| STATE OF NORTH CAROLIN | |
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| WAKE COUNTY | 2019 FEB -2 A SUPERIOR COURT DIVISION 3 FILE NO. 18 CVS 14480 |
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| MIKE CAUSEY, COMMISSIONER OF INSURA OF NORTH CAROLINA, | ANCE) |
| Petitioner, |) ORDER GRANTING) MOTION FOR MORATORIUM |
| v. |) ON POLICY SURRENDERS) AND OTHER RELIEF |
| NORTH CAROLINA MUTUAI | (L) |
| LIFE INSURANCE COMPANY | (,) |
| A North Carolina Domiciled |) |
| Insurance Company, |) |
| |) |
| Respondent. |) |

THIS MATTER is before the undersigned on the Motion of Mike Causey, Commissioner of Insurance of the State of North Carolina ("Petitioner"), as Rehabilitator of North Carolina Mutual Life Insurance Company ("NC Mutual" or "Company"), acting through his Special Deputy, Jackie Obusek, to make orders to, pursuant to N.C. Gen. Stat. § 58-30-85(b) and (c) and other applicable provisions of law, to impose a moratorium on loans, annuitizations and cash surrender rights under policies of NC Mutual and to adopt a policy to deal with hardships.

The undersigned finds that NC Mutual is in an "impaired" financial condition within the meaning of N.C. Gen. Stat. § 58-30-12(a)(2), and that it would be in the best interests of the policyholders and creditors of NC Mutual for the Company to impose a moratorium on cash surrenders, new annuitizations and policy loans as a necessary step to allow the Rehabilitator the time within which to conserve and collect the assets of NC Mutual and to evaluate the prospects

for the rehabilitation of the Company. The undersigned further finds that it is in the best interests of the policyholders of NC Mutual for there to be adopted a hardship policy to handle cases of legitimate hardship.

Now therefore, pursuant to N.C. Gen. Stat. § 58-30-85(b) and (c) and other applicable provisions of law, it is ORDERED as follows:

- 1. That the Rehabilitator impose a moratorium, effective as of the date this Order is filed, on cash surrenders, annuitizations, and policy loans against NC Mutual policies until such time as the Court approves the lifting of the moratorium; and
- 2. That the Rehabilitator adopt and implement a policy to provide substitute benefits in lieu of the contractual obligations of NC Mutual for annuity benefits and cash withdrawals for NC Mutual policyholders who petition for payment under claims of legitimate hardship.

This the day of February, 2019.

Honorable A. Graham Shirley, II

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this date I served the foregoing Order on Respondent by mailing copies thereof by first class U.S. Mail, addressed as follows:

M. Keith Kapp Lauren E. Fussell Williams Mullen P.O. Box 1000 Raleigh, NC 27602

This the 12 day of February, 2019.

M. Denise Stanford (State Bar #17601)

Special Deputy Attorney General

N.C. Department of Justice

P.O. Box 629

Raleigh, NC 27602-0629

Telephone: (919) 716-6610 Facsimile: (919) 716-6757

dstanford@ncdoj.gov