

AT RICHMOND, MAY 14, 2008

COMMONWEALTH OF VIRGINIA *ex rel.*

2008 MAY 14 P 3:00

STATE CORPORATION COMMISSION,

Applicant,

v.

CASE NO. INS-2008-00096

RECIPROCAL OF AMERICA and  
THE RECIPROCAL GROUP,

Respondents.

SCHEDULING ORDER

On April 25, 2008, the Deputy Receiver of Reciprocal of America ("ROA") and The Reciprocal Group ("TRG") (collectively, "Companies") filed his Application for Authority to Execute Closing Agreement (the "Application") with the State Corporation Commission ("Commission"). The purpose of the Application was to request authority from the Commission to enter into a closing agreement with the Internal Revenue Service ("IRS") in order to settle a claim for excise taxes and penalties related to the TRG Retirement Income Plan. In the view of the Deputy Receiver, the settlement is favorable to the TRG estate and in turn all TRG creditors and interested parties, as it preserves funds for any payments that may be made to TRG creditors by eliminating the uncertainty of the IRS claim and related litigation costs.

The Deputy Receiver has requested approval of the Application without hearing if no objection is timely filed by a party with a legitimate interest. However, if objections are timely filed, the Deputy Receiver has requested an expedited procedural schedule for consideration of the Application.

NOW THE COMMISSION, having considered the Application, finds that interested parties should have an opportunity to comment and/or request a hearing on the application.

Accordingly, IT IS ORDERED THAT:

(1) This matter is docketed and assigned Case No. INS-2008-00096 and all associated papers be filed therein.

(2) On or before May 23, 2008, any party desiring to participate in the proceeding shall file with the Clerk of the Commission, c/o Document Control Center, 1300 East Main Street, First Floor, Tyler, Building, Richmond, Virginia 232319, an original and fifteen (15) copies of a notice of participation as a respondent, as required by the Commission Rules of Practice and Procedure, 5 VAC 5-20-80 B, Participation as a respondent. Such party shall serve the notice of participation on the Deputy Receiver at the same time.

(3) On or before May 23, 2008, any party wishing to file comments and/or request a hearing on the Application shall file an original and fifteen (15) copies of such comments and/or request for hearing including copies of any supporting documents, with the Clerk of the Commission, c/o Document Control Center, 1300 East Main Street, First Floor, Tyler Building, Richmond, Virginia 23219. Such party shall serve the comments and/or request for hearing and any supporting documents on the Deputy Receiver at the same time.

(4) If no comment or requests for hearing are timely filed by a party, the Commission may approve the Application without a hearing.

(5) This matter is continued for further orders of the Commission.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to all persons on the official Service List in this matter. The Service List is available from the Clerk of the State Corporation Commission, c/o Document Control Center, 1300 East Main Street, First floor, Tyler Building, Richmond, Virginia 23219.