

Madlyn Gleich Primoff (MP-1701)  
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(212) 878-8000

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re :  
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 Petition of Gareth Hughes and Anthony : In Proceedings Under  
 Joaquin, as Joint Provisional Liquidators : Section 304 of the  
 of The Bermuda Fire & Marine Insurance : Bankruptcy Code  
 Company Limited, :  
 : Case No. 93-B-46013 (PCB)  
 Debtor in Foreign Proceedings. :  
 :  
 :  
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**ORDER SPECIFYING FORM AND MANNER OF SERVICE OF  
NOTICE OF HEARING ON MOTION PURSUANT TO SECTION 304(B)  
OF THE BANKRUPTCY CODE TO MODIFY PERMANENT  
INJUNCTION IN AID OF AMENDING SCHEME OF ARRANGEMENT**

Upon the application (the "Application") of John Christopher McKenna, Leon Anthony Joaquin and Gareth Howard Hughes, as the joint liquidators (the "Liquidators") of The Bermuda Fire & Marine Insurance Company, Limited (the "Company"), dated May 25, 2004, for the entry of an order specifying the form and manner of service and notice of (i) the Liquidators' Motion Pursuant to Sections 105 and 304 of the Bankruptcy Code to Modify Permanent Injunction Order to Aid Enforcement of Amending Scheme of Arrangement (the "Motion") and (ii) the hearing (the "Hearing") with respect to the Motion; and

This Court having scheduled the Hearing with respect to the Motion for June 23, 2004 at 2:30 p.m.; it is hereby

ORDERED, that the Service Notice annexed hereto as Exhibit A is hereby approved in all respects, and shall be served on or before June 3, 2004 by first class United States mail upon

those Scheme Creditors<sup>1</sup> and other parties on the Amended Address List that are located in the United States; and it is further

ORDERED, that the Publication Notice annexed hereto as Exhibit B is hereby approved in all respects, and shall be published at least 15 days prior to the Hearing once in each of *The Wall Street Journal* (USA national edition) and *Business Insurance*; and it is further

ORDERED, that a copy of this Order together with the Service Notice and the Publication Notice shall be posted promptly on the website maintained by the Company at [www.bfmic.bm](http://www.bfmic.bm); and it is further

ORDERED, that service of the Service Notice and the Publication Notice in accordance with this Order is hereby approved as adequate and sufficient notice of the Motion and the Hearing; and it is further

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<sup>1</sup>Any capitalized term used herein but not defined herein shall have the meaning ascribed to such term in the Motion.

ORDERED, that objections, if any, to the Motion must be made in writing describing the basis therefor; shall conform to the Federal Rules of Bankruptcy Procedure and the local rules of this Court, shall be filed with the Court electronically in accordance with General Order M-242 by registered users of the Court's case filing system preferably in Portable Document Format (PDF), WordPerfect or any other Windows-based word processing format, with a hard copy delivered directly to the Chambers of the Honorable Prudence Carter Beatty; and served in accordance with General Order M-242 upon Clifford Chance US LLP, attorneys for the Liquidators, 31 West 52<sup>nd</sup> Street, New York, New York 10019-6131 (Attention: Madlyn Gleich Primoff, Esq.), so as to be received by 4:00 p.m., New York time at least three (3) business days prior to the Hearing.

Dated: New York, New York  
May 26, 2004

/s/ Prudence Carter Beatty  
UNITED STATES BANKRUPTCY JUDGE

**EXHIBIT A**  
**Service Notice**

Madlyn Gleich Primoff (MP-1701)  
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CLIFFORD CHANCE US LLP  
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UNITED STATES BANKRUPTCY COURT  
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 : Case No. 93-B-46013 (PCB)  
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**NOTICE OF MOTION PURSUANT TO SECTIONS 105 AND 304  
OF THE BANKRUPTCY CODE TO MODIFY PERMANENT INJUNCTION  
ORDER TO AID ENFORCEMENT OF AMENDING SCHEME OF ARRANGEMENT**

**PLEASE TAKE NOTICE** that upon the Motion Pursuant to Sections 105 and 304 of the Bankruptcy Code to Modify Permanent Injunction Order to Aid Enforcement of Amending Scheme of Arrangement dated May 25, 2004 (the "Motion") and the Declaration of John Christopher McKenna, who was appointed by order of the Supreme Court of Bermuda dated July 6, 1995 to serve as one of the joint liquidators (the "Liquidators") of The Bermuda Fire & Marine Insurance Company Limited (in liquidation) (the "Company"), dated May 25, 2004 and filed simultaneously with the Motion, the undersigned will move before the Honorable Prudence Carter Beatty, United States Bankruptcy Judge, in Room 701 of the United States Bankruptcy Court for the Southern District of New York, Alexander Hamilton Customs House, One Bowling Green, New York, New York 10004-1408 (the "Bankruptcy Court") on June 23, 2004 at 2:30 p.m., or as soon thereafter as counsel may be heard, for the entry of an order, pursuant to sections 105 and 304 of title 11 of the United States Code, granting the Motion and modifying the permanent injunction order, dated January 7, 1997 (the "Original Section 304 Order"),

which was previously entered in this section 304 proceeding, to aid enforcement of the proposed Amending Scheme of Arrangement dated April 15, 2004 (the "Amending Scheme").

**PLEASE TAKE FURTHER NOTICE** that the Company is currently subject to a Scheme of Arrangement dated October 2, 1996 (the "Original Scheme"). The Original Scheme was sanctioned in respect of the Company on December 18, 1996 by the Supreme Court of Bermuda (the "Bermuda Court") under Section 99 of the Companies Act 1981 of Bermuda and by the High Court of Justice of England and Wales (the "High Court") under Section 425 of the Companies Act 1985 of Great Britain, and became effective on January 14, 1997. The Liquidators have proposed certain amendments to the Original Scheme, through the operation of the Amending Scheme pursuant to Section 99 of the Companies Act of Bermuda and Section 425 of the Companies Act 1985 of Great Britain. At separate meetings of General Scheme Creditors and Protected Scheme Creditors (as each of these terms is defined in the Amending Scheme) held on May 18, 2004, the requisite statutory majorities of each of those classes of Scheme Creditors (as defined in the Amending Scheme) approved the Amending Scheme. Hearings to sanction the Amending Scheme are scheduled to be held before the Bermuda Court and the High Court respectively on June 18, 2004. If the Amending Scheme is sanctioned and implemented, it will make certain amendments to the Original Scheme that would affect the rights and obligations of the Company's Scheme Creditors, including the manner in which Scheme Creditors' disputed claims will be adjudicated.

**PLEASE TAKE FURTHER NOTICE** that pursuant to the Motion, the Liquidators seek to modify the Original Section 304 Order in order to implement the provisions of the Amending Scheme in the United States, including the granting of certain releases to various parties as set forth in Section 9.4 of the Amending Scheme. Copies of the Motion and the proposed Order Amending Permanent Injunction Order, as well as copies of the Amending Scheme and the accompanying Explanatory Statement, including the proposed changes to the Original Scheme, are available to review and download from the Company's website at [www.bfmic.bm](http://www.bfmic.bm). These documents also may be obtained by fax or written request to the Liquidators' counsel at the address listed below.

**PLEASE TAKE FURTHER NOTICE** that objections, if any, to the Motion must be made in writing; shall conform to the Federal Rules of Bankruptcy Procedure and the Local Rules of the Bankruptcy Court; shall be filed with the Bankruptcy Court electronically in accordance with General Order M-242 by registered users of the Bankruptcy Court's case filing system, preferably in Portable Document Format (PDF), WordPerfect or any other Windows-based word processing format, with a hard copy delivered directly to the Chambers of the Honorable Prudence Carter Beatty; and shall be served in accordance with General Order M-242 upon Clifford Chance US LLP, attorneys for the Liquidators, at 31 West 52<sup>nd</sup> Street, New York, New York 10019-6131 so as to be received by 4:00 p.m., New York time, on Friday, June 18, 2004.

**PLEASE TAKE FURTHER NOTICE** that the hearing with respect to the Motion scheduled for June 23, 2004 may be adjourned from time to time without further written notice.

Dated: New York, New York  
May 25, 2004

Respectfully submitted,

CLIFFORD CHANCE US LLP

By: /s/ Madlyn Gleich Primoff  
Madlyn Gleich Primoff (MP-1701)  
Amy E. Halpert (AH-8358)  
200 Park Avenue  
New York, New York 10166  
(212) 878-8000

New Address as of June 1, 2004:  
31 West 52 Street  
New York, New York 10019

Attorneys for Gareth Howard Hughes, Leon Anthony Joaquin and John Christopher McKenna, as Joint Liquidators of The Bermuda Fire & Marine Insurance Company (in liquidation)

**EXHIBIT B**

**Publication Notice**

