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ROB BONTA
Attorney General of California
LISA W. CHAO
Supervising Deputy Attorney General
State Bar No. 198536
300 South Spring Street, Suite 1702
Los Angeles, CA 90013-1230
Telephone: (213) 269-6239
Fax: (916) 731-2144
E-mail: Lisa.Chao@doj.ca.gov
*Attorneys for Applicant Ricardo Lara, Insurance
Commissioner of the State of California, in his
capacity as Liquidator of Superior National
Insurance Company, Superior Pacific Casualty
Company, California Compensation Insurance
Company, Commercial Compensation Casualty
Company and Combined Benefits Insurance
Company*

*Exempt from Filing Fees
Pursuant to Gov. Code § 6103*

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
SPRING STREET COURTHOUSE

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

Applicant,

v.

**SUPERIOR NATIONAL INSURANCE
COMPANY,**

Respondent.

Case No.: BS061974
Consolidated with: BS061675
BS062171
BS062173
BS063746

**NOTICE OF MOTION AND MOTION
FOR ORDER OF CORPORATE
DISSOLUTION; MEMORANDUM OF
POINTS AND AUTHORITIES IN
SUPPORT THEREOF**

Date: October 19, 2022
Time: 11:00 a.m.
Dept: 14
Judge: The Honorable Kenneth R.
Freeman

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TO ALL INTERESTED PARTIES AND THEIR ATTORNEYS OF RECORD:

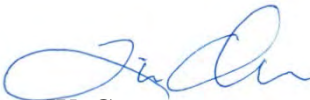
PLEASE TAKE NOTICE that on October 19, 2022, at 11:00 a.m., or as soon thereafter as the matter may be heard in Department 14 of the Superior Court of the State of California, Los Angeles County, Spring Street Courthouse located at 312 N. Spring Street, Los Angeles, California 90012, applicant Ricardo Lara, Insurance Commissioner of the State of California (Commissioner or Liquidator), in his capacity as the Liquidator of Superior National Insurance Company, Superior Pacific Casualty Company, California Compensation Insurance Company, Commercial Compensation Casualty Company and Combined Benefits Insurance Company (collectively, Insolvent Insurers), will and hereby does apply to the Court for an Order dissolving the corporate existences of the Insolvent Insurers pursuant to Insurance Code section 1017, subdivision (a).

The motion is based on this Notice, the accompanying Memorandum of Points and Authorities in support thereof, the Declaration of Scott Pearce, and such additional evidence and argument as may be offered at the time of the hearing on this application.

PLEASE TAKE FURTHER NOTICE that any opposition or objection to this motion shall be filed and served on or before 20 calendar days prior to the hearing date, and any reply shall be filed and served on or before 14 calendar days prior to the hearing date.

Dated: August 10, 2022

Respectfully submitted,
ROB BONTA
Attorney General of California


LISA W. CHAO
Supervising Deputy Attorney General
*Attorneys for Applicant
Ricardo Lara, Insurance Commissioner of
the State of California, in his capacity as
Liquidator of Superior National Insurance
Company, Superior Pacific Casualty
Company, California Compensation
Insurance Company, Commercial
Compensation Casualty Company and
Combined Benefits Insurance Company*

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MEMORANDUM OF POINTS AND AUTHORITIES

The Insurance Commissioner, in his capacity as liquidator, seeks an order formally dissolving the five liquidated insurers: Superior National Insurance Company, Superior Pacific Casualty Company, California Compensation Insurance Company, Commercial Compensation Casualty Company and Combined Benefits Insurance Company (collectively, Insolvent Insurers). The order of dissolution authorized under Insurance Code section 1017, subdivision (a), serves to ensure that no future claims may be asserted against the insolvent entities.

BACKGROUND

The Insolvent Insurers comprised of one of the largest workers’ compensation insurance groups in California and transacted insurance throughout the country before they experienced severe financial issues in the late 1990’s. In March 2000, the Commissioner placed each Insolvent Insurer into statutory conservation and an order of liquidation was subsequently entered. The Commissioner administered the liquidation estates for more than 20 years.

During the pendency of the liquidation, the Insolvent Insurers’ parent company, SNTL Corporation (fka Superior National Insurance Group, Inc.), commenced a Chapter 11 bankruptcy proceeding in the United States Bankruptcy Court, Central District of California, Case No. SV-00-41099-GM (SNTL Bankruptcy). As part of the plan of reorganization approved by the Bankruptcy Court, SNTL was acquired by JPMorgan Chase Bank (JPMorgan). The acquisition included SNTL’s interest in and the net operating losses of the Insolvent Insurers. (Declaration of Scott Pearce at ¶ 6 and Ex. A, Tax Sharing Agreement.) JPMorgan has requested the Liquidator to seek a formal dissolution of the Insolvent Insurers. (*Id.* at ¶ 7.)

In August 2021, this Court approved the Commissioner’s final report and accounting, and the plan for the final distribution of the Insolvent Insurers’ assets to approved claimants. The Commissioner has since completed the final distribution, and expect to file the declaration of compliance after the completing the escheatment of undelivered distributions. Although the order provides for the closure of the Insolvent Insurers’ estates and the discharge of the Commissioner as liquidator upon the filing of the declaration of compliance, it does not address the

1 consequences of closure. Accordingly, the Commissioner now requests the court to enter an
2 order dissolving the corporate existence of the Insolvent Insurers.

3 **THE COMMISSIONER IS AUTHORIZED TO APPLY FOR AN ORDER OF**
4 **DISSOLUTION**

5 Insurance Code section 1017, subdivision (a) authorizes the Commissioner to apply for an
6 order dissolving the corporation at any time following the entry of a liquidation order. Section
7 1017, subdivision (a) further provides that upon the Commissioner’s application, “the court shall
8 make an order, dissolving the corporation.”

9 Here, the administration of the insolvent insurers have been completed and the assets have
10 been distributed. Dissolution of the Insolvent Insurers’ corporate existences will provide finality
11 for the Liquidator as well as JPMorgan.

12 Therefore, the Liquidator respectfully requests that the Court order the dissolution of the
13 Insolvent Insurers.

14 Dated: August 10, 2022

15 Respectfully submitted,

16 ROB BONTA
17 Attorney General of California

18 

19 LISA W. CHAO
20 Supervising Deputy Attorney General
21 *Attorneys for Applicant*
22 *Ricardo Lara, Insurance Commissioner of*
23 *the State of California, in his capacity as*
24 *Liquidator of Superior National Insurance*
25 *Company, Superior Pacific Casualty*
26 *Company, California Compensation*
27 *Insurance Company, Commercial*
28 *Compensation Casualty Company and*
Combined Benefits Insurance Company

25 LA2000CV0370
26 Motion for order of dissolution.docx

DECLARATION OF SERVICE BY U.S. MAIL

Case Name: **Insurance Commissioner v. Superior National Insurance Co.
Insurance Company and Consolidated Proceedings**
Superior Court of California, County of Los Angeles, Case No.: BS061974

Consolidated With: **BS061675
BS062171
BS062173
BS063746**

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; my business address is 300 South Spring Street, Suite 1702, Los Angeles, CA 90013.

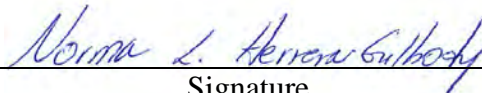
On August 11, 2022, I served the attached **NOTICE OF MOTION AND MOTION FOR ORDER OF CORPORATE DISSOLUTION; MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF** by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States Mail at Los Angeles, California, addressed as follows:

SEE ATTACHED SERVICE LIST

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 August 11, 2022, at Los Angeles, California.

Norma L. Herrera-Gilbody

Declarant



Signature

SERVICE LIST

**Insurance Commissioner v. Superior National
Insurance Company and Consolidated Proceedings**
Superior Court of California, County of Los Angeles, Case No.: BS061974

**Consolidated With: BS061675
 BS062171
 BS062173
 BS063746**

Iain A.W. Nasatir, Esq. Pachulski Stang Ziehl Young & Jones 10100 Santa Monica Blvd., 11th Floor Los Angeles, CA 90067	Robert E. Nagle General Counsel & Vice President Superior Natl. Ins. Group, Inc. 49 Peregrine Circle Oak Park, CA 91377
Joseph K. Hegedus, Esq. Lewis, Brisbois, Bisgaard & Smith, LLP 221 N. Figueroa Street, Suite 1200 Los Angeles, CA 90012	Louis J. Cisz, III Matthew A. Richards Gina M. Fornario Nixon Peabody LLP One Embarcadero Center, 18th Flr. San Francisco, CA 94111-3600
Gary A. Nye, Esq. Michael B. Adreani, Esq. Roxborough, Pomerance Nye & Adreani 5820 Canoga Ave., #250 Woodland Hills, CA 91367	Conrad V. Sison Locke Lord LLP 300 S. Grand Avenue, Ste. 800 Los Angeles, CA 90071-3200
Henry A. Knebel, Esq. The Law Offices of Henry Knebel 28042 Avenue Stanford, Unit E. Valencia, CA 91355	Deborah L. Stein Christopher A. Sant Simpson Thacher & Bartlett LLP 1999 Avenue of the Stars, 29th Flr. Los Angeles, CA 90067
Michael S. Lurey, Esq. Kimberly A. Posin, Esq. Lucas R. Bailey Latham & Watkins 355 S. Grand Avenue Los Angeles, CA 90071	Christopher Norgaard, Esq. Nina B. Ries, Esq. Newell, Campbell & Roche Llp 633 W. 5th Street, Suite 2600 Los Angeles, CA 90071
Robert L. Slaughter III, Esq. Lewis Brisbois, Bisgaard & Smith 221 No. Figueroa St., Ste. 1200 Los Angeles, CA 90012	Gerald C. Pluard Jr., Esq. Kemper Insurance Companies – Legal One Temper Drive Long Grove, Illinois 60049-0001

<p>John McPherson Hinshaw & Culbertson, LLP 633 W. 5th Street, 47th Floor Los Angeles, CA 90071</p>	<p>Joel Ross Risk Enterprise Management Ltd. 2540 Route 130, Suite 109 Cranbury, NJ 08512</p>
<p>Michael C. Zellers, Esq. Michelle McAloon, Esq. Tucker Ellis & West LLP 515 S. Flower Street, 42nd Floor Los Angeles, CA 90071</p>	<p>Raymond J. Lester Vice President & Associate General Counsel Trustmark Insurance Company 400 Field Drive Lake Forest, Illinois 60045</p>
<p>Wayne Wilson California Ins. Guarantee Association 101 N. Brand Blvd., Suite 600 Glendale, CA 91203</p>	<p>Linda Dakin-Grimm, Esq. Milbank Tweed Hadley & McCloy LLP 2029 Century Park East, 33rd Floor Los Angeles, CA 90067</p>
<p>Brian Currey, Esq. Erick Y. Kizirian, Esq. O'Melveny & Meyers LLP 400 So. Hope Street Los Angeles, CA 90071-2899</p>	<p>Chike Egbuniwe Vice President/Assistant General Counsel Assistant Secretary of Cresta Risk Services, Inc. JPMorgan Chase & Co. 8181 Communications Parkway, Fl 05 Plano, TX 75024</p>