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5 Attorneys for Applicant, Insurance  
6 Commissioner of the State of California

7  
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
9 **FOR THE COUNTY OF SAN BERNARDINO**

10  
11 INSURANCE COMMISSIONER OF THE  
STATE OF CALIFORNIA,

12 Applicant,

13 v.

14 WESTERN CARRIERS INSURANCE  
15 EXCHANGE and WESTERN CARRIERS  
16 UNDERWRITERS, its Attorney-in-Fact,

17 Respondents.

**Case No. 217529**

**AMENDED DECLARATION OF  
COMPLIANCE BY INSURANCE  
COMMISSIONER AS LIQUIDATOR OF  
WESTERN CARRIERS INSURANCE  
EXCHANGE and WESTERN CARRIERS  
UNDERWRITERS, its Attorney-in-Fact**

Dept: S9  
Hon. Leroy A. Simmons

18 I, FRED A. BUCK, declare:

19 1. I am the Acting Chief Executive Officer of the Conservation and Liquidation  
20 Office ("CLO") and am a Special Deputy Insurance Commissioner. The statements contained  
21 in this declaration are not all within my personal knowledge and I am informed that no single  
22 officer of the CLO has personal knowledge of all these matters. The statements herein are  
23 based on information assembled by authorized employees of the CLO, and I am informed that  
24 the statements based upon that information are true. As to those matters that are within my  
25 own personal knowledge, the statements are true. If called upon as a witness, I would testify as  
26 set forth herein.

27 2. I am responsible for the supervision and management of the all matters  
28 pertaining to all companies for which the Insurance Commissioner has been appointed as

1 conservator or liquidator and which are managed by the CLO, including but not limited to  
2 supervision and management by the CLO's financial, investment, accounting, claims, and  
3 reinsurance departments and personnel.

4 3. I have overall custody and control of the CLO's files and records pertaining to  
5 all estates in conservation and liquidation, including the files and records pertaining to Western  
6 Carriers Insurance Exchange and Western Carriers Underwriters, its attorney-in-fact and am  
7 responsible for the maintenance of such files and records in the ordinary course of business. I  
8 am familiar with the business and record keeping practices of the CLO.

9 4. As Acting Chief Executive Officer of the CLO, I am responsible for all claims,  
10 financial, investment, accounting, tax, actuarial, and reinsurance matters pertaining to the  
11 liquidation of Western Carriers Insurance Exchange and Western Carriers Underwriters, its  
12 attorney-in-fact and am responsible for the manner in which the Western Carriers Insurance  
13 Exchange and Western Carriers Underwriters, its attorney-in-fact estate will be concluded.

14 5. On August 5, 2002, this Court entered its Order: (1) Settling and Approving  
15 Report and Account of Conservator and Liquidator from April 27, 1983 to March 31, 2002;  
16 (2) Authorizing Distribution to Claimants; and (3) Terminating Proceeding and Discharging  
17 Applicant as Liquidator (the "Order").

18 6. On August 16, 2002, pursuant to paragraph 2 of the Order, wire transfers were  
19 made to the Idaho Guarantee Association in the amount of \$5,767 and to the California  
20 Insurance Guarantee Association in the amount of \$7,519,231.

21 7. On September 6, 2002, pursuant to paragraph 2 of the Order, wire transfers of  
22 funds derived from investment activity were made to the Idaho Guarantee Association in the  
23 amount of \$166.04 and to the California Insurance Guarantee Association in the amount of  
24 \$216,488.96.

25 8. On March 6, 2003, also pursuant to paragraph 2 of the Order, the CLO mailed  
26 the remaining funds derived from investment activity to the Idaho Guarantee Association in the  
27 amount of \$89.52 and to the California Insurance Guarantee Association in the amount of  
28 \$116,730.24.

1           9.       The Order provided that the Commissioner shall be discharged as Conservator  
2 and Liquidator of the Western Carriers Insurance Exchange and Western Carriers Underwriters,  
3 its attorney-in-fact estates upon the filing of the declaration that he distributed the assets of the  
4 Western Carriers Insurance Exchange and Western Carriers Underwriters, its attorney-in-fact in  
5 accordance wit the terms of the order. As set forth herein, the Commissioner has transferred all  
6 residual assets of Western Carriers Insurance Exchange and Western Carriers Underwriters, its  
7 attorney-in-fact and has taken all action necessary pursuant to the terms of the Order, the estate  
8 is therefore closed upon the filing of this amended declaration.

9           I declare under penalty of perjury under the laws of the State of California that the  
10 foregoing is true and correct.

11           Executed this 1<sup>st</sup> day of <sup>April</sup>~~March~~, 2003, at San Francisco, California.

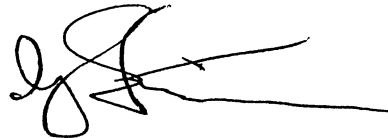
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13  
14 

15 FRED A. BUCK  
Special Deputy Insurance Commissioner

16 Dated: March 14, 2003

17 Respectfully submitted,

18 BILL LOCKYER  
Attorney General of the State of California

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21 GREGORY S. PRICE  
Deputy Attorney General

22 Attorneys for Applicant, Insurance Commissioner  
23 of the State of California  
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**DECLARATION OF SERVICE BY U.S. MAIL**

Case Name: ***INSURANCE COMMISSIONER OF THE STATE OF CALIFORNIA v. WESTERN CARRIERS INSURANCE EXCHANGE, et al.***

Case Number: **San Bernardino Superior Court Case No. 217529**

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 April 2, 2003, I served the attached

**AMENDED DECLARATION OF COMPLIANCE BY INSURANCE COMMISSIONER AS LIQUIDATOR OF WESTERN CARRIERS INSURANCE EXCHANGE and WESTERN CARRIERS UNDERWRITER, its Attorney-in-Fact**

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 110 West "A" Street, Suite 1100, P.O. Box 85266, San Diego, CA 92186-5266, addressed as follows:

**SEE ATTACHED MAILING 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 April 2, 2003, at San Diego, California.

JOY NAGAL

\_\_\_\_\_  
Typed Name

*Joy Nagal*

\_\_\_\_\_  
Signature

1 **SERVICE LIST**

2 Case Name: ***INSURANCE COMMISSIONER OF THE STATE OF CALIFORNIA v.***  
3 ***WESTERN CARRIERS INSURANCE EXCHANGE, et al.***

4 Case Number: **San Bernardino Superior Court Case No. 217529**

- 5 1. BANK OF REDLANDS  
6 200 E. CITRUS  
7 REDLANDS, CA 92373
- 8 2. LAWRENCE MULRYAN, EXECUTIVE DIRECTOR  
9 CALIFORNIA INSURANCE GUARANTEE ASSOC.  
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- 12 3. W. W. KENNEL, ADMINISTRATOR  
13 OREGON INSURANCE GUARANTY ASSOC.  
14 10700 SW BEAVERTON HIGHWAY, SUITE 426  
15 BEAVERTON, OR 97005
- 16 4. IDAHO INSURANCE GUARANTY ASSOC.  
17 c/o WESTERN GUARANTY FUND SERVICES  
18 1720 S. BELLAIRE STREET, SUITE 408  
19 DENVER, CO 80222
- 20 5. DON W. BEALL, PRESIDENT  
21 WESTERN CARRIERS INSURANCE EXCHANGE  
22 c/o BEALL & ASSOCIATES, INC.  
23 164 HOSPITALITY LANE  
24 SAN BERNARDINO, CA 92408
- 25 6. KATHERINE BILLINGHAM  
26 ASSOCIATE COUNSEL  
27 UNIVERSAL REINSURANCE CORPORATION  
28 11370 REED HARTMAN HIGHWAY  
CINCINNATI, OH 45241
7. \*SCOTT PEARCE, ESTATE TRUST MANAGER  
CALIFORNIA DEPARTMENT OF INSURANCE  
CONSERVATION AND LIQUIDATION OFFICE  
425 MARKET STREET, 23<sup>RD</sup> FLOOR  
SAN FRANCISCO, CA 94105
8. \*ELENA ASTURIAS, ESQ., STAFF COUNSEL  
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45 FREMONT ST., 21ST FLOOR  
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\*courtesy copy