or changes necessary to the conduct of the receivership.

14. Any bank, savings and loan association, financial institution or other person which has on deposit, in its possession, custody or control any funds, accounts and

any other assets of the Respondent is directed to immediately transfer title, custody and control of all such funds, accounts and other assets to the Receiver. The Receiver is authorized to change the name of such accounts and other assets, withdraw them from such bank, savings and loan association or other financial institution, or take any lesser action necessary for the proper conduct of this receivership. No bank, savings and loan association or other financial institution shall be permitted to exercise any form of set-off, alleged set-off, lien, any form of self-help whatsoever, or refuse to transfer any funds or assets to the Receiver's control unless and until obtaining an Order from this Court authorizing such action.

15. Any entity furnishing telephone, water, electric, sewage, garbage or trash removal services to Respondent is required to maintain such service and transfer any such accounts to the Receiver as of the date of the Order, unless instructed to the contrary by the Receiver.

16. Any data processing service not affiliated with Northern Capital Insurance Company, which has custody or control of any data processing information and records including but not limited to source documents, data processing cards, input tapes, all types of storage information, master tapes or any other recorded information relating to Respondent is directed to transfer custody and control of such records to the Receiver. The Receiver is authorized to compensate any such entity for the actual use of hardware and software which the Receiver finds to be necessary to this proceeding. Compensation shall be based upon the monthly rate provided for in contracts or leases with Respondent which was in effect when this proceeding was instituted, or based upon such contract as may be negotiated by the Receiver, for the actual time such equipment and software is

used by the Receiver.

17. The United States Postal Service is directed to provide any information requested by the Receiver regarding Respondent and to handle future deliveries of Respondent's mail as directed by the Receiver.

18. All insurance policies, bonds or similar contracts of coverage issued by Respondent shall remain in full force and effect until they are cancelled.

19. All affiliated companies and associations are directed to make their books and records available to the Receiver, to include all records located in any premises occupied by said affiliate, whether corporate records or not, and to provide copies of any records requested by the Receiver whether or not such records are related to respondent. The Receiver has title to all policy files and other records of, relating to Respondent, whether such documents are kept in office occupied by an affiliate company or any other person, corporation, or association. The Receiver is authorized to take possession of any such records, files, and documents, and to remove them to any location in the Receiver's discretion. Any disputed records shall not be withheld from the Receiver's review, but should be safeguard and presented to this Court for review prior to removal by the Receiver.

20. The Receiver shall have complete access to and administrative control of all computer systems, information, equipment and/or records of the Respondent and its affiliates at all times including but not limited to Respondent's computer records. Each affiliate shall be given reasonable access to such records and systems for the purpose of carrying out its business operations. Any affiliate or person, disclosed or undisclosed, having custody or control of any data processing system, information, equipment and/or

records including hardware, operating systems, security systems, all types of data storage systems, master tapes and any other electronic data relating to Respondent shall immediately transfer custody and control of such systems and records to the Receiver.

21. Any person, firm, corporation or other entity having notice of the Order that fails to abide by its term is directed to appear before this Court to show good cause, if any they may have, as to why they should not be held in contempt of Court for violation of the provisions of this Order.

22. Pursuant to Sections 631.041(3) and (4), Florida Statutes, all persons, firms, corporations and associations within the jurisdiction of this Court, including, but not limited to, Respondent and its officers, directors, stockholders, members, subscribers, agents and employees, are hereby enjoined and restrained: from the further transaction of the insurance business of the Respondent: from doing, doing through omission, or permitting to be done any action which might waste or dispose of the books, records and assets of Respondent; from by any means interfering with the Receiver or these proceedings; from the transfer of property and assets of Respondent without the consent of the Receiver; from the removal, concealment, or other disposition of Respondent's property, books, records, and accounts; from the commencement or prosecution of any actions against Respondent or the Receiver together with its agents or employees, the service of process and subpoenas, or the obtaining of preferences judgments, writs of attachment or garnishment or other liens; and from the making of any levy or execution against Respondent or any of its property or assets. Notwithstanding the provisions of this paragraph, the Receiver is permitted to accept and be subpoenaed for non-party production of claims files in its possession, including medical records, which may be

contained therein. In such cases, the requesting party must submit an affidavit to the Receiver stating that notice of the non-party production was appropriately issued and provided to the patient and that the patient was given the opportunity to object and either did not object to the non-party production, or objected and the Court overruled the objection, in which case a copy of the Court's ruling must be attached to the affidavit. The Receiver is authorized to impose a charge for copies of such claim files pursuant to the provisions of Section 119.07 and 624.501, Florida Statutes.

23. All subsidiaries, affiliates, parent corporations, ultimate parent corporations, and any other business entity affiliated with Respondent shall fully cooperate with the Receiver in the effort to Rehabilitate Respondent.

24. All subsidiaries, affiliates, parent corporations, ultimate parent corporations, and any other business entity affiliated with Respondent having any interest in the building located at 7200 Corporate Center Drive, Suite 505, Miami, FL 33126 or any other suite (including but not limited to suites number 204, 201, 100, and 610) or facility in which Respondent may operate, agree to make available, at that location and at no charge to the Receiver or to Respondent, office space, and related facilities (telephone service, copiers, computer equipment and software, office supplies, parking, etc.) to the extent deemed necessary by the Receiver in its sole discretion.

25. All subsidiaries, affiliates, parent corporation, ultimate parent corporations, and any other business entity affiliated with Respondent having any interest in the computer equipment and software available to the Receiver at no charge to the Receiver or Respondent to the extent deemed necessary by the Receiver in its sole discretion.

26. Except for contracts of insurance, all executory contracts to which the Respondent was a party shall be cancelled and stand cancelled unless specifically adopted by the Receiver within ninety (90) days of the date of this Order or from the date of Receiver's actual knowledge of such contract, whichever is later, "Actual Knowledge" means the Receiver has in its possession the original of a written contract to which the Respondent is a party, and the Receiver has notified the vendor in writing acknowledging the existence of the contract. **Any vendor, including but not limited to, any and all employees / contractors of insurer, claiming the existence of a contractual relationship with the insurer shall provide notice to the Receiver of such relationship.** This notice shall include any and all documents and information regarding the terms and conditions of the contract, including a copy of the written contract between the vendor and the insurer, if any, what services or goods were provided pursuant to the contract, any current, future and/or past due amounts owing under the contract, and any supporting documentation for third party services or goods provided. Failure to provide the required information may result in vendors' contractual rights not being recognized by the Receiver. The rights of the parties to any such contracts are fixed as of the date of the Order and any cancellation under this provision shall not be treated as an anticipatory breach of such contracts.

CONTINUATION OF INVESTIGATION

27. The Receiver is authorized to conduct an investigation of Respondent and its affiliates, as defined above, to uncover and make fully available to the Court the true state of Respondent's financial affairs. In furtherance of this investigation, Respondent's parent corporations, its subsidiaries, and affiliates are required to make all books,

documents, accounts, records, and affairs, which either belong to or pertain to Respondent, available for full, free and unhindered inspection and examination by the Receiver during normal business hours (9:00 a.m. to 5:00 p.m.) Monday through Friday, from the date of the Order. The above-specified entities are required to cooperate with the Receiver to the fullest extent required by Section 631.391, Florida Statutes. Such cooperation should include, but not be limited to, the taking of oral testimony under oath of Respondent's officers, directors, managers, trustees, agents, adjusters, employees, or independent contractors of Respondent, its affiliates and any other person who possesses any executive authority over, or who exercises any control over, any segment of the affairs of Respondent in both their official, representative and individual capacities and the production of all documents that are calculated to disclose the true state of Respondent's affairs.

28. Any officer, director, manager, trustee, administrator, attorney, agent, accountant, actuary, broker, employee, adjuster, independent contractor, or affiliate of Respondent and any other person who possesses or possessed any executive authority over, or who exercises or exercised any control over, any segment of the affairs of Respondent or its affiliates shall be required to fully cooperate with the Receiver as required by Section 631.391, Florida Statutes, and as set out in the preceding paragraph. Upon receipt of a certified copy of the Order, any bank or financial institution shall be required to immediately disclose to the Receiver the existence of any accounts of Respondent and any funds contained therein and any and all documents in its possession relating to Respondent for the Receiver's inspection and copying.

29. All Sheriffs and all law enforcement of this state shall cooperate with and

assist the Receiver in the implementation of this Order

30. In the event the Receiver determines that reorganization, consolidation, conversion, reinsurance, merger, or other transformation of the Respondent is appropriate, the Receiver shall prepare a plan to effect such changes and submit the plan to this Court for consideration.

31. Upon petition by the Receiver stating that further efforts to rehabilitate Respondent would be useless, this court will consider entry of an order of liquidation of Respondent.

NOTICE OF AUTOMATIC STAY

32. Notice is hereby given that, pursuant to Section 631.041(1), Florida Statutes, the filing of the Department's initial petition herein operates as an automatic stay applicable to all persons and entities, other than the Receiver, which shall be permanent and survive the entry of this order, and which prohibits:

A. The commencement or continuation of judicial, administrative or other action or proceeding against the insurer or against its assets or any part thereof;

B. The enforcement of judgment against the insurer or an affiliate obtained either before or after the commencement of the delinquency proceeding;

C. Any act to obtain possession of property of the insurer;

D. Any act to create, perfect or enforce a lien against property of the insurer, except a secured claim as defined in Section 631.011(21), Florida Statutes;

✧ E. Any action to collect, assess or recover a claim against the insurer, except claims as provided for under Chapter 631;

F. The set-off or offset of any debt owing to the insurer except offsets as provided in Section 631.281, Florida Statutes.

33. This Court retains jurisdiction of this cause for the purpose of granting such other and further relief as from time to time shall be deemed appropriate.

CIRCUIT JUDGE

COPIES FURNISHED TO:

William Spillias, Chief Attorney
Florida Department of Financial Services
Division of Rehabilitation and Liquidation
P.O. Box 110
Tallahassee, Florida 32302

IN THE CIRCUIT COURT OF THE
SECOND JUDICIAL CIRCUIT IN AND
FOR LEON COUNTY, FLORIDA

IN RE: The Receivership of
NORTHERN CAPITAL INSURANCE
COMPANY, a Florida corporation authorized
to transact an insurance business in Florida

CASE NO.: 2010-

**CONSENT ORDER APPOINTING THE FLORIDA DEPARTMENT OF
FINANCIAL SERVICES AS RECEIVER FOR PURPOSES OF LIQUIDATION,
INJUNCTION, AND NOTICE OF AUTOMATIC STAY**

THIS CAUSE was considered on the Department of Financial Services' (hereinafter the "Department") Petition for Order Appointing the Florida Department of Financial Services as Receiver for Rehabilitation, Injunction, Automatic Stay, and Plan of Liquidation of NORTHERN CAPITAL INSURANCE COMPANY, (hereinafter the "Respondent"). The Court, having reviewed the pleadings of record, and otherwise being fully informed in the premises finds that:

1. This Court has jurisdiction pursuant to Section 631.021(1), Florida Statutes, and venue is proper pursuant to Section 631.021(2), Florida Statutes.
2. Respondent is a corporation authorized pursuant to the Florida Insurance Code to transact business in the state of Florida as a domestic property and casualty insurer. Respondent's principal place of business is at 7200 Corporate Center Drive, Suite 505, Miami, FL 33126.
3. Section 631.021(3), Florida Statutes, provides that a delinquency proceeding pursuant to Chapter 631, Florida Statutes, constitutes the sole and exclusive method of liquidating, rehabilitating, reorganizing, or conserving an insurer. Further, Section 631.025(2), Florida Statutes, authorizes the Department to initiate delinquency

proceedings against any insurer if the statutory grounds are present as to that insurer.

4. Section 631.051(11), Florida Statutes, authorizes the Department to apply to this Court for an Order directing it to rehabilitate or liquidate a domestic insurer upon the ground that the insurer has consented to such an order through a majority of its directors, stockholders, members, or subscribers. Respondent has consented to the appointment of the Department as Receiver for purposes of rehabilitation and, if determined necessary by the Receiver, entry of an Order of liquidation without a hearing. It is in the best interest of Respondent and its creditors and insureds that the relief in the petition be granted.

5. The Respondent is insolvent in that it is unable to pay its debts as they become due in the usual course of business. If all Respondent's statutorily admitted assets were made immediately available, the Respondent's liabilities exceed its statutorily admitted assets. Accordingly, Respondent is insolvent within the meaning of Sections 631.011(12), (14), and 631.051(1), Florida Statutes.

6. By letter dated April 7, 2010, to the Honorable Alex Sink, Chief Financial Officer of the State of Florida, Kevin McCarty, Commissioner of the Florida Office of Insurance Regulation, recommended that delinquency proceedings, pursuant to Chapter 631, Florida Statutes, be initiated against Respondent. Respondent consented to the appointment of the Department as Receiver for the purposes of rehabilitation pursuant to Section 631.051(11) and if subsequently determined necessary by the Receiver, entry of an Order of liquidation.

7. On April __, 2010, this Court entered an Order Appointing the Florida Department of Financial Services as Receiver for Northern Capital Insurance Company

for Purposes of Rehabilitation.

8. Respondent must be liquidated to protect the remaining assets of Respondent for the benefit of its policyholders, creditors and the public.

9. In its consent, Respondent waived all rights to contest the Receiver's Petition for Liquidation and any further proceedings concerning same.

THEREFORE, IT IS ORDERED AND ADJUDGED as follows:

10. Effective May 1, 2010, at 12:01 A.M., unless the Receiver petitions for an extension, or shortening of the rehabilitation period prior to that date, The Department of Financial Services of the State of Florida shall be and is hereby appointed Receiver of Respondent for purposes of Liquidation.

11. The Receiver shall be authorized and directed to:

A. Take immediate possession of all the property, assets, and estate, and all other property of every kind whatsoever and wherever located belonging to Respondent pursuant to Sections 631.111 and 631.141, Florida Statutes, including but not limited to: offices maintained by Respondent, rights of action, books, papers, evidences of debt, bank accounts, savings accounts, certificates of deposit, stocks, bonds, debentures and other securities, mortgages, furniture, fixtures, office supplies and equipment, wherever situate and however titled, whether in the possession of Respondent or its officers, directors, shareholders, trustees, employees, consultants, attorneys, agents or affiliates and all real property of Respondent, wherever situate, whether in the possession of Respondent or its officers, directors, shareholders, trustees, employees, consultants, attorneys, agents or affiliates.

B. Liquidate the assets of Respondent, including but not limited to, funds held by Respondent's agents, subagents, producing agents, brokers, solicitors, service representatives or others under agency contracts or otherwise which are due and unpaid to Respondent, including premiums, unearned commissions, agents' balances, agents' reserve funds, and subrogation recoveries.

C. Employ and authorize the compensation of legal counsel, actuaries, accountants, clerks, consultants, and such assistants as it deems necessary, purchase or lease personal or real property as it deems necessary, and authorize the payment of the expenses of these proceedings and the necessary incidents thereof, as approved by the Court, to be paid out of the funds or assets of the Respondent in the possession of the Receiver or coming into its possession.

D. Reimburse such employees, from the funds of this receivership, for their actual necessary and reasonable expenses incurred while traveling on the business of this receivership.

E. Not defend or accept service of process on legal actions wherein Respondent, the Receiver, or the insured is a party defendant, commenced either prior to or subsequent to the order, without authorization of this Court; except, however, in actions where Respondent is a nominal party, as in certain foreclosure actions, and the action does not affect a claim against or adversely affect the assets of Respondent, the Receiver may file appropriate pleadings in its discretion.

F. Commence and maintain all legal actions necessary, wherever necessary, for the proper administration of this receivership proceeding.

G. Collect all debts which are economically feasible to collect which are due and owing to Respondent.

H. Deposit funds and maintain bank accounts in accordance with Section 631.221, Florida Statutes.

I. Take possession of all of Respondent's securities and certificates of deposit on deposit with the Chief Financial Officer of Florida or any similar official of any other state, if any, and convert to cash as much as may be necessary, in its judgment, to pay the expenses of administration of this receivership or otherwise best benefit the estate.

J. Publish notice specifying the time and place fixed for the filing of claims with the Receiver once each week for three consecutive weeks in the Florida Administrative Weekly published by the Secretary of State, and at least once in the Florida Bar News and to publish notice by similar methods in all states where Respondents may have issued insurance policies.

K. Negotiate and settle subrogation claims and Final Judgments up to and including the sum of Twenty Thousand Dollars (\$20,000.00) without further order of this Court.

L. Sell any salvage recovered property having value of not more than Twenty Thousand Dollars (\$20,000.00) without further order of this Court.

M. Coordinate the operation of the Receivership with the Florida Insurance Guaranty Association ("FIGA") pursuant to Part II, Chapter 631, Florida Statutes. The Receiver may, in its discretion, contract with the appropriate guaranty association to provide services as are necessary to carry out the purposes

of Chapter 631.

N. Give notice of this proceeding to Respondent's agents pursuant to Section 631.341, Florida Statutes, and to its insureds, if any.

O. All officers, directors, trustees, administrators, agents and employees and all other persons representing Respondent or currently employed or utilized by Respondent in connection with the conduct of its business are discharged forthwith; provided, however, the Receiver may retain such persons in the Receiver's discretion.

P. Any officer, director, manager, trustee, administrator, attorney, agent, accountant, actuary, broker, employee, adjuster, independent contractor, or affiliate of Respondent and any other person who possesses or possessed any executive authority over, or who exercises or exercised any control over, any segment of Respondent's affairs or the affairs of its affiliates shall be required to fully cooperate with the Receiver, pursuant to Section 631.391, Florida Statutes, notwithstanding the provisions of the above paragraph.

Q. Title to all property, real or personal, all contracts, rights of action and all books and records of Respondent, wherever located, is vested in the Receiver pursuant to Sections 631.111 and 631.141, Florida Statutes.

R. All attorneys employed by Respondent as of the date of the Order, within 10 days notice of the Order, are required to report to the Receiver on the name, company claim number and status of each file they are handling on behalf of the Respondent. Said report shall also include an accounting of any funds received from or on behalf of the Respondent. All attorneys employed by

of Chapter 631.

N. Give notice of this proceeding to Respondent's agents pursuant to Section 631.341, Florida Statutes, and to its insureds, if any.

O. All officers, directors, trustees, administrators, agents and employees and all other persons representing Respondent or currently employed or utilized by Respondent in connection with the conduct of its business are discharged forthwith; provided, however, the Receiver may retain such persons in the Receiver's discretion.

P. Any officer, director, manager, trustee, administrator, attorney, agent, accountant, actuary, broker, employee, adjuster, independent contractor, or affiliate of Respondent and any other person who possesses or possessed any executive authority over, or who exercises or exercised any control over, any segment of Respondent's affairs or the affairs of its affiliates shall be required to fully cooperate with the Receiver, pursuant to Section 631.391, Florida Statutes, notwithstanding the provisions of the above paragraph.

Q. Title to all property, real or personal, all contracts, rights of action and all books and records of Respondent, wherever located, is vested in the Receiver pursuant to Sections 631.111 and 631.141, Florida Statutes.

R. All attorneys employed by Respondent as of the date of the Order, within 10 days notice of the Order, are required to report to the Receiver on the name, company claim number and status of each file they are handling on behalf of the Respondent. Said report shall also include an accounting of any funds received from or on behalf of the Respondent. All attorneys employed by

Respondent shall be discharged as of the date of the Order unless their services are retained by the Receiver. All attorneys employed by Respondent shall be advised that pursuant to Section 631.011(21), Florida Statutes, a claim based on mere possession does not create a secured claim and all attorneys employed by Respondent, pursuant to In Re the Receivership of Syndicate Two, Inc., 538 So.2d 945 (Fla. 1st DCA 1989), who are in possession of litigation files or other material, documents or records belonging to or relating to work performed by the attorney on behalf of Respondent shall be required to deliver such litigation files, material, documents or records intact and without purging to the Receiver, on request, notwithstanding any claim of a retaining lien which, if otherwise valid, shall not be extinguished by the delivery of these documents.

S. All agents, brokers or other persons having sold policies of insurance and/or collected premiums on behalf of the Respondent shall be required to account for and pay all premiums and commissions unearned due to cancellation of policies by the Order or in the normal course of business owed to the Respondent directly to Receiver within 30 days of demand by the Receiver or appear before this Court to show cause, if any they may have, as to why they shall not be required to account to the Receiver or be held in contempt of Court for violation of the provisions of the Order. No agent, broker, premium finance company or other person shall use premium monies owed to the Respondent for refund of unearned premium or for any purpose other than payment to the Receiver.

T. Any premium finance company which has entered into a contract

to finance a premium for a policy which has been issued by the Respondent shall be required to pay any premium owed to the Respondent directly to the Receiver.

U. Reinsurance premiums due to or payable by Respondent shall be remitted to, or disbursed by, the Receiver. Reinsurance losses recoverable or payable by Respondent shall be handled by the Receiver. All correspondence concerning reinsurance shall be between the Receiver and the reinsuring company or intermediary.

V. Upon request by the Receiver, any company providing telephonic services to Respondent shall be required to provide a reference of calls from the number presently assigned to Respondent to any such number designated by the Receiver or perform any other services or changes necessary to the conduct of the receivership.

W. Any bank, savings and loan association, or other financial institution which has on deposit, in its possession, custody or control any funds, accounts and any other assets of Respondent, shall be required to immediately transfer title, custody and control of all such funds, accounts and other assets to the Receiver. The Receiver shall be authorized to change the name of such accounts and other assets, withdraw them from such bank, savings and loan association or other financial institution, or take any lesser action necessary for the proper conduct of this receivership. No bank, savings and loan association or other financial institution shall be permitted to exercise any form of set-off, alleged set-off, lien, any form of self-help whatsoever, or refuse to transfer any funds or assets to the Receiver's control without the permission of this Court.

X. Any entity furnishing telephone, water, electric, sewage, garbage or trash removal services to Respondent shall be required to maintain such service and transfer any such accounts to the Receiver as of the date of the Order, unless instructed to the contrary by the Receiver.

Y. Any data processing service, which has custody or control of any data processing information and records including but not limited to source documents, data processing cards, input tapes, all types of storage information, master tapes or any other recorded information relating to Respondent shall be required to transfer custody and control of such records to the Receiver. The Receiver shall be authorized to compensate any such entity for the actual use of hardware and software which the Receiver finds to be necessary to this proceeding. Compensation shall be based upon the monthly rate provided for in contracts or leases with Respondent which was in effect when this proceeding was instituted, or based upon such contract as may be negotiated by the Receiver, for the actual time such equipment and software is used by the Receiver.

Z. The United States Postal Service shall be directed to provide any information requested by the Receiver regarding Respondent and to handle future deliveries of Respondent's mail as directed by the Receiver.

AA. All claims shall be filed with the Receiver on or before 11:59:59 p.m. on April 30, 2011, or be forever barred, and all such claims shall be filed on proof of claim forms prepared by the Receiver.

BB. Except for contracts of insurance, if the Receiver does not assume or reject an executory contract, in whole or in part, to which Respondent was a

party within ninety (90) days of the date of this Order or from the date of Receiver's actual knowledge of such contract, whichever is later, then such contract shall be deemed rejected. "Actual Knowledge" means the Receiver has in its possession the original of a written contract to which the Respondent is a party, and the Receiver has notified the vendor in writing acknowledging the existence of the contract. Further, the Receiver shall have the authority to do the following:

A) Pay for services provided by any of Respondent's vendors, in the ninety (90) day period prior to assuming or rejecting the contract, which are necessary to administer the Receivership estate;

B) Once the Receiver determines Respondent's vendor is necessary in the continued administration of the Receivership estate for a period to exceed the ninety (90) days from the date of this order, or from the date of Receiver's actual knowledge of such contract, whichever is later, the Receiver may make minimal modifications to the terms of the contract, including, but not limited to, the expiration date of the agreement, the scope of the services to be provided, and/or the compensation to be paid to Respondent's vendor pursuant to the contract. "Minimal Modifications" shall mean any minimum alteration made to the contract in order to adapt to the new circumstances of the Receivership estate. In no event will any minimal modification be construed as the Receiver entering into a new contract with Respondent's vendor.

Any vendor, including but not limited to, any and all employees / contractors of insurer, claiming the existence of a contractual relationship with the insurer shall provide notice to the Receiver of such relationship. This notice shall include any and all documents and information regarding the terms and conditions of the contract,

including a copy of the written contract between the vendor and the insurer, if any, what services or goods were provided pursuant to the contract, any current, future and/or past due amounts owing under the contract, and any supporting documentation for third party services or goods provided. Failure to provide the required information may result in vendors' contractual rights not being recognized by the Receiver. The rights of the parties to any such contracts are fixed as of the date of the Order and any cancellation under this provision shall not be treated as an anticipatory breach of such contracts.

CC. All affiliated companies and associations, including but not limited to Northern Capital Insurance Company, and the shareholder-owners of Northern Capital Insurance Inc., Northern Capital Insurance Management, Keystone Adjuster Inc., and InsurePro Technologies Inc., shall make their books and records available to the Receiver, to include all records located in any premises occupied by said affiliate, whether corporate records or not, and to provide copies of any records requested by the Receiver whether or not such records are related to Respondent. The Receiver shall have title to all policy files and other records of, and relating to Respondent, whether such documents are kept in offices occupied by an affiliate company or any other person, corporation, or association. The Receiver shall be authorized to take possession of any such records, files, and documents, and to remove them to any location in the Receiver's discretion. Any disputed records shall not be withheld from the Receiver's review, but shall be safeguarded and presented to this Court for review prior to copying by the Receiver.

DD. The Receiver shall have complete access to and administrative

control of all computer systems, information, equipment and/or records of the Respondent and its affiliates at all times including but not limited to Respondent's computer records. Each affiliate shall be given reasonable access to such records and systems for the purpose of carrying out its business operations. Any affiliate or person, disclosed or undisclosed, having custody or control of any data processing system, information, equipment and/or records including hardware, operating systems, security systems, all types of data storage systems, master tapes and any other electronic data relating to Respondent shall immediately transfer custody and control of such systems and records to the Receiver.

EE. Any person, firm, corporation or other entity having notice of the Order that fails to abide by its terms shall be directed to appear before this Court to show good cause, if any they may have, as to why they shall not be held in contempt of Court for violation of the provisions of this Order.

12. Except as noted in the following paragraph, pursuant to the provisions of 631.252, Florida Statutes, all policies of insurance or similar contracts of coverage that have not expired are canceled effective 11:59:59 PM on May 30, 2010. Policies or contracts of coverage with normal expiration dates prior to the dates otherwise applicable under this paragraph, or which are terminated by insureds or lawfully canceled by the Receiver or insurer before such date, shall stand canceled as of the earlier date.

13. All subsidiaries, affiliates, parent corporations, ultimate parent corporations, and any other business entity affiliated with Northern Capital Insurance Company having any interest in the building located at 7200 Corporate Center Drive, Suite 505, Miami, Fl 33126 or any other suite (including but not limited to suite number

204, 201, 100 and 610) or any other facility in which Northern Capital Insurance Company may operate, shall make available, at that location and at no charge to the Receiver or to Northern Capital Insurance Company, office space, and related facilities (telephone service, copiers, computer equipment and software, office supplies, parking, etc.) to the extent deemed necessary by the Receiver in its sole discretion.

14. All subsidiaries, affiliates, parent corporations, ultimate parent corporations, and any other business entity affiliated with Northern Capital Insurance Company having any interest in the computer equipment and software currently used by or for Northern Capital Insurance Company shall make such computer equipment and software available to the Receiver at no charge to the Receiver or Northern Capital Insurance Company to the extent deemed necessary by the Receiver in its sole discretion.

CONTINUATION OF INVESTIGATION

15. The Receiver shall be authorized to conduct an investigation as authorized by Section 631.391, Florida Statutes, of Respondent and its affiliates, as defined above, to uncover and make fully available to the Court the true state of Respondent's financial affairs. In furtherance of this investigation, Respondent and its affiliates shall be required to make all books, documents, accounts, records, and affairs, which either belong to or pertain to Respondent, available for full, free and unhindered inspection and examination by the Receiver during normal business hours (9:00 a.m. to 5:00 p.m.) Monday through Friday, from the date of the Order. Respondent and the above specified entities shall be required to cooperate with the Receiver to the fullest extent required by Section 631.391, Florida Statutes. Such cooperation shall include, but not be limited to, the taking of oral testimony under oath of Respondent's officers, directors, managers, trustees, agents,

adjusters, employees, or independent contractors of Respondent, its affiliates and any other person who possesses any executive authority over, or who exercises any control over, any segment of the affairs of Respondent in both their official, representative and individual capacities and the production of all documents that are calculated to disclose the true state of Respondent's affairs.

16. Any officer, director, manager, trustee, administrator, attorney, agent, accountant, actuary, broker, employee, adjuster, independent contractor, or affiliate of Respondent and any other person who possesses or possessed any executive authority over, or who exercises or exercised any control over, any segment of the affairs of Respondent or its affiliates shall be required to fully cooperate with the Receiver as required by Section 631.391, Florida Statutes, and as set out in the preceding paragraph. Upon receipt of a certified copy of the Order, any bank or financial institution shall be required to immediately disclose to the Receiver the existence of any accounts of Respondent and any funds contained therein and any and all documents in its possession relating to Respondent for the Receiver's inspection and copying.

NOTICE OF AUTOMATIC STAY

17. Notice is hereby given that, pursuant to Section 631.041(1), Florida Statutes, the filing of the Department's initial petition herein operates as an automatic stay applicable to all persons and entities, other than the Receiver, which shall be permanent and survive the entry of this order, and which prohibits:

A. The commencement or continuation of judicial, administrative or other action or proceeding against the insurer or against its assets or any part thereof;

B. The enforcement of judgment against the insurer or an affiliate, provided that such affiliate is owned by or constitutes an asset of Respondent, obtained either before or after the commencement of the delinquency proceeding;

C. Any act to obtain possession of property of the insurer;

D. Any act to create, perfect or enforce a lien against property of the insurer, except a secured claim as defined in Section 631.011(21), Florida Statutes;

E. Any action to collect, assess or recover a claim against the insurer, except claims as provided for under Chapter 631;

F. The set-off or offset of any debt owing to the insurer except offsets as provided in Section 631.281, Florida Statutes.

18. All Sheriffs and all law enforcement officials of the state shall cooperate with and assist the Receiver in the implementation of this Order.

19. This Court retains jurisdiction of this cause for the purpose of granting such other and further relief as from time to time shall be deemed appropriate.

20. The Respondent is ordered into liquidation, effective May 1, 2010.

DONE and ORDERED in Chambers at the Leon County Courthouse in Tallahassee, Leon County, Florida this ____ day of April, 2010.

CIRCUIT JUDGE

COPIES FURNISHED TO:

William Spillias, Chief Attorney
Florida Department of Financial Services
Division of Rehabilitation and Liquidation
P.O. Box 110
Tallahassee, Florida 32302