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Exempt from fees pursuant to Govt.
Code § 6103

Attorneys for Petitioner
Insurance Commissioner of the State of California

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 COUNTY OF LOS ANGELES

11 CENTRAL DISTRICT

13 **INSURANCE COMMISSIONER OF THE**
14 **STATE OF CALIFORNIA,**

Case No. 21STCP01655

15 Applicant,

16 v.

17 **WESTERN GENERAL INSURANCE**
18 **COMPANY,**

19 Respondent.

**DECLARATION OF DOUGLAS J.
BETETA IN SUPPORT OF VERIFIED
EX PARTE APPLICATION FOR ORDER
APPOINTING INSURANCE
COMMISSIONER AS CONSERVATOR**

Date: May 26, 2021
Time: 8:30 a.m.
Dept.: 39
Judge: Hon. Stephen I. Goorvitch
Trial Date: None Set
Action Filed: May 21, 2021

1 I, Douglas J. Beteta, declare:

2 1. I am the attorney of record herein for Petitioner Ricardo Lara, Insurance
3 Commissioner of the State of California (Commissioner). I am an attorney at law, duly
4 authorized to practice before all courts of the State of California and this Court and am a Deputy
5 Attorney General for the California Office of the Attorney General, which represents the
6 Commissioner in this action. I have personal knowledge of the facts recited herein, and if called
7 and sworn, would competently so testify.

8 2. Counsel for Respondent Western General Insurance Company (Western General) in
9 this action is:

10 John E. McPherson
11 Hinshaw & Culbertson LLP
12 350 South Grand Ave., Suite 3600
13 Los Angeles, CA 90071-3476
14 Tel.: 213-614-7320
15 jmcpherson@hinshawlaw.com

16 3. On or about May 21, 2021, after he agreed to electronic service, I served Mr.
17 McPherson with conformed copies of the Commissioner's Petition and the Court's Notice of
18 Assignment. I also expressed the Commissioner's intent to apply ex parte on May 26, 2021 for an
19 order appointing the Commissioner conservator of Western General.

20 4. On or about May 24, 2021, Mr. McPherson confirmed that, consistent with the
21 resolutions its board of director and its majority shareholder adopted consenting to the
22 Commissioner's Petition, Western General would not oppose the Commissioner's ex parte
23 application asking to be appointed conservator over Western General.

24 5. On or about May 25, 2021 at 7:44 a.m., I sent Mr. McPherson the email attached
25 hereto as Exhibit 1 (without attachments), providing notice of the Commissioner's ex parte
26 application and attaching a copy of the Commissioner's Verified Ex Parte Application and
27 [Proposed] Order. As of the time I make this declaration, Mr. McPherson has not responded to
28 my email.

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

3 Executed on May 25, 2021, in South Pasadena, California.

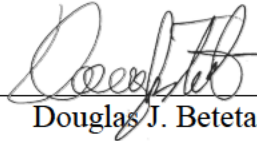
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6 Douglas J. Beteta
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EXHIBIT 1

Douglas Beteta

From: Douglas Beteta
Sent: Tuesday, May 25, 2021 7:44 AM
To: 'McPherson, John E.'
Subject: Commissioner v. Western General Insurance Company - Notice of 5/26/21 Ex Parte Application
Attachments: Verified Ex Parte Application.pdf; [Proposed] Order Appointing Commissioner as Conservator.pdf

Dear John,

As we have discussed, on Wednesday, May 26, 2021 at 8:30 a.m., I will appear remotely via LA Court Connect in Department 39 of the Los Angeles Superior Court, Stanley Mosk Courthouse, located at 111 North Hill Street, Los Angeles, CA 90012, to present Petitioner Insurance Commissioner's ex parte application seeking an order appointing him conservator of Respondent Western General Insurance Company. The Commissioner's application is based on the grounds that the Insurance Commissioner has determined that Western General is in a condition that makes further transaction of business hazardous to its policyholders, creditors, and the public, and that the Commissioner estimates that, by the end of the second quarter of 2021, Western General will be unable to comply with the requirements for the issuance of a Certificate of Authority because it does not have adequate capital and surplus, as well as Western General's consent to have the Commissioner appointed conservator.

Attached please find the Commissioner's ex parte application and proposed order. Please let me know if you will appear at the ex parte hearing. As we've discussed, it is my understanding that Western General does not oppose the Commissioner's application. Please let me know if that understanding is incorrect.

Best,
Doug

Douglas J. Beteta
Deputy Attorney General
Business & Tax Section
Office of the Attorney General
300 S. Spring St., Suite 1702
Los Angeles, CA 90013
213.269.6014

DECLARATION OF SERVICE BY E-MAIL

Case Name: **INSURANCE COMMISSIONER OF THE STATE OF CALIFORNIA v.
WESTERN GENERAL INSURANCE COMPANY**

No.: **21STCP01655**

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.

On **May 25, 2021**, I served the attached **DECLARATION OF DOUGLAS J.BETETA IN SUPPORT OF VERIFIED EX PARTE APPLICATION FOR ORDER APPOINTING INSURANCE COMMISSIONER AS CONSERVATOR** by transmitting a true copy via electronic mail, addressed as follows:

**John E. McPherson
Hinshaw & Culbertson LLP
350 South Grand Ave., Suite 3600
Los Angeles, CA 90071-3476
Tel.: 213-614-7320
jmcperson@hinshawlaw.com**

I declare under penalty of perjury under the laws of the State of California and the United States of America the foregoing is true and correct and that this declaration was executed on **May 25, 2021**, at Los Angeles, California.

Martha Ochoa
Declarant



Signature