

CareConcepts Insurance, Inc., a RRG in Liquidation
8701 E. Vista Bonita Dr., Ste. 200
Scottsdale, AZ 85255

August 29, 2016

Dear Attorney:

Please be advised that an Order Commencing Liquidation and Appointing Liquidator (Order) was issued by the Montana First Judicial District Court, Lewis and Clark County on August 8, 2016, ordering the liquidation of CareConcepts Insurance, Inc., a RRG (CareConcepts). Monica J. Lindeen, Commissioner of Securities and Insurance, Montana State Auditor, was appointed Liquidator. Enclosed is a copy of the Order.

Pursuant to the Order, all litigated and non-litigated liability claim matters that you are handling for CareConcepts have been stayed. It is incumbent upon you as defense counsel on litigated files you are handling to notify, by formal service, all courts and parties of the stay. If you are handling any non-litigated claims, you must notify all claimants and claimant counsel of the stay. If anyone challenges the stay order, please contact our office. We will provide you the necessary guidance as to the enforceability of the stay in courts outside of the State of Montana. Furthermore, please provide our office with a full copy of all of said notifications and a brief status report for each file you are handling on behalf of CareConcepts. Each status report should include an evaluation of liability and estimated loss cost.

Other than the work requested above in sending out notifications of the stay and providing status reports, you are not to perform any further services on CareConcepts files unless you are specifically instructed to do so by the Liquidator or one of his designees. While bills for services rendered prior to August 8, 2016 will be subject to review by the Liquidator as pre-liquidation creditor claims, the services requested above, performed subsequent to the entry of the Liquidator Order will be paid in the ordinary course of business so long as the services were authorized by the Liquidator or his designee. Any other services require pre-approval by the Liquidator or his designee. A proof of claim process will be implemented in the near future and interested parties such as your firm will be notified.

To the extent you are handling any subrogation or other collection matters on behalf of CareConcepts, it is likely that the Liquidator will want to lift the stay and proceed forward utilizing your services to collect amounts due. However, prior approval will be required before any further efforts should be undertaken. Please provide a subrogation status report containing your evaluation of collectability, attendant costs and timeline.

Your assistance in this regard is greatly appreciated.

Very Truly Yours,

Michael J. FitzGibbons
Special Deputy Liquidator