

CONFORMED COPY
ORIGINAL FILED
Superior Court of California
County of Los Angeles

AUG 14 2019

Sherri R. Carter, Executive Officer/Clerk
By: John Aguayo, Deputy

1 XAVIER BECERRA
Attorney General of California
2 LISA W. CHAO
Supervising Deputy Attorney General
3 State Bar No. 198536
300 South Spring Street, Suite 1702
4 Los Angeles, CA 90013
Telephone: (213) 269-6239
5 Fax: (213) 897-5775
E-mail: Lisa.Chao@doj.ca.gov
6 *Attorneys for Applicant*
Insurance Commissioner of the State of California,
7 *in his capacity as the Liquidator of Fremont*
Indemnity Company

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF LOS ANGELES
10 SPRING STREET COURTHOUSE
11

12
13 **INSURANCE COMMISSIONER OF THE**
STATE OF CALIFORNIA,
14
Applicant,
15
v.
16
17 **FREMONT INDEMNITY COMPANY, a**
California corporation,
18
Respondent.
19

Case No. BS083582

~~[PROPOSED]~~ ORDER:

- (1) **SETTLING AND APPROVING FINAL REPORT AND ACCOUNT OF LIQUIDATOR OF FREMONT INDEMNITY COMPANY;**
- (2) **AUTHORIZING DISBURSEMENT OF FUNDS;**
- (3) **APPROVING PAYMENT OF EXPENSES; AND**
- (4) **TERMINATING LIQUIDATION PROCEEDING AND DISCHARGING INSURANCE COMMISSIONER AS LIQUIDATOR**

Date: August 16, 2019
Time: 10:00 a.m.
Dept: 10
Judge: The Honorable William F. Highberger

Action Filed: June 3, 2003

Received
JUL 15 2019
Fax Filing
Room 111C

1 The Application of the Insurance Commissioner of the State of California (Commissioner
2 or Liquidator), in his capacity as the Liquidator of Fremont Indemnity Company (Fremont) for
3 Orders: 1) Settling and Approving Final Report and Account of Liquidator of Fremont
4 Indemnity Company; (2) Authorizing Disbursement of Funds; (3) Approving Payment of
5 Expenses; and (4) Terminating Liquidation Proceeding and Discharging Insurance
6 Commissioner as Liquidator (Application) came on for hearing on August 16, 2019, at 10:00
7 a.m. in Department 10 of the above-entitled court, the Honorable William F. Highberger,
8 presiding.

9 The Court, after reviewing the Application, the Memorandum of Points and Authorities,
10 the supplemental brief, declarations and argument having been heard and good cause appearing,

11 IT IS HEREBY ORDERED that:

12 1. The Report and Account of Liquidator for the period from June 4, 2003, through
13 March 31, 2019, is settled and approved.

14 2. The Liquidator is authorized to distribute approximately \$83,444,525 to the
15 approved Class 2 claimants set forth in Exhibit A to the Application based on a distribution rate
16 of 43.25% of the approved claim amount. The amount available for distribution is subject to
17 adjustment for investment income and changes in market value of investments that have been
18 posted as of the date the investments are withdrawn from the investment pool. The distributions
19 shall be made within forty-five (45) days of the entry of the Court's order.

20 3. The Liquidator is authorized to retain a reserve of \$1,218,666 for payment of
21 administrative closing expenses incurred by the Liquidator from and after April 1, 2019. A report
22 to the Court of the expenditure of these funds shall not be required. The Liquidator is further
23 authorized to distribute pro rata any surplus amount of the closing reserve to the approved Class 2
24 claimants based on the approved overall projected distribution rate of 43.25% of the approved
25 claim amount.

26 4. Without further court order, the Commissioner is further authorized to distribute
27 any annuity collections or other post-distribution proceeds, once those amounts collected reach or
28 exceed \$5 million, to the approved Class 2 claimants based on each claimant's equitable (pro

1 rata) share of the remaining approved unpaid portion of the Class 2 liability. The Commissioner
2 shall not be required to pay any distribution amount less than \$10. The Commissioner is further
3 authorized to retain a \$100,000 administrative reserve to pay all costs and maintenance expenses
4 associated with the anticipated distributions. Once all collections have been deemed complete,
5 any remaining funds held in reserve will be distributed to approved Class 2 claimants at the time
6 of the final distribution.

7 5. In accordance with the six month waiting period of Code of Civil Procedure
8 section 1517, the Commissioner, as to disbursements which are either undeliverable or as to
9 which issued checks have not then been negotiated, is authorized to void such checks as have not
10 then been negotiated and escheat all undeliverable amounts and amounts of non-negotiated
11 checks to the Insurance Fund pursuant to Insurance Code section 12937.

12 6. The Liquidator is authorized to destroy all records of Fremont in his custody and
13 control, except for those records necessary for examination by the Department of Finance or other
14 auditor of the Liquidator's books and records pursuant to Insurance Code section 1061.

15 7. The Liquidator is authorized to take any action necessary to accomplish the
16 purpose of this Order.

17 8. The estate of Fremont Indemnity Company will be closed and the Commissioner
18 shall be discharged as liquidator upon the filing of a declaration that the Commissioner has
19 distributed the assets in accordance with this Court's order.
20

21
22 Dated: 8-14-19

WILLIAM F. HIGHBERGER, JUDGE

The Honorable William F. Highberger
Judge of the Superior Court

DECLARATION OF SERVICE BY U.S. MAIL

Case Name: **Insurance Commissioner v. Fremont Indemnity Company**
Case No.: **BS083582**

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 with postage thereon fully prepaid that same day in the ordinary course of business.

On July 15, 2019, I served the attached **[PROPOSED] ORDER: (1) SETTling AND APPROVING FINAL REPORT AND ACCOUNT OF LIQUIDATOR OF FREMONT INDEMNITY COMPANY; (2) AUTHORIZING DISBURSEMENT OF FUNDS; (3) APPROVING PAYMENT OF EXPENSES; AND (4) TERMINATING LIQUIDATION PROCEEDING AND DISCHARGING INSURANCE COMMISSIONER AS LIQUIDATOR** by placing a true copy thereof enclosed in a sealed envelope 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:

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 July 15, 2019, at Los Angeles, California.

SEE ATTACHED SERVICE LIST

C. Adams
Declarant


Signature

SERVICE LIST

Case Name: Insurance Commissioner v. Fremont Indemnity Company
L. A. S. C. Case No.: BS083582

Debra Underwood
c/o Alphonso Manns, Esq.
PO Box 1914
Bloomington, IN 47402

Kittle's Home Furnishings
c/o Ogletree Deakins
Attn: Michelle R. Maslowski, Esq.
111 Monument Circle, Suite 4600
Indianapolis, IN 46204

Assmann Corporation of America
Attn: David L. Crager, President
300 North Taylor Rd
Garrett, IN 46738

Kirkorian Enterprises
c/o Sheuerman Martini Tabari Zenere
Attn: Allen L. Martini, Esq.
1033 Willow St.
San Jose, CA 95125-2346

Channahon School District 17
24920 S. Sage St.
Channahon, IL 60410-8670

Kenai Peninsula Borough
Kenai Penin Borough School District
144 N. Binkley St.
Soldotna, AK 99669-7520

R.E. Staite Engineering, Inc.
c/o Cox Wootton, et al.
Attn: C. Kieliger
900 Front St, Suite 350
San Francisco, CA 94111

Northland Service, Inc.
Attn: Rheagan Sparks
PO Box 24348
Seattle, WA 98124-0348

ARC Construction Co. Inc.
c/o KDDK
Attn: Stephen S. Lavallo, Esq.
PO Box 3646
Evansville, IN 47735

Azusa Land Reclamation Co., Inc.
c/o Lathrop & Gage
2345 Grand Blvd., Suite 2200
Kansas City, MO 64108-2612

T.S.V.P. Janitorial Service Inc.
PO Box 1352
Jackson, NJ 08527-0352

James Marine. Inc.
Nienhuis & Settergren, for James Marine
1 S Memorial Dr., Suite 1000
St. Louis, MO 63102-2449

Liquidity Solutions Inc.
1 University Plaza, Suite 312
Hackensack, NJ 07601

City of Olney
300 S Whittle Ave
Olney, IL 62450-2252

Greenball Corporation
Attn: Chris Tsai, President
222 S Harbor Blvd., Suite 700
Anaheim, CA 92805

Manson Construction Co.
Attn: Gary Hendricks
PO Box 24067
Seattle, WA 98124-0067

Sunstate Equipment Co. LLC
Attn: Garth Price, CFO
5552 East Washington St.
Phoenix, AZ 85034

Sarens USA
Attn: Rafael Boza, Esq.
10855 John Ralston Rd.
Houston, TX 77044

Alaska Insurance Guaranty Association
c/o Northern Adjusters
Attn: Dane Harvard
1401 Rudakof Circle, Suite 100
Anchorage, AK 99508-3108

Alabama Insurance Guaranty Association
Attn: Andrea Lentine, Exec. Director
2020 Canyon Rd., Suite 200
Birmingham, AL 35216

Arkansas P&C Guaranty Association
Attn: Steve Uhrynowycz
1023 W. Capitol Ave., Suite 2
Little Rock, AR 72201-3003

Arizona State Compensation Fund
1110 West Washington St, Suite 270
Phoenix, AZ 85007

APCIGF & ICA Special Fund
800 W Washington St. #307
Phoenix, AZ 85007-2922

California Insurance Guaranty Association
Attn: Wayne Wilson, Exec. Director
PO Box 29066
Glendale, CA 91209-9066

Colorado Insurance Guaranty Association
Attn: Chad Anderson, President
1720 South Bellaire St. Suite 408-WGFS
Denver, CO 80222

Idaho Insurance Guaranty Association
c/o Western Guaranty Funds Services
1720 South Bellaire St, Suite 408
Denver, CO 80222-4320

Maine Insurance Guaranty Association
1 Bowdoin Square, Suite 200
Boston, MA 02114-2919

Montana Insurance Guaranty Association
Attn: Chad Anderson, President
1720 South Bellaire St. Suite 408
Denver, CO 80222-4320

Washington Insurance Guaranty Association
Attn: Chad Anderson, President
1720 South Bellaire St. Suite 408
Denver, CO 80222-4320

Wyoming Insurance Guaranty Association
1720 S. Bellaire St. Suite 408
Denver, CO 80222-4320

Delaware Insurance Guaranty Association
220 Continental Dr. Suite 309
Newark, DE 19713-4314

Florida Workers Comp. Ins. Guaranty Assoc
Attn: Sandra J. Robinson, President
PO Box 15159
Tallahassee, FL 32317-5159

Georgia Insurers Insolvency Pool
Gwinnett Commerce Center
3700 Crestwood Pkwy, NW, Suite 400
Duluth, GA 30096

Hawaii Insurance Guaranty Association
Attn: Blake Obata, Administrator
PO Box 4660
Honolulu, HI 96815-4660

Iowa Insurance Guaranty Association
Attn: Steven Augspurger, General Counsel
801 Grand Avenue, Suite 3700
Des Moines, IA 50309-8004

Illinois Insurance Guaranty Fund
Attn: Tim Schotke, Exec. Director
150 S. Wacker Dr., Suite 2970
Chicago, IL 60606

Indiana Insurance Guaranty Association
Attn: Janis Funk, Exec. Director
3502 Woodview Trace, Suite 100
Indianapolis, IN 46268

Kansas Insurance Guaranty Association
c/o Western Guaranty Fund Management
1720 South Bellaire St, Suite 408
Denver, CO 80222-4320

Kentucky Insurance Guaranty Association
Attn: A. Scott Webster, Exec. Director
10605 Shelbyville Rd., Suite 101
Louisville, KY 40223

Louisiana Insurance Guaranty Association
Attn: John Wells, Director of Operations
2142 Quail Run Dr.
Baton Rouge, LA 70808-4126

Connecticut Insurance Guaranty Association
c/o GFMS
Attn: Paul Gulko
1 Bowdoin Square, Suite 200
Boston, MA 02114-2919

District of Columbia Insurance Guaranty Assoc.
c/o GFMS
Attn: Paul Gulko
1 Bowdoin Square, Suite 200
Boston, MA 02114-2919

Massachusetts Insurers Insolvency Fund
c/o Guaranty Fund Management Services
Attn: Paul Gulko
One Bowdoin Square, Suite 200
Boston, MA 02114-2916

New Hampshire Insurance Guaranty Association
c/o GFMS
Attn: Paul Gulko
1 Bowdoin Square, Suite 200
Boston, MA 02114-2919

Rhode Island Insurance Guaranty Association
1 Bowdoin Square, Suite 200
Boston, MA 02114-2919

Virginia Insurance Guaranty Association
c/o Guaranty Fund Management Services
1 Bowdoin Square, Suite 200
Boston, MA 02114-2919

Maryland P&C Insurance Guaranty Corp.
305 Washington Ave., Suite 600
Towson, MD 21204-4715

Michigan P&C Insurance Guaranty Assoc.
Attn: Thomas Kujawa Exec. Director
PO Box 531266
Livonia, MI 48153-1266

Minnesota Insurance Guaranty Association
Attn: Robert A. Farber, Exec. Director
7600 Parklawn Ave., Suite 460
Edina, MN 55435

Missouri P&C Insurance Guaranty Assoc.
Attn: Charles Renn, Executive Director
2210 Missouri Blvd.
Jefferson City, MO 65109

Mississippi Insurance Guaranty Association
713 S. Pear Orchard Rd, Suite 401
Ridgeland, MS 39157-4823

North Carolina Insurance Guaranty Assoc.
Attn: Raymond Evans
2910 Sumner Blvd.
Raleigh, NC 27616

Nebraska P&C Insurance Guaranty Assoc.
c/o Western Guaranty Fund Services
1720 South Bellaire St, Suite 408
Denver, CO 80222

NJ Workers Compensation Security Fund
Attn: Joseph Dellafera, Exec. Director
233 Mount Airy Rd.
Basking Ridge, NJ 07920

Vermont Insurance Guaranty Association
c/o GFMS
Attn: Paul Gulko
1 Bowdoin Square, Suite 200
Boston, MA 02114-2919

Nevada Insurance Guaranty Association
Attn: Bruce Gilbert, Exec. Director
3821 West Charleston Blvd., Suite 100
Las Vegas, NV 89102-1859

New York Liquidation Bureau
Attn: David Azinn, Special Deputy
110 William Street, 15th Floor
New York, NY 10038

Oklahoma P&C Insurance Guaranty Assoc.
Attn: Amanda Berbera, General Manager
2601 NW Expressway, Suite 800E
Oklahoma City, OK 73112-7221

Oregon Insurance Guaranty Association
Attn: Catherine Braughton-Bazant, Admin.
10700 SW Beaverton Hwy, #426
Beaverton, OR 97005-3019

Pennsylvania Worker's Comp. Security Fund
Dept. of Insurance Bureau of Special Funds
Attn: Sue Pease
901 North 7th St, 3rd Floor
Harrisburg, PA 17102-1413

South Carolina P&C Insurance Guaranty Assoc.
Attn: J. Smith Harrison, Exec. Director
PO Box 407
Columbia, SC 29220-0407

South Dakota Insurance Guaranty Assoc.
Attn: Edwin E. Evans, Managing Secretary
PO Box 2790
Sioux Falls, SD 57101-2790

Tennessee Insurance Guaranty Association
Attn: David Broemel, Executive Secretary
3100 West End Ave., Suite 670
Nashville, TN 37203-5805

New Mexico P&C Ins. Guaranty Assoc.
c/o Integrion Group
Attn: Debbie Luera
PO Box 27815
Albuquerque, NM 87125

Utah P&C Insurance Guaranty Assoc.
Attn: Allen Muhlestein, Exec. Director
PO Box 1608
Sandy, UT 84091-1608

Wisconsin Insurance Security Fund
Attn: Allan Patek, Exec. Director
2820 Walton Commons W Suite 135
Madison, WI 53718-6797

W.H. Maze Company
Attn: David Loveland
PO Box 449
Peru, IL 61354-0098

Adjustable Clamp Company
c/o High Ridge Partners
Attn: P. Cavanaugh
140 S. Dearborn, Suite 420
Chicago, IL 60603

Gotfresh Logisites, LLC
Attn: Jeff Nicholson
24958 County Rd 101A
Davis, CA 95616

Bechtel Corporation
Attn: Roger Ewald
12011 Sunset Hills Rd. Suite 110
Reston, VA 20190

Kaiser Aluminum & Chemical
c/o Morgan Lewis & Bockius
One Market, Spear Street Tower
San Francisco, CA 94105

Nichols Bros. Boat Builders
c/o Bryan Nichols
PO Box 580
Freeland, WA 98249-0580

Texas P&C Insurance Guaranty Association
Attn: Marvin Kelly, Exec. Director
9120 Burnett Rd.
Austin, TX 78758-5204

Equity Trust Co. FBO Liquidity Solutions Inc.
Attn: 401K David Fishel Trustee
1 Equity Way
Westlake, OH 44145

Corn Island Shipyard, Inc.
Attn: Debbie Neighbors
PO Box 125
Lamar, IN 47550

Vigor Shipyards, Inc.
Attn: Dawn Cartwright, Dir. HR & Risk Mgmt.
5555 N Channel Ave
Portland, OR 97217

Culver-Stockton College
1 College HL
Canton, MO 63435-1299

Madison County Government
Attn: Stacy J. Perjack, Arm., Sfty & Risk Mgmt.
157 N Main St, Suite 159
Edwardsville, IL 62025

Universal Metal Services
16655 S Canal St
South Holland, IL 60473-2780

Schaumburg CCS #54
524 E Schaumburg Rd
Schaumburg, IL 600194-3510

W.R. Meadows Inc.
c/o Kenneth Anspach, Esq.
111 West Washington St, Suite 1625
Chicago, IL 60602

ALG Vacation Corp.
8907 North Port Washington Rd
Milwaukee, WI 53217

Pacific Fisherman, Inc.
c/o Doug Dixon
5351 24th Ave NW
Seattle, WA 98107-4196

Portillo's Hot Dogs
Attn: Susan B. Shelton
2001 Spring Rd., Suite 400
Oak Brook, IL 60523-3930

Finish Line Ford
Attn: Jeffrey J. Green
2100 W. Pioneer Pkwy
Peoria, IL 61615-1856

Urbana SD 116
Attn: Barb Moews/CCMSI
2 E. Main St.
Danville, IL 61832-5844

Comp USA
Attn: Jeffery Hyde, Treasury Director
14951 Dallas Pkwy
Dallas, TX 75254-7892

Kinedyne Corp.
Attn: Daniel C. Shotterbeck, CFO
3040 US Hwy 22 West, Suite 150
Branchburg, NJ 08876-3594

Atmel Corp.
Attn: Kim Van Herk, VP & Gen. Counsel
2355 West Chandler Blvd.
Chandler, AZ 85224

Invesco Advisors Inc.
c/o Barnes & Thornburg LLP
Attn: James J. Leonard, Esq.
3475 Piedmont Rd NE Suite 1700
Atlanta, GA 30305-3327

Pacific Telecom Inc.
Attn: Tara L. Acton, Director
931 14th St, 10th Floor
Denver, CO 80202

Simpson Gear & Oil Inc.
Attn: Richard Simpson
PO Box 837
Fairfield, IL 62837-0837

Schurman Fine Papers
Attn: Roxanne Prahser, CFO
500 Chadbourne Rd
Fairfield, CA 94533

Cross Timbers Oil Company
810 Houston St, Suite 2000
Ft Worth, TX 76102-6298

The Men's Warehouse
6380 Rogerdale Rd
Houston, TX 77072-1649

Jack B Parson Construction
c/o Kesler & Rust
Attn: Doug Griffith
68 South Main St, 2nd Floor
Salt Lake City, UT 84101

O C Tanner & Company
Attn: Paula Harding
1930 S State St
Salt Lake City, UT 84115-2385

A Daigger & Co. Learning
620 Lakeview Pkwy
Vernon Hills, IL 60061-1828

Accurate Inc.
c/o Schenck Trebel Corp.
535 Acorn St
Deer Park, NY 11729-3601

America West Airlines
c/o US Airways
Attn: Workers Comp.
4000 E Sky Harbor Blvd
Phoenix, AZ 85034-0664

Artisan's Inc.
PO Box 278
Glen Flora, WI 54526-0278

Tractor & Equipment Co.
PO Box 30158
Billings, MT 59107-0158

Green Lake County
Corporation Counsel's Office
571 County Road A
Green Lake, WI 54941

H&P Industries Inc.
700 W North Shore Dr.
Hartland, WI 53029-8358

Acuity, A Mutual Insurance Co.
Attn: James J. Loiacono, VP-Claims
2800 S Taylor Dr.
Sheboygan, WI 53081-8474

J W Speaker Corporation
N120W19434 Fristadt Rd
Germantown, WI 53022-9761

Lake Geneva School District
Attn: Administrative Offices
208 South Street
Lake Geneva, WI 53147

Midland Builders Inc.
6801 Chester Dr. Suite A
Madison, WI 53719-1936

Pierce County Treasurer-Admin
c/o Wanda Kinneman
PO Box 128
Ellsworth, WI 54011

Racine Unified School District
Attn: David Hazen, COO
3109 Mount Pleasant St
Racine, WI 53404-1511

Rainfair Inc.
c/o Lacrosse Footwear
Attn: Brian O'Banion
17634 NE Airport Way
Portland, OR 97230

Barron County
335 E Monroe Ave, Rm 2412
Barron, WI 54812-1489

School District of West Allis
1205 S 70th St, Suite 440
Milwaukee, WI 53214-3167

Simplicity Manufacturing Inc.
PO Box 997
Port Washington, WI 53074

Trace A Matic Corporation
21125 Enterprise Ave
Brookfield, WI 53045-5229

Conrad V. Sison
Locke Lord LLP
300 S. Grand Ave., Suite 2600
Los Angeles, CA 90071

Joseph E. Thomas
Thomas Whitelaw & Tyler LLP
18101 Von Karman Avenue, Suite 230
Irvine, CA 92612

Nicholas Peter Roxborough, Esq.
Roxborough, Pomerance & Nye LLP
5820 Canoga Avenue, Suite 250
Woodland Hills, CA 91367

Wayne Wilson, Executive Director
California Insurance Guarantee Association
P.O. Box 29066
Glendale, CA 91209-9066

School District of Elmbrook
Attn: Lori Golomski, Benefits Counselor
13780 Hope St.
Brookfield, WI 53008-1830

Wisconsin Physicians Service Insurance
Attn: William Johnson, Assoc. Gen. Counsel
PO Box 8190
Madison, WI 53708-8190

Worzalla Publishing Company
Attn: Marianne E. Schifer
PO Box 307
Stevens Point, WI 54481-0307

Paul Wools, Esq.
H. Douglas Galt, Esq.
Gregory B. Scher
Wools & Peer
A Professional Corporation
One Wilshire Boulevard, 22nd Floor
Los Angeles, CA 90017

Russell Hayman, Esq.
G. Jill Basinger, Esq.
McDermont Will & Emry LLP
2049 Century Park East, Suite 3800
Los Angeles, CA 90067-3218