

**IMPORTANT – READ CAREFULLY**

**INSTRUCTIONS FOR COMPLETING AND FILING A FINAL PROOF OF CLAIM FORM IN THE MATTER OF THE LIQUIDATION OF SOUTHERN AMERICAN INSURANCE COMPANY (SAIC)**

A Final Proof of Claim Form stating a final claimed amount for all REMAINING SAIC CLAIMS, along with all supporting documentation, must be completed in accordance with these instructions and hard copy filed at the address indicated in the NOTICE and received by the Liquidator of SAIC by 5:00 PM MST on December 28, 2006 in order to be entitled to any payments from the estate of SAIC on those REMAINING SAIC CLAIMS.

A REMAINING SAIC CLAIM is a claim that has been previously submitted to the Liquidator of SAIC which has NOT been determined (with stated exceptions – see NOTICE). If you are receiving this NOTICE and Instructions, it is because you have REMAINING SAIC CLAIM(S) and the documentation previously provided is NOT adequate for the Liquidator to determine the claim. For policyholder claims a listing of these claims is enclosed on the schedule entitled “REMAINING SAIC CLAIMS”. You MUST complete the enclosed Final Proof of Claim Form for any and all amounts you wish to claim on your REMAINING SAIC CLAIM(S), state the total amount claimed and provide all documentation to support the claimed amounts.

If you have submitted multiple claims and SOME of those claims HAVE been determined and Court approved (this could be for any amount including \$0), DO NOT SUBMIT ANY ADDITIONAL DOCUMENTATION ON THOSE CLAIMS. You should ONLY submit documentation for REMAINING SAIC CLAIMS – those that have NOT been determined.

A completed Final Proof of Claim Form must include the claimed amount and a full and detailed statement of the facts constituting and supporting the claim(s). If there is not enough space available on the form, attach additional sheets and/or schedules.

ALL POLICYHOLDERS with claims, or claims against them by other parties, should check the first box indicating the claim is made by policyholder for benefits provided by the policy. You must file a Final Proof of Claim Form even if the claim against you (the insured) is in suit. You must file the Final Proof of Claim Form, specifying the total amount claimed to the best of your knowledge and belief since **this is your final opportunity to file a claim**. If you fail to adequately describe and document your claim, for purposes of this liquidation, your Final Proof of Claim may be rejected at the sole discretion of the Liquidator.

Each claim may have multiple parts. Current and future values on existing claims and incurred but not reported (IBNR) claim amounts should be valued and reported/claimed on an undiscounted basis as of December 28, 2006.

For each type of “long-tail” claim the following types of documentation should be included:

1. Your method of allocation showing how costs for indemnity and defense will breach SAIC policy limits and your basis in case law for such a methodology. Please provide the trigger theory employed in calculating your allocation.
2. All claimed amounts should indicate what amounts have been spent for indemnity and separately for defense by underlying insurers.
3. With respect to environmental claims please provide site specific information including how past costs were spent in the remediation of the site.
4. Detailed information regarding how your method of allocation was apportioned among all insurance policies triggered.
5. Cost information for the participation of primary and/or excess insurance carriers for both indemnity payments and defense expenses. Information regarding settlements with other insurance carriers should be included.
6. For those sites not owned by the insured please indicate the insured’s involvement in the site, the participation percentage amount that may have been assigned as a Potentially Responsible Party (PRP), and the policy years triggered.
7. If you believe various bodily injury or product liability claims will ultimately breach SAIC policies please provide amounts spent on defense and indemnity, including settlement. Also, please provide an actuarial extrapolation of how and when these claims will breach SAIC policies.

Supporting Documentation for all components of the existing claim, including any IBNR, will be reviewed by the Liquidator’s claims staff in a manner consistent with all prior evaluations to determine the validity and reasonableness of the claim and may include a review by the Liquidator’s actuary. It is possible that the Liquidator will make requests for additional Supporting Documentation in the process of determining the claim.

Once the total undiscounted amount of any existing claims, including IBNR, has been determined, the amount will be discounted to take account of the time value of money by calculating the present value as of December 28, 2006. The discount factors to be applied will depend on the rate of interest and claims development patterns.

Failure to provide the appropriate and adequate Supporting Documentation to allow the Liquidator to evaluate the claim and to assess any discounted net present value, may result in the Liquidator disallowing in whole or in part any unsupported part of an existing claim, including any IBNR. You will be notified of the Liquidator’s determination and have the right to object to the determination according to established procedures.

**CLAIMANTS OTHER THAN POLICYHOLDERS** should check the appropriate box on the Final Proof of Claim Form. This Proof must be filed, even though the claim was presented to the policyholder and/or the company previously, and even though a lawsuit has been filed against the policyholder and/or the company. Failure to file a Final Proof of Claim will preclude your claim in the liquidation. If you fail to provide adequate documentation to support your claim, your Final Proof of Claim may be rejected at the sole discretion of the Liquidator.

Claims submitted for assumed reinsurance, legal, adjusting, or general creditor fees must include the original written contract or a description of any other agreement with the company and must be accompanied by detailed invoices.

ALL Supporting Information and documents must be attached to the Final Proof of Claim Form:

1. If the claim is for a loss under a policy or contract of insurance, attach a copy of the proof of loss, if any, filed with the company previously.
2. If the claim is for materials supplied, services rendered, or a contract with the company other than a policy or contract of insurance, a copy of the contract should be attached. If such contract was oral, give the name of the person who acted for the company and the terms of the contract or agreement.
3. If any document has been lost, destroyed, or cannot be provided, the reason must be stated.
4. Claims filed by receivers, administrators, assignees, attorney-in-fact, guardians, or other representatives, should include proof of authority.
5. If you have been sued in connection with the claim, attach a copy of the summons and complaint or petition.
6. Supporting Information for all claims being submitted should be in the same or substantially the same form as is customary for the insured/reinsured to send to the Liquidator or the broker and, where applicable, stating SAIC's policy reference and share of the liabilities under the policy (ies). The Liquidator may request further Supporting Information in support of the figures supplied. If the Supporting Information does not support any element of a claim, the Liquidator may disregard such element when assessing the claim.

**IT IS MOST IMPORTANT** that you carefully check the information provided on the Final Proof of Claim Form and the schedule of REMAINING SAIC CLAIMS. If any of the information is in any way inaccurate or incomplete you should immediately inform SAIC by submitting the Final Proof of Claim Form, and in any event not later than the Bar Date.

The Final Proof of Claim Form must be signed as follows:

- (a) A claimant who is an individual should sign on the line indicated.
- (b) A claim filed by a corporation should be signed by an authorized corporate officer, including the title, on the line indicated.

During the course of this liquidation proceeding, parties filing Proofs of Claim with the Liquidator must notify the Liquidator of any mailing address change.

**THE LAST DAY FOR RECEIPT OF A HARD COPY FINAL PROOF OF CLAIM, ALONG WITH ALL SUPPORTING DOCUMENTATION, IS DECEMBER 28, 2006 AT 5:00 PM MST**

The Final Proof of Claim Form must be completed indicating the amount claimed and hard copy filed and received by the Liquidator on or before 5:00 pm MST on December 28, 2006, or your claim will not be accepted. Mail the completed Final Proof of Claim Form and ALL Supporting Information and documents supporting the claim to:

Rheta Beach, Special Deputy Liquidator  
Southern American Insurance Company in Liquidation  
215 South State Street, Suite 300  
Salt Lake City, Utah 84111

Keep a copy of the completed Final Proof of Claim Form with All Supporting Information and documents for your reference. **All correspondence must include the Southern American Insurance Company Liquidation Number located on the Final Proof of Claim Form.**

**FURTHER INFORMATION:**

To obtain additional information utilize SAIC's web site at [www.utinsreceivers.org](http://www.utinsreceivers.org) and select "SAIC Final Bar Date Information". If you do not have access to this web site and need additional information or assistance, please call (801) 595-8222.