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Insurance Commissioner of the State of California,  
in his capacity as Liquidator of Superior National  
Insurance Company, Superior Pacific Casualty  
Company, California Compensation Insurance  
Company, Commercial Compensation Casualty  
Company and Combined Benefits Insurance Company*

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Superior Court of California  
County of Los Angeles

NOV 24 2009

John A. Clarke, Executive Officer/ Clerk  
By *[Signature]*, Deputy  
C. PIEDRA

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES  
CENTRAL CIVIL WEST

**INSURANCE COMMISSIONER OF THE  
STATE OF CALIFORNIA ,**  
  
Applicant,  
  
v.  
  
**SUPERIOR NATIONAL INSURANCE  
COMPANY,**  
  
Respondent.

Case No.: BS 061974  
Consolidated with: BS 061975  
BS 062171  
BS 062173  
BS 063746

Judge: The Honorable Carl J. West

**LIQUIDATOR'S FURTHER STATUS  
CONFERENCE STATEMENT FOR  
LEAD CASE**

Date: December 11, 2009  
Time: 9:00 a.m.  
Dept: 311

TO THE COURT AND TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:  
THE LIQUIDATOR'S FURTHER STATUS CONFERENCE STATEMENT FOR LEAD  
CASE:

I.

OVERVIEW

The Insurance Commissioner, through his CLO<sup>1</sup>, manages the Superior National Insurance Companies<sup>2</sup> liquidation for the benefit of policy claimants and creditors. It is the purpose of this report to explain the current status of the liquidator's reinsurance and premium recovery efforts, to provide financial information and an updated look at the liquidator's ongoing litigation efforts. This report updates all the categories of information provided in the liquidator's report filed on July 1, 2009 and discussed with the Court at its last status conference held on July 7, 2009.

II.

REINSURANCE INFORMATION

The CLO continues to pursue the estate's reinsurance recoveries by performing reinsurance accounting, audits, billings and collections. In addition to a general summary of reinsurance activities occurring since the last status conference, the Court has directed the CLO to continue to report a schedule of paid loss recoverables (net of premiums payable) including an aging report. Exhibit A is a schedule of paid loss recoverables (net of premiums payable) containing the requested aging report. Exhibit B is a schedule of ceded case reserves listing the amounts of all claims whether paid or reported to the reinsurer, but not yet billed, based on reserve amounts as established by the responsible IGA. Exhibit C is a schedule of ceded incurred but not reported reserves (IBNR). The following is a narrative that explains the latest versions of these reports in more detail.

**Exhibit A – Paid Loss Recoverables (Net of Premiums Payable)**

Exhibit A lists paid loss recoverables (net of premiums payable) due from each reinsurer as of September 30, 2009. Paid loss recoverables are the amounts already paid to the claimants that are due from the reinsurers and premiums payable are amounts due reinsurers pursuant to the terms of each contract. Near the bottom of Exhibit A, a grand total of \$370,398,880 is shown as

<sup>1</sup> Conservation and Liquidation Office.

<sup>2</sup> Also referred to as the "SNICIL" or the "Estate."

1 due from reinsurers, up from the \$363,569,269 reported in the July 2009 status report. The  
2 increase in paid loss recoverables (net of premiums payable) is \$6,829,611, resulting primarily  
3 from new billings of \$12,619,999 and refund of \$250,207 to John Hancock for its previous partial  
4 payment of the John Bumgarner claim, offset by the reversal of the prior billings for the John  
5 Bumgarner claim of \$3,825,000, and the collection of \$2,216,288 (Exhibit D is the arithmetical  
6 computation). \$11.3 million of the new billings are from the release of the 3<sup>rd</sup> quarter of 2008, 4<sup>th</sup>  
7 quarter of 2008, and the 1<sup>st</sup> quarter of 2009 accounts of the US Life Q.S. treaty and \$1.4 million  
8 are from the release of updated reinsurance reports for various XOL treaties. The collections of  
9 \$2,216,288 are primarily from Blackthorn Re/Ace American, LDG Re, Scor Re, St. Paul Re and  
10 Trustmark.

11 The John Bumgarner claim of \$3,825,000 was from a Reliance-fronted policy which was  
12 erroneously ceded to the \$4.65 million excess of \$350,000 treaty by SNICIL prior to liquidation.  
13 Extensive research and investigation resulted to the conclusion that the fronting and treaty  
14 agreements provided only for the retrocession of \$350,000 to Pac Rim (later known as Superior  
15 Pacific) and that Reliance was retaining amounts above \$350,000. Because of this recent  
16 discovery, the CLO is reversing the prior billings of \$3,825,000 for the John Bumgarner claim.

17 A substantial portion of the total paid loss recoverables (net of premiums payable) of  
18 \$360,856,808, are due under the US Life Q.S. Treaty. Also included in the total paid loss  
19 recoverables (net of premiums payable) are amounts that are in dispute, due from companies in  
20 liquidation, or pre-liquidation receivables in the process of reconciliation. The remaining  
21 \$6,433,090, in losses due from reinsurers (net of premiums payable), as reported in the July 2009  
22 report, decreased by \$3,832,614 to \$2,600,476. This decrease is due to the reversal of the John  
23 Bumgarner billings of \$3,825,000 and the collections of \$1,616,848 offset by new billings of  
24 \$1,359,027 and the refund of a previously collected John Bumgarner billing of \$250,207 (see  
25 Exhibit D for arithmetical computation).

26 The dispute between FHA/Health Net and the CLO/Centre has finally been settled. The  
27 commutation and settlement agreement was approved by the Liquidation Court on August 25,  
28

1 2009. The agreed upon settlement of \$6 million was received by the CLO in October 2009 and  
2 pursuant to the agreement \$761,000 of this amount was disbursed to Centre as its share of the  
3 reinsurance proceeds..

4 Trustmark owes SNICIL a total amount of \$863,559,000, down by \$535,411. This decrease  
5 was due to a payment received from Trustmark in July 2009. The majority of the overdue  
6 balances are due to disputes in penalty payments, CT claims, undocumented bill review payments  
7 and other billing issues. Castlewood owes SNICIL a total amount of \$2.0 million. We continue  
8 to submit new billings and supporting documentation to them. The CLO is pressing both  
9 reinsurers to settle all billed and overdue amounts.

10 Trustmark, Castlewood, LDG Re and CIGNA Re have expressed their desire to commute  
11 their reinsurance obligations to SNICIL. The California Insurance Guarantee Association  
12 (CIGA), responsible for handling the majority of the claims that will underlie the commutations,  
13 is in the process of evaluating and where necessary, adjusting the carried reserves on its open  
14 claim files in conformity with CIGA's reserving philosophy. Once this evaluation has been  
15 completed to the satisfaction of CIGA and any adjustments have been made, then the CLO will  
16 instruct its actuarial consultants to develop commutation proposals for submission to these  
17 reinsurers. The CLO is not inclined to make commutation proposal offers to Trustmark and  
18 Castlewood until the CIGA claim evaluation has been finalized. In the meantime, audits by  
19 Castlewood and LDG Re are scheduled in November and December 2009. An audit was  
20 performed by CIGNA Re in July 2009.

21 We continue to reconcile the remaining pre-liquidation recoverables which have been  
22 reduced to \$307,564. Exhibit A also shows the aging of the paid loss recoverables (net of  
23 premiums payable).

#### 24 **Exhibit B – Ceded Case Reserves**

25 Exhibit B lists the ceded case reserves as of September 30, 2009, related to each reinsurer's  
26 contract with the liquidating companies. These are claims that have been reported to the  
27 Liquidator but have not been paid to the claimants and therefore are not yet due from the  
28

1 reinsurers. The total of the ceded case reserves is currently \$136,217,136, up by \$18,284,439  
2 from the \$117,932,697 reported in the July, 2009 status report. The increase is primarily due to  
3 the significant increase in reserves for claims being handled by CIGA that are subject to the  
4 SNICIL treaties. The reserves for the US Life Q.S. treaty also increased by \$12.7 million, from  
5 \$72,919,744 to \$85,571,880.

6 Excluding the reserves on the US Life Q.S. Treaty of \$85,571,880, the net ceded case  
7 reserves total \$50,645,256, up from the \$45,012,953 reported in the July 2009 status report. The  
8 increase in the net ceded case reserves of \$5,632,303 resulted primarily from the CIGA's review  
9 of the reserves of claims subject to the various XOL treaties.

#### 10 **Exhibit C – Ceded IBNR (Incurred But Not Reported Reserves)**

11 This exhibit lists the undiscounted ceded incurred but not reported reserves as of  
12 September 30, 2009. \$32.5 million of the total IBNR of \$96.0 million is from the US Life Q.S.  
13 Treaty. The IBNR figure is a result of the December 31, 2008 reserve analysis of our actuary,  
14 PriceWaterhouse Coopers.

15 The balance of \$63.5 million pertains to all other SNICIL treaties, some of which  
16 have not had the benefit of an actuarial study since liquidation and therefore, the carried IBNR is  
17 outdated and unreliable. In our efforts to commute the affected treaties, updated reserve studies  
18 will be conducted and the IBNR carried in SNICIL's ledgers will be adjusted as the updated  
19 IBNR estimates become available.

### 20 **III.**

#### 21 **ARBITRATION AND OTHER MATTERS**

##### 22 **A. US Life Insurance Company V. SNICIL**

23 All of the briefing in US Life's appeal to the Ninth Circuit Court of Appeals has been  
24 completed. Although oral arguments were completed in November 2008, the Ninth Circuit has  
25 yet to issue its opinion. While awaiting the appellate court's opinion, the CLO is closely  
26 monitoring the financial circumstances of the American International Group ("AIG"), which is  
27 the ultimate parent of US Life. AIG is also the ultimate parent of National Union Fire Insurance  
28

1 Co. of Pittsburgh, PA ["National Union"], which is the surety bound for payment of  
2 \$600,000,000, payable to the Superior National cedents.

3 Meanwhile, CIGA continues to pay claims of injured California workers, over and above  
4 the amounts covered by the judgment and appeal bond. Although demand has been made for US  
5 Life to pay the additional loss payments ceded to US Life, US Life refuses to do so while its  
6 appeal remains pending. The Commissioner of Insurance successfully moved this Court for  
7 authorization to drawn down on the special schedule "P" funds placed on deposit by U.S. Life as  
8 required by the Insurance Code, in order to pay the on-going claims in excess of the bonded  
9 amounts.

#### 10 IV.

### 11 FINANCIAL REPORT

#### 12 A. Accounting Statements

13 The CLO's Accounting Department has updated its financial statements through  
14 September 30, 2009, and a copy of the consolidated balance sheet for the SNICIL estates is  
15 attached hereto as Exhibit E. Secured claims liability balance includes \$28.0 million for the  
16 SNTL lien.

17 The financial statements have been updated to incorporate the results of a December  
18 31, 2008, Pricewaterhouse Coopers actuarial report commissioned by the Liquidator to review the  
19 adequacy of SNICIL reserves and IBNR for workers' compensation claims.

20 With the incorporation of the updated reserves and IBNR, Combined Benefit  
21 Insurance Company financial statement no longer has a positive net value, but a negative  
22 \$4,290,800.00. Consequently, as a result of the recent actuarial study and its effect on the  
23 financial statements, the Liquidator does not intend to adjudicate the Class 7 general claims.

24 The accounting department continues its other projects on an on-going basis,  
25 including its estate asset allocations, supporting the billing activities of the reinsurance  
26 department resolving statutory deposits accounts in various jurisdictions and/or recoveries and the  
27 IGA claims data reconciliation project.

28

V.

**CLAIMS ADMINISTRATION**

**A. Claims Processing**

**1. Premium and Subrogation Collection Activity**

From an internal standpoint premium collection and subrogation recoveries have virtually ceased. There are still some protracted collection and subrogation matters being monitored, but minimal expense is being incurred. The SNICIL estates will bear no direct cost, other than the minimal allocation for the monitoring process, as these matters are being pursued through vendors operating on a contingency fee basis. The total premium collected through October 2009 is \$25,630.53, and the total subrogation collected is \$242,233.18. Both totals represent collection on all five estates.

**2. Claims Administration**

The estates continue to have the two open claims previously noted. US Life's claim will not be formally adjudicated until the matter resolves. The non-covered Arkansas claim has not yet exceeded the statutory payment cap of \$300,000 although the CLO is informed that there is a prognosis of a major medical procedure. The CLO does not currently take a position on the claim since the Arkansas Guaranty Association continues to pay medical benefits within the statutory cap.

The estates are yet to finalize the claims from the 61 (multiple states have claims on more than one of the 5 estates) Guaranty Associations who paid claims. Since the formal resolution of the Guaranty Association claims involves a discounting of future reserves, the Liquidator generally waits until there appears to be a prospect of a relatively imminent closure of the estate before finalizing their claim. We do note that 29 out of the 61 Guaranty Association claims either have zero or one claim remaining open.

**CONCLUSION**

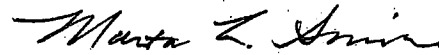
The Liquidating Companies continue to conduct significant run-off activities, including its appeal to recover reinsurance; claims administration, estate accounting, reinsurance negotiations and settlements. Moreover, these liquidating companies continue to fulfill a

1 significant goal of collecting and distributing assets to the insurance guaranty associations, in  
2 order to close the gap between the assets of the liquidating companies and their financial  
3 obligations. If the Court has questions concerning the contents of this status report, the liquidator  
4 will endeavor to provide answers within a reasonable time.

5 Dated: November 24, 2009

Respectfully Submitted,

6 EDMUND G. BROWN JR.  
7 Attorney General of California  
8 W. DEAN FREEMAN  
9 FELIX E. LEATHERWOOD  
10 Supervising Deputy Attorneys General



11 MARTA L. SMITH  
12 Deputy Attorney General  
13 *Attorneys for the Honorable Steve Poizner,*  
14 *Insurance Commissioner of the State of*  
15 *California, in his capacity as Liquidator of*  
16 *Superior National Insurance Company,*  
17 *Superior Pacific Casualty Company,*  
18 *California Compensation Insurance*  
19 *Company, Commercial Compensation*  
20 *Casualty Company and Combined Benefits*  
21 *Insurance Company*

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# **EXHIBIT A**

Exhibit A  
**SUPERIOR NATIONAL INSURANCE COMPANIES IN LIQUIDATION**  
**Paid Loss Recoverables (Net of Premiums Payable) by Reinsurers**  
**September 30, 2009**

	TOTAL	< 30 days	30-59 days	60-89 days	90-119 days	120 days and over
AUL RMS UNUM LIFE AM	(323,172)					(323,172)
AUL RMS/FED INS CHUBB	-					-
AUL RMS/American United Life	21,125					21,125
AUL RMS (SF)/American Acc Re	(144)					(144)
Blackthorn Re Srvc/Ace American	154,672				132,037	22,635
Captive Reinsurers	(3,077)					(3,077)
Clearwater Insurance	-					-
CIGNA*	-					-
Cigna Re/Connecticut General Life	71,874	12,327				59,547
CIGNA Re/Life Insurance Co. of North America	-					-
CNA Re/Continental Casualty	248,091			8,015	28,470	211,606
Continental Re*	18,263					18,263
Coronet Ins/Camelback Re	-					-
Donnelly Skirtich/Continental Assurance	(43)					(43)
Employers Re*	-					-
Excess*	252,026					252,026
FHA/HealthNet	5,471,076					5,471,076
Gerling Global	-					-
Home (In Liquidation)	260,304					260,304
Ing Re (UK)	-					-
Insurance Co. of Hannover	1,311				1,311	-
Int'l Sol/OA Re/Continental Casualty Company	2,028,180	134,105			225,822	1,668,253
JEH Re/John Hancock Mutual	-					-
LDG Re Corp-OCR/Workers Comp Alternative Facility	212,585	76,987				135,598
LDG Re SRD/First All Financial	-					-
LRD Re- SRD/Transatlantic	30,393				30,393	-
Life Insurance Company of North America	-					-
New England Re*	-					-
North America*	10,896					10,896
Reinsurance Services of Princeton/Amer United Life Ins	(21,165)					(21,165)
Reliastar Life UK	-					-
ReliaStar Life	31,158	15,397				15,761
Scandinavian Re	-					-
Scor Re*	-					-
Scor Re (IL)	145,611			12,962	65,335	67,314
St Paul Re	-					-
Transatlantic Re	-					-
Travelers SPC-HF/Travelers Ind*	16,602					16,602
Travelers/Phoenix*	9,777					9,777
Trustmark	863,559					863,559
Underwriters Re	-					-
United Republic	42,170					42,170
US Life	360,856,808	3,207,048			4,297,714	353,352,043
Zurich (UK)	-					-
<b>Total at September 30, 2009</b>	<b>370,398,880</b>	<b>3,445,864</b>	<b>-</b>	<b>20,977</b>	<b>4,781,082</b>	<b>362,150,953</b>
	<b>100.00%</b>	<b>0.93%</b>	<b>0.00%</b>	<b>0.01%</b>	<b>1.29%</b>	<b>97.77%</b>
US Life (In Arbitration)	(360,856,808)	(3,207,048)	-	-	(4,297,714)	(353,352,043)
FHA/HealthNet (In Dispute)	(5,471,076)	-	-	-	-	(5,471,076)
Trustmark (In Dispute)	(863,559)	-	-	-	-	(863,559)
Home (In Liquidation)	(260,304)	-	-	-	-	(260,304)
United Republic (In Liquidation)	(42,170)	-	-	-	-	(42,170)
Captive Program	3,077	-	-	-	-	3,077
*Pre-liquidation receivables in process of reconciliation	(307,564)	-	-	-	-	(307,564)
<b>Net Balance Due at September 30, 2009</b>	<b>2,600,476</b>	<b>238,816</b>	<b>-</b>	<b>20,977</b>	<b>483,368</b>	<b>1,857,315</b>
	<b>100.00%</b>	<b>9.18%</b>	<b>0.00%</b>	<b>0.81%</b>	<b>18.59%</b>	<b>71.42%</b>

# **EXHIBIT B**

Exhibit B  
**SUPERIOR NATIONAL INSURANCE COMPANIES IN LIQUIDATION**  
 Ceded Case Reserves by Reinsurers  
 September 30, 2009

American Accident Group I	79,071
American United Life	-
AUL RMS (SF) Unum Life American	-
AUL RMS Fed Ins Chubb	552,396
Blackthorn Re Srvc/Ace American	4,606,065
Buffalo Re	73,610
Captive Reinsurers	695,408
CIGNA	148,191
Cigna Re/Connecticut General Life	2,084,191
CIGNA Re/Life Insurance Co. of North America	1,744,722
Clarendon National Insurance	95,637
CNA Re/Continental Casualty	1,791,506
Cologne Re of America	12,643
Cont Re	22,906
Coronet Ins/Camelback Re	7,184
Excess	31,448
FHA/HealthNet	-
First Allmerica Financial (LDG Re-SRD)	753,267
Gerling Global (Constitution Re)	764,244
Hartford Fire	162,477
Home (in Liquidation)	14,265
Imperial Casualty & Indemnity	13,984
Insurance Co. of Hanover (IL)	316,939
Int'l Sol/IOA Re/Continental Casualty Company	12,286,808
JEH Re/John Hancock Mutual	92,675
Le Mans Reinsurance	17,212
Mercantile and General Re	65,930
New England Re	-
North America	32,953
North America Re	75,646
North Star Re	23,974
North Star Re thru CSMC	47,016
Pennsylvania Manufacturer's	69,182
Reliastar Life (Minnesota)	1,261,488
ReliaStar Life (UK)	-
Scor Re	434,144
Scor Re (IL) (All State)	4,248,723
Security Re	5,057
Signet Re	147,325
Skandia America Re	56,983
St Paul Re	2,206,496
Toa Re of America	11,128
Transatlantic Re	1,065,382
Transatlantic Re (LDG Re-SRD)	1,744,722
Travelers Indemnity	40,502
Travelers/Phoenix	20,133
Trustmark	7,733,381
Underwriters Re	61,206
United Republic Re	24,192
US Life	85,571,880
Winterthur Swiss Ins. Co.	14,518
Workers Comp Alternative Facility/LDG Re	4,783,526
Zurich Re (UK) Ltd./Benfield LTD	105,801
<b>Total at September 30, 2009</b>	<b>136,217,136</b>
<b>Disputed - US Life</b>	<b>(85,571,880)</b>
<b>Net Ceded Case Reserves</b>	<b>50,645,256</b>

# **EXHIBIT C**

Exhibit C  
SUPERIOR NATIONAL INSURANCE COMPANIES IN LIQUIDATION  
Ceded IBNR by Reinsurers  
September 30, 2009

US Life	32,508,218
All Other Treaties (In Process of Review)	63,520,771
<hr/>	
Total at September 30, 2009	96,028,989
<hr/>	
Disputed - US Life	(32,508,218)
<hr/>	
<b>Net Ceded IBNR</b>	<b>63,520,771</b>

# **EXHIBIT D**

Exhibit D  
**COMPUTATION OF DIFFERENCES IN AMOUNTS OF PAID LOSS  
RECOVERABLES (NET OF PREMIUM PAYABLES)  
BETWEEN THE DECEMBER 2009 AND JULY 2009  
STATUS CONFERENCE REPORTS**

**Paid Loss Recoverables (Net of Premium Payables)**

\$ 6,829,611 Increase in paid loss recoverables (net of premium payables) computed as follows:

New Billings	\$	12,619,999
Write-off	\$	693
Refund of John Bumgarner claim paid by reinsurer	\$	250,207
Less: Reversal of John Bumgarner claim	\$	(3,825,000)
Less: Collections	\$	(2,216,288)
<b>Increase</b>	<b>\$</b>	<b>6,829,611</b>

**Net Balance Due**

\$ (3,832,614) Decrease in net balance due computed as follows:

New Billings	\$	1,359,027
Refund of John Bumgarner claim paid by reinsurer	\$	250,207
Less: Reversal of John Bumgarner claim	\$	(3,825,000)
Less: Collections	\$	(1,616,848)
<b>Decrease</b>	<b>\$</b>	<b>(3,832,614)</b>



# **EXHIBIT E**

Insurance Commissioner of the State of California  
Conservation & Liquidation Office

CONSOLIDATED SUPERIOR NATIONAL ESTATES  
STATEMENT OF ASSETS AND LIABILITIES IN LIQUIDATION  
As of September 30, 2009

	Cal Comp	Combined Benefits	Superior Natl	Superior Pacific	Commercial Comp	TOTAL
<b>ASSETS</b>						
Cash and cash equivalents:						
Restricted	921,500					921,500
Participation in pooled investments	41,765,500	2,409,300	9,005,000	7,575,500	2,513,900	63,269,200
Non-pooled short-term investments:						
Restricted	116,300	229,500				345,800
Accrued investment income	203,400	11,800	43,800	37,000	12,200	308,200
Statutory deposits held by other states	779,600		319,800		633,100	1,732,500
Funds held by guaranty associations			10,486,400		225,100	10,711,500
Recoverable from reinsurers - paid	220,548,500	7,448,000	113,564,300	(111,700)	28,949,800	370,398,900
Recoverable from reinsurers - case reserves	58,274,600	1,851,700	51,416,300	11,827,900	12,846,600	136,217,100
Recoverable from reinsurers - IBNR	68,842,100	1,772,900	8,229,900	11,229,200	5,954,900	96,029,000
Salvage and subrogation recoverable	63,600		44,000			107,600
<b>Total Available Assets</b>	<b>391,515,100</b>	<b>13,723,200</b>	<b>193,109,500</b>	<b>30,557,900</b>	<b>51,135,600</b>	<b>680,041,300</b>
<b>LIABILITIES</b>						
Secured claims	21,803,000	203,600	4,974,900	72,300	1,116,100	28,169,900
Accrued administrative expenses	82,700	4,200	54,500	600	477,700	619,700
Claims against policies, including guaranty associations, before distributions	1,848,828,900	32,415,400	802,614,300	189,442,500	136,097,200	3,009,398,300
Early access and other Class 2 distributions	(472,100,600)	(18,208,600)	(183,994,800)	(30,586,800)	(49,443,000)	(754,333,800)
All other claims	20,592,600	759,900	28,730,100	194,100	449,500	50,726,200
<b>Total Estimated Liabilities</b>	<b>1,518,763,800</b>	<b>18,014,000</b>	<b>652,405,400</b>	<b>219,576,300</b>	<b>99,311,600</b>	<b>2,508,071,100</b>
<b>NET ASSETS (DEFICIENCY)</b>	<b>(1,127,248,700)</b>	<b>(4,290,800)</b>	<b>(459,295,900)</b>	<b>(189,018,400)</b>	<b>(48,176,000)</b>	<b>(1,828,029,800)</b>

Note 1 Includes \$28 million for SNTL lien, pursuant to an approved court order dated May 7, 2003.

Note 2 Does not include expenses for final distribution and related closing activities.

DECLARATION OF SERVICE BY U.S. MAIL

Case Name: **Insurance Commissioner v. Superior National Insurance Co.**

No.: **BS 061974**

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service that same day in the ordinary course of business.

On **November 24, 2009**, I served the attached **LIQUIDATOR'S FURTHER STATUS CONFERENCE STATEMENT FOR LEAD CASE** by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the internal mail collection system at the Office of the Attorney General at 300 South Spring Street, Suite 1702, Los Angeles, CA 90013, addressed as follows:

**(SEE ATTACHED SERVICE LIST)**

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on **November 24, 2009**, at Los Angeles, California.

Veronica James  
\_\_\_\_\_  
Declarant

*Veronica L. James*  
\_\_\_\_\_  
Signature

**SERVICE LIST**

**CASE: INSURANCE COMMISSIONER v. SUPERIOR NATIONAL  
INSURANCE COMPANY and CONSOLIDATED PROCEEDINGS**  
**CASE NO: BS 061974**

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