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Liquidator of Western Employers Insurance
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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

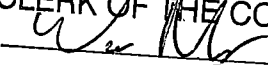
**INSURANCE COMMISSIONER OF THE
STATE OF CALIFORNIA,**

Applicant,

v.

**WESTERN EMPLOYERS INSURANCE
COMPANY,**

Respondent.

FILED
San Francisco County Superior Court
JUL 19 2021
CLERK OF THE COURT
BY: 
Deputy Clerk

Case No. CPF-97-984281

~~PROPOSED~~ ORDER GRANTING
APPLICATION FOR APPROVAL OF
FINAL REPORT AND ACCOUNT OF
LIQUIDATOR OF WESTERN
EMPLOYERS INSURANCE COMPANY,
SHAREHOLDER AGREEMENT, FINAL
DISTRIBUTION OF FUNDS, AND
CLOSING OF ESTATE

Date: July 19, 2021
Time: 9:30 a.m.
Dept: 302
Judge: Honorable Ethan P. Schulman

1 On July 19, 2021, at 9:30 a.m. in Department 302, the Court heard the application of the
2 Insurance Commissioner of the State of California (“Liquidator”), as the liquidator of Western
3 Employers Insurance Company (“WEIC”), for an order approving the final accounting, the
4 shareholder’s agreement, and a number of actions relating to the conclusion of this liquidation
5 proceeding. The application was not opposed.

6 The Court considered the application papers. No opposition filed, and good cause shown.

7 IT IS HEREBY ORDERED THAT the Liquidator’s application is granted as follows:

- 8 1. The final report and account of the Liquidator is settled and approved.
- 9 2. The Agreement Between Shareholder and Insurance Commissioner of the State of
10 California, as Liquidator Regarding Western Employers Insurance Company is authorized and
11 approved.
- 12 3. The Liquidator may make distribution and disbursement of the remaining funds as set
13 forth in the application. Without further order, the Liquidator may make distributions to the
14 successor-in-interest of any later-received WEIC proceeds in excess of \$5,000, less the costs of
15 such distributions incurred by the Liquidator. The Liquidator may expend funds set forth in the
16 closing budget for the purposes of closing WEIC.
- 17 4. The Liquidator may reserve the funds for the closing budget, which is approved. The
18 payment of expenses is approved.
- 19 5. The Liquidator is authorized to destroy all records of WEIC in his custody and
20 control, provided that the Liquidator may retain such records as are necessary for the Liquidator’s
21 purposes and for any necessary financial examination by the Department of Finance. Further, the
22 Liquidator may transfer all or part of such records, in his discretion, to Level 3 Parent, LLC, the
23 successor-in-interest to the sole shareholder of WEIC.
- 24 6. Any unclaimed sums for distribution to claimants shall be handled as provided by
25 Code of Civil Procedure section 1517 and Insurance Code section 12937.
- 26 7. The Liquidator is authorized to take any action reasonably necessary to accomplish
27 the purposes of this Order.


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8. The estate of WEIC shall be closed and the Commissioner shall be discharged as Liquidator upon filing a declaration that the Liquidator has distributed the assets in accordance with this Order.

9. The permanent injunction issued in the Court's Order Appointing Liquidator and Restraining Orders shall remain in place. Further, pursuant to Insurance Code section 1020 and this Court's inherent power, the Court hereby stays and enjoins the institution or prosecution of any action or proceeding against WEIC, the Liquidator, the Conservation and Liquidation Office, its attorneys, employees and agents. This stay shall extend to, but shall not be limited to, lawsuits, arbitration, civil proceedings, as well the issuance of process such as discovery requests or subpoenas, and to other process of any kind. This Court maintains jurisdiction to enforce and apply this injunction.

10. The Commissioner shall file a declaration of compliance with the distributions set forth in this order within 180 days of this Order.

Dated: July 19, 2021


HONORABLE ETHAN P. SCHULMAN
JUDGE OF THE SUPERIOR COURT

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