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COUNTY CLERK
SANTA CLARA COUNTY
BY _____ DEPUTY

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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF SANTA CLARA

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11 INSURANCE COMMISSIONER OF THE
12 STATE OF CALIFORNIA,

No. CV751183

13 Applicant,

14 v.

**ORDER OF LIQUIDATION;
RESTRAINING ORDERS;
CHANGE OF VENUE**

15 CITATION GENERAL INSURANCE
16 COMPANY, a California corporation; DOES 1
to 1,000,

17 Respondents.
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19 Upon the application of the Insurance Commissioner and the stipulation
20 of Citation General Insurance Company and for good cause shown,

21 IT IS ORDERED THAT:

22 1. Applicant's status as conservator is terminated and he is appointed as
23 liquidator of Citation General Insurance Company (Respondent) as prescribed by
24 Insurance Code section 1016, and Applicant is directed to liquidate and wind up the
25 affairs of Respondent, and to act in all ways and exercise all powers necessary for the
26 purpose of carrying out such liquidation and this order;

27 2. Title to all assets of Respondent now in the possession of Applicant in

1 his capacity as conservator, and title to any assets of Respondent which may be
2 discovered herein in California or elsewhere is vested in Applicant as Liquidator;

3 3. Applicant is authorized to pay as expenses of administration, all
4 expenses heretofore incurred by Applicant in his capacity as conservator of Respondent
5 and presently unpaid, and Applicant is authorized to pay the full amount of any checks
6 or drafts which have been issued by him, in his capacity as conservator, and which are
7 presently outstanding and unpaid when said checks or drafts are presented for
8 payment;

9 4. Applicant, as Liquidator of Respondent, is authorized to cancel all
10 existing policies in force as of 30 days after this order and the rights of said
11 policyholders are fixed as of that date;

12 5. Respondent, its officers, directors, agents, employees, shareholders, and
13 all other persons are enjoined from transacting any of the business of Respondent and
14 from disposing of any or assisting any person in the transfer or alienation of any of
15 Respondent's property or assets, wherever situated;

16 6. All persons are enjoined from interfering with the possession, title and
17 rights of Applicant, as Liquidator, in and to the assets of Respondent, and from
18 interfering with the conduct of the liquidation and the winding up of the business of
19 Respondent;

20 7. All persons are enjoined from waste of the assets of Respondent;

21 8. All persons are enjoined from instituting, prosecuting or maintaining
22 any action at law or suit in equity, including but not limited to matters in arbitration, or
23 other legal or administrative proceeding against Respondent or against Applicant in his
24 capacity as Liquidator or in his former capacity as conservator, without the consent of
25 this court obtained after reasonable notice to Applicant;

26 9. All persons are enjoined from obtaining preferences, judgments,
27 attachments, or other liens, or making any levy against Respondent or its assets or

1 property, and are enjoined from redeeming or taking any other legal proceedings
2 against any assets or property of Respondent, and from doing any act interfering with
3 the conduct of said business by Applicant, without the consent of this Court obtained
4 after reasonable notice to Applicant;

5 10. The officers, directors, agents, employees and shareholders of
6 Respondent are ordered to deliver all books, records, accounts, documents and
7 property, both real and personal, and other assets of Respondent, wheresoever situated
8 to Applicant;

9 11. All funds, including certificates of deposit and bank or other financial
10 accounts of Respondent; including funds and accounts in the name of Applicant as
11 conservator of Respondent, in various banks, financial institutions, or other account
12 holders, in the State of California or wheresoever situated, are vested in Applicant as
13 Liquidator and subject to withdrawal upon his order only;

14 12. All insurance agents of Respondent and all brokers who have done
15 business with Respondent are ordered to account to Applicant for all funds of
16 Respondent held by them in their fiduciary capacity, as specified in California
17 Insurance Code sections 1733, 1734 and 1735, or due to Respondent, and said funds
18 are vested in Applicant as Liquidator, and all insurance agents of Respondent and all
19 brokers who have done business with Respondent are directed to forward said fund to
20 Applicant unless otherwise ordered by Applicant;

21 13. All persons having possession of any lists of policyholders of
22 Respondent are ordered to deliver such lists to Applicant and such persons are
23 enjoined from using any such lists or any information contained therein without the
24 consent of Applicant;

25 14. Applicant is hereby authorized to initiate such equitable or legal
26 actions or proceedings in this or other states, and may obtain the assistance of such
27 peace officers, consultants and other assistance as the Conservator may deem

1 appropriate to assist him, all as may appear to him necessary to carry out his functions
2 as Liquidator. The Liquidator and all Deputies, Special Deputies, Attorneys,
3 Accountants, Peace Officers and other consultants are deemed to be public officers
4 acting in their official capacities on behalf of the State and shall have no personal
5 liability for or arising out of their acts or omissions performed in good faith in
6 connection with their services performed in connection with these or related
7 proceedings or pursuant to this or related orders.

8 15. Applicant is authorized to pay all reasonable costs of administration
9 in his capacity as Liquidator out of funds and assets of Respondent;

10 16. Applicant is authorized to invest Respondent's assets in such a
11 manner as to him may seem suitable for the best interest of Respondent's creditors,
12 including investing and reinvesting assets through an investment pool consisting
13 exclusively of assets from conserved estates and estates in liquidation;

14 17. The clerk of this court is directed to transmit all of the papers filed
15 herein with such clerk to the clerk of the City and County of San Francisco.

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17 DATED: AUG 2 4 1995

PETER G. STONE

JUDGE OF THE SUPERIOR COURT

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21 citation.ord

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