

1 KAMALA D. HARRIS
Attorney General of the State of California
2 JOYCE E. HEE (State Bar No. 88610)
Supervising Deputy Attorney General
3 ANNE MICHELE BURR
State Bar No. 158302
4 Deputy Attorney General
455 Golden Gate, Suite 11000
5 San Francisco, California 94102-7004
Telephone: (415) 703-1403
6 Facsimile: (415) 703-5480
Email: AnneMichele.Burr@doj.ca.gov

7 *Attorney for Applicant*
8 *Insurance Commissioner of the State of California,*
9 *in his Capacity as Liquidator of HIH America*
Compensation & Liability Insurance Company

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 COUNTY OF SAN FRANCISCO

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15 **INSURANCE COMMISSIONER OF THE**
STATE OF CALIFORNIA,
16 Applicant,
17
18 v.
19 **HIH AMERICA COMPENSATION &**
LIABILITY INSURANCE COMPANY, a
20 **California domiciled insurance company,**
21 Respondent.

Case No. CPF-01-320049

~~AMENDED [PROPOSED]~~ ORDER
APPROVING PAYMENT OF
LIQUIDATOR'S ADMINISTRATIVE
EXPENSES, APPROVING THE FINAL
DISTRIBUTION OF ASSETS, AND
CLOSING THE ESTATE

Date: December 31, 2015
Time: 9:30 a.m.
Dept: 302
Reservation No. 10011119-03

ENDORSED
FILED
San Francisco County Superior Court

DEC 31 2015

CLERK OF THE COURT
BY: ERICKA LARNAUTI
Deputy Clerk

1 The Insurance Commissioner as Liquidator of HHH America Compensation & Liability
2 Insurance Company (also "Liquidator"), has applied for an order approving the payment of
3 administrative expenses, the final distribution of assets, and the closing of the liquidated estate of
4 HHH America Compensation & Liability Insurance Company (the HHH America estate").

5 Good cause appearing, IT IS HEREBY ORDERED that:

6 1. The Liquidator's payment of \$306,812 for general operating and administrative
7 expenses for the HHH America estate paid from July 1, 2014 through May 31, 2015 is approved;

8 2. The Liquidator is authorized to distribute approximately \$14,464,052.90
9 to the applicable state insurance guaranty associations ("IGAs") and \$359,355.10 to the Non-
10 IGA claimants under Insurance Code section 1033, subdivision (a)(2). The distributions shall be
11 made within two weeks of receipt of the signed order from the Court;

12 3. The Liquidator is authorized to retain the sum of \$489,313 as its reserve closing
13 budget for payment of administrative expenses incurred but not yet paid by the Liquidator as of
14 May 31, 2015, and for future administrative and closing costs. The Liquidator is authorized to pay
15 any excess closing and administrative costs out of the funds appropriated for the maintenance of
16 the Department of Insurance. A report to the Court of the expenditure of these funds shall not be
17 required;

18 4. As to disbursements that are either undeliverable or as to issued checks that have
19 not been negotiated, the Liquidator is authorized to void such checks and escheat all
20 undeliverable amounts and amounts of non-negotiated checks to the Insurance Fund pursuant to
21 Code of Civil Procedure section 1517.

22 5. In the absence of any IGA objection, the Liquidator is authorized to initiate the
23 destruction of physical records associated with the HHH America estate, while continuing to
24 maintain electronic records for a period of three years following the Court's issuance of this
25 Order, except for electronic records necessary for examination by the Department of Finance or
26 state auditor;

27 6. The Insurance Commissioner is authorized to maintain in the Conservation &
28 Liquidation Office imaged databases of all records of HHH America for a period of three years

1 from the date of this Court's Order, and thereafter the Insurance Commissioner is authorized to
2 destroy all records of HIH America, except for those records necessary for examination by the
3 Department of Finance or the auditor of the Insurance Commissioner's books and records
4 pursuant to section 1061;

5 7. The estate of HIH America shall be closed and the Insurance Commissioner shall
6 be discharged as Conservator and Liquidator upon the filing of a declaration that the Insurance
7 Commissioner has distributed the assets of HIH America in accordance with this Court's order
8 approving final distribution. The Insurance Commissioner, his Special Deputies, the Conservation
9 and Liquidation Office, its employees, the California Department of Insurance, and its personnel
10 and the Commissioner's agents and attorneys shall be upon such filing DISCHARGED from any
11 and all claims, debts, liabilities, or duties to further account for the assets or liabilities of HIH
12 America through the date of the declaration, and shall have no liability of any kind or nature for
13 such claims or debts; and

14 8. The Insurance Commissioner is authorized to take any and all action necessary to
15 accomplish the purposes of the Order prayed for herein.

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18 Dated: DEC 31 2015, 2015.

ERNEST H. GOLDSMITH

Judge of the Superior Court