. 1 BILL LOCKYER, Attorney General **ORIGINAL FILED** of the State of California 2 W. DEAN FREEMAN Lead Supervising Deputy Attorney General FEB 0 4 2005 3 JOSEPH M. O'HERON, State Bar No. 54245 Deputy Attorney General LOS ANGELES 4 California Department of Justice SUPERIOR COURT 300 South Spring Street, Room 1702 5 Los Angeles, CA 90013 Telephone: (213) 897-2493 6 Facsimile: (213) 897-5775 7 Attorneys for Applicant, Insurance Commissioner of the State of 8 California as Liquidator of Signal Insurance Company 9 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 FOR THE COUNTY OF LOS ANGELES 11 12 INSURANCE COMMISSIONER OF THE CASE NO. C 136919 13 STATE OF CALIFORNIA, (Case filed September 23, 1975) 14 **Applicant** Judge: Hon. Dzintra Janavs 15 VS. DECLARATION RE COMPLIANCE IN 16 SUPPORT OF THE FINAL REPORT AND ACCOUNT OF LIQUIDATOR SIGNAL INSURANCE COMPANY. 17 [no hearing required] 18 Respondent. 19 20 21 I, FRED A. BUCK, declare: I am a Special Deputy Insurance Commissioner. The statements contained in 1. 22 this declaration are not all within my personal knowledge, and I am informed that no single 23 officer of the Conservation and Liquidation Office ("CLO") has personal knowledge of all these 24 matters. The statements herein are based on information assembled by authorized employees of 25 the CLO, and I am informed and believe that the statements based upon that information are 26 true. As to those matters that are within my own personal knowledge, the statements are true. If 27

called upon as a witness, I would testify as set forth herein.

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Declaration re Compliance in Support of the Flual Report and Account of Liquidator

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- 2. I am responsible for the supervision and management of all matters pertaining to all companies for which the Insurance Commissioner has been appointed conservator or liquidator and which are managed by the CLO, including but not limited to supervision and management by the CLO's financial, investment, accounting, claims, and reinsurance departments and personnel.
- I have overall custody and control of the CLO's files and records pertaining to 3. all companies in liquidation, including Signal Insurance Company in Liquidation ("the Estate"), and am responsible for the maintenance of such files and records in the ordinary course of business. I am familiar with the business and record keeping practices of the CLO.
- I am responsible for all claims, financial, investment, accounting, tax, actuarial, and reinsurance matters pertaining to the liquidation of the Estate and am responsible for the manner in which the Estate will be concluded.
- On July 7, 2004, this Court entered its "Orders (1) Settling And Approving Final 5. Report and Account of Conservator and Liquidator, (2) Authorizing Disbursement of Funds, (3) Approving Payment of Expenses, (4) Terminating Proceedings and Discharging Liquidator" (collectively, the "Order").
- Pursuant to paragraph 2 of the Order, on or about July 27, 2004, 111 distributions 6. were made by the Liquidator via check issuance or electronic transfer in total amount of \$387,652.45 (such amount reflecting investment earnings through the distribution date). During the period from July 27, 2004 to January 27, 2005, 98 checks were presented for payment by the recipients thereof and electronic transfers accepted in total amount of \$338,541.34. During that same period, it was determined that 13 checks were returned or were outstanding, representing the amount of \$49,111.11. On January 27, 2004, the sum of \$49,111.11 escheated to the State of California in accordance with the Order and Section 1517 (b) of the Code of Civil Procedure.
- 7. The Liquidator retained \$110,299.00 from the Estate prior to making the payment described in Paragraph 6 above for payment of administrative expenses incurred after July 31, 2002 with respect to the estate.

The Order provided that the Commissioner shall be discharged as Liquidator of 8. the Estate upon the filing of a declaration that he distributed the assets thereof in accordance with the terms of the Order. As set forth in paragraphs 1-7 above, the Commissioner has transferred all residual assets of the Estate and has taken all action necessary pursuant to the terms of the Order, and the Estate is closed concurrent with the filing of this declaration. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this day of February, 2005, at San Francisco, California. ZIO. Z Fred A. Buck Special Deputy Insurance Commissioner #323518v1

DECLARATION OF SERVICE

Case Name: INSURANCE COMMISSIONER v. SIGNAL INS. CO.

No.: C 136919

(Case filed September 23, 1975)

I declare:

I am employed in the County of Los Angeles, California. I am 18 years of age or older and not a party to the within entitled cause; my business address is 300 S. Spring Street, Los Angeles,

On February 4, 2005, I served the attached

DECLARATION RE COMPLIANCE IN SUPPORT OF THE FINAL REPORT AND ACCOUNT LIQUIDATOR

by placing a true copy thereof enclosed in a scaled envelope with postage thereon fully prepaid, in the United States mail at Los Angeles, California, addressed as follows:

(PLEASE SEE ATTACHED LIST)

I hereby certify that I am employed in the office of a member of the Bar of this Court at whose direction the service was made.

I declare under penalty of perjury the foregoing is true and correct and that this declaration was executed on February 4, 2005, at Los Angeles, California.

HILDEGARDA B. DOMANTAY

SERVICE LIST

(Rev. February 4, 2005)

Re:

INSURANCE COMMISSIONER v. SIGNAL INSURANCE CO. Los Angeles Superior Court, Case No. C 136 919

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