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Insurance Commissioner of the State of California
12 in his Capacity as Conservator of
CastlePoint National Insurance Company

ELECTRONICALLY
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SUPERIOR COURT OF THE STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO

17 DAVE JONES, INSURANCE
18 COMMISSIONER OF THE STATE OF
CALIFORNIA,

Applicant,

v.

21 CASTLEPOINT NATIONAL INSURANCE
22 COMPANY, and DOES 1-50, inclusive,

Respondents.

Case No. CPF-16-515183
Reservation No. 03130412-06

**SECOND DECLARATION OF DAVID
WILSON IN SUPPORT OF
INSURANCE COMMISSIONER'S
MOTION FOR APPROVAL OF
TRANSACTION**

**Date: May 10, 2018
Time: 9:30 a.m.
Dept: 302
Judge: Hon. Harold E. Kahn**

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I, David E. Wilson, declare as follows:

1. I am the Chief Executive Officer of the Insurance Commissioner of the State of California's Conservation and Liquidation Office ("CLO") and am a Special Deputy Insurance Commissioner. I make this second declaration in support of Insurance Commissioner Dave Jones' Motion for Approval of Transaction ("Motion"). I have personal knowledge of the matters set forth herein and if called upon as a witness, I would testify as set forth below.

2. On behalf of the Commissioner as the Liquidator of CastlePoint, I and my staff have carefully considered the Transaction at issue in the Motion and have agreed to a downward adjustment to the net amount that CastlePoint will receive in cash at closing from CastlePoint Reinsurance Company Ltd. ("CPRe"), from \$8.4 million to \$7.9 million. That adjustment is based on a review of the reserves of CPRe and the material risk that the reserves may "develop" (i.e., increase during the coming years due to increases in the amounts that CPRe must pay to priority claimants before paying CastlePoint). The revised amount of \$7.9 million remains well within the range of potential values for the contingent account receivable asset that is being settled as part of the Transaction.

3. Given an estate of this size and the complexity and uncertainty surrounding the current amount due from CPRe to CastlePoint, the Transaction is reasonable and the Commissioner believes that it should be approved as a necessary, reasonable, and appropriate action to efficiently wind-up the CastlePoint estate.

This declaration was executed this 8th day of May, 2018, in San Francisco, California. I declare under penalty of perjury according to the laws of the State of California that the foregoing is true and correct.

David E Wilson

David E. Wilson