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**LOS ANGELES
SUPERIOR COURT**

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10 Attorneys for the Honorable Steve Poizner,
 Insurance Commissioner of the State of California,
 11 in his capacity as Liquidator of Superior National
 Insurance Company, Superior Pacific Casualty Company,
 12 California Compensation Insurance Company,
 Commercial Compensation Casualty Company and
 13 Combined Benefits Insurance Company

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

CENTRAL CIVIL WEST - COMPLEX LITIGATION

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

Applicant,

v.

**SUPERIOR NATIONAL INSURANCE
COMPANY,**

Respondent.

AND CONSOLIDATED CASES

Case No.: BS 061974
 Consolidated with: BS 061975
 BS 062171
 BS 062173
 BS 063746

Judge: Honorable Carl J. West

**LIQUIDATOR'S FURTHER STATUS
CONFERENCE STATEMENT FOR LEAD
CASE**

Date: July 7, 2009
 Time: 1:30 p.m.
 Place: Dept. 311 CC-W

1 TO THE COURT AND TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:
2 THE LIQUIDATOR'S FURTHER STATUS CONFERENCE STATEMENT FOR LEAD CASE.

3 I.

4 OVERVIEW

5 The Insurance Commissioner, through his CLO¹, manages the Superior National Insurance
6 Companies² liquidation for the benefit of policy claimants and creditors. It is the purpose of this report
7 to explain the current status of the liquidator's reinsurance and premium recovery efforts, to provide
8 financial information and an updated look at the liquidator's ongoing litigation efforts. This report
9 updates all the categories of information provided in the liquidator's report filed on February 2, 2009 and
10 discussed with the Court at its last status conference held on February 11, 2009.

11 II.

12 REINSURANCE INFORMATION

13 The CLO's reinsurance department continues to pursue the estate's reinsurance recoveries by
14 performing reinsurance accounting, audits, billings and collections. In addition to a general summary of
15 reinsurance activities occurring since the last status conference, the Court has directed the CLO to
16 continue to report a schedule of paid loss recoverables (net of premiums payable) including an aging
17 report. Exhibit A is a schedule of paid loss recoverables (net of premiums payable) containing the
18 requested aging report. Exhibit B is a schedule of ceded case reserves listing the amounts of all claims
19 whether paid or reported to the reinsurer, but not yet billed, based on reserve amounts as established by
20 the responsible IGA. Exhibit C is a schedule of ceded incurred but not reported reserves (IBNR).
21 Exhibit D is a computation of difference in amounts of paid loss recoverables (net of premiums payable)
22 between the current and prior reports. The following is a narrative that explains the latest versions of
23 these reports in more detail.

24 **Exhibit A – Paid Loss Recoverables (Net of Premiums Payable)**

25 Exhibit A lists paid loss recoverables (net of premiums payable) due from each reinsurer as of
26 March 31, 2009. Paid loss recoverables are the amounts already paid to the claimants that are due from

27 _____
28 ¹ Conservation and Liquidation Office.

² Also referred to as the "SNICIL" or the "Estate."

1 the reinsurers and premiums payable are amounts due reinsurers pursuant to the terms of each contract.
2 Near the bottom of Exhibit A, a grand total of \$363,569,269 is shown as due from reinsurers, down from
3 the \$406,493,558 reported in the February, 2009 status report. The decrease in paid loss recoverables
4 (net of premiums payable) is \$42,924,289, resulting from the withdrawal of \$53,065,574 by the
5 Department of Insurance from the California Special Schedule P deposit for the US Life QS treaty and
6 collections of \$949,737, offset by new billings of \$11,091,022 (Exhibit D is the arithmetical
7 computation). \$7.6 million of the new billings are from the release of the 1st and 2nd quarters of 2008
8 accounts of the US Life QS treaty and \$3.5 million are from the release of updated reinsurance reports for
9 various XOL treaties. The collections of \$949,737 are primarily from Continental Casualty, CIGNA Re,
10 Scor Re and Transatlantic Re.

11 A substantial portion of the total paid loss recoverables, net of premiums payable, of
12 \$349,595,834 are due under the US Life Q.S. Treaty. Also included in the total paid loss recoverables,
13 net of premiums payable, are amounts that are in dispute, due from companies in liquidation, or pre-
14 liquidation receivables in the process of reconciliation. The remaining \$4,453,917 in losses due from
15 reinsurers, net of premiums payable, as reported in the February, 2009 status conference statement,
16 increased by \$1,979,173 to \$6,433,090. This increase is due to new billings of \$2,928,226 offset by
17 collections of \$949,053 (see Exhibit D for arithmetical computation).

18 A dispute arose concerning the interpretation of a 1995 excess of loss reinsurance treaty between
19 the reinsureds, California Compensation Insurance Company and its subsidiaries in liquidation
20 ("Calcomp"), Centre Insurance Company ("Centre") formerly known as Business Insurance Company
21 and the reinsurer, FH Assurance Company ("FHA"). Calcomp, Centre and FHA have now agreed upon
22 the interpretation of the treaty; in particular, endorsement no. 2. Revised accounts reflecting this
23 interpretation have been submitted to FHA together with a demand for payment. FHA has responded to
24 Calcomp's payment demand with a settlement proposal for \$6M which includes the balance due to
25 Centre. FHA's proposal has been reviewed and accepted by both Calcomp and Centre. The parties are
26 in the process of executing a commutation and settlement agreement. We expect to be filing the
27 agreement with the court within the next 30 days.

1 Trustmark owes SNICIL a total amount of \$1.4 million. The majority of the overdue balances are
2 for disputed penalty payments, continuing trauma claims, undocumented bill review payments and other
3 billing issues. Castlewood owes SNICIL a total amount of \$2.8 million, \$1.9 million of which are in
4 dispute. We continue to submit new billings and supporting documentation to them. The CLO is
5 pressing both reinsurers to settle all billed and overdue amounts.

6 Both Trustmark and Castlewood have expressed their desire to commute their reinsurance
7 obligations to SNICIL. The California Insurance Guaranty Association (CIGA), responsible for handling
8 the majority of the claims that will underlie the commutations, is in the process of evaluating and where
9 necessary, adjusting the reserves carried on its open files in conformity with CIGA's reserving
10 philosophy. Once this evaluation has been completed by CIGA and adjustments made to reserves, then
11 the CLO will instruct its actuarial consultants to develop commutation proposals for submission to
12 Trustmark and Castlewood. The CLO is not inclined to make commutation proposal offers to Trustmark
13 and Castlewood until the CIGA's claim evaluation has been completed and finalized.

14 We continue to reconcile the remaining pre-liquidation recoverables which have been reduced to
15 \$375,452.

16 Exhibit A also shows the aging of the paid loss recoverables (net of premiums payable).

17 **Exhibit B – Ceded Case Reserves**

18 Exhibit B lists the case reserves as of March 31, 2009 ceded by the liquidating companies to each
19 of its reinsurer's contracts. The ceded case reserves are for claims that have been reported to the
20 Liquidator but have not yet been paid to the claimants and therefore are not yet due from the reinsurers.
21 The total of the ceded case reserves is currently \$117,932,697, up by \$23,855,097 from the \$94,077,600
22 reported in the February, 2009 status conference statement. The increase in ceded reserves is primarily
23 due to the increase in reserves for claims handled by CIGA. The ceded reserves for the US Life QS
24 treaty were increased by \$8.8 million from \$64,096,178 to \$72,919,744.

25 Excluding the reserves on the US Life QS Treaty of \$72,919,744, the net ceded case reserves total
26 \$45,012,953 representing an increase of \$15,031,531 from the \$29,981,422 total reported in the
27 February, 2009 status conference statement. The increase in the net ceded case reserves resulted
28 primarily from CIGA's review of the reserves of claims subject to the various XOL treaties.

1 **Exhibit C – Ceded IBNR (Incurred But Not Reported Reserves)**

2 This exhibit lists the undiscounted ceded incurred but not reported reserves (“IBNR”) of \$119.9
3 million as of March 31, 2009. \$56.4 million of the total IBNR is applicable to the US Life QS Treaty.
4 The IBNR figure is based on the June 30, 2008 reserve analysis prepared by our actuary,
5 PriceWaterhouse Coopers.

6 The IBNR balance of \$63.5 million is attributable to all other SNICIL reinsurance treaties.
7 However, several of these treaties have not had the benefit of an actuarial study since liquidation and
8 therefore, the carried IBNR is outdated and unreliable. In our efforts to commute the affected treaties,
9 updated reserve studies are being conducted and the IBNR carried in SNICIL’s ledgers will be adjusted
10 as the updated IBNR estimates become available.

11 **III.**

12 **ARBITRATION AND OTHER MATTERS**

13 **A. *US Life Insurance Company v. SNICIL***

14 Oral arguments before the Ninth Circuit Court of Appeals were completed in November 2008. It
15 is anticipated that within the next three months the Ninth Circuit will issue its opinion addressing the
16 merits of US Life’s appeal of the US District Court’s ruling upholding the final arbitration award issued
17 in favor of SNICIL. While the appeal is pending, the CLO is closely monitoring the financial
18 circumstances of the American International Group (“AIG”), which is the ultimate parent of US Life and
19 National Union Fire Insurance Co. of Pittsburgh, PA [“National Union”], which is the surety that issued
20 its \$600,000,000.00 *supersedeas* bond to secure SNICIL’s judgment against US Life.

21 Meanwhile, the California Insurance Guarantee Association (“CIGA”) continues to pay claims of
22 injured California workers, over and above the amounts covered by the judgment and secured by the
23 appeal bond. Although demand has been made for US Life to pay the additional loss payments ceded to
24 US Life, US Life has refused to do so despite having previously stipulated to honoring the terms of any
25 final arbitration award that upheld the validity of the contract. The Commissioner of Insurance
26 successfully moved this Court for its order authorizing the Commissioner to drawn down on the special
27 schedule “P” funds placed on deposit by U.S. Life as required by the Insurance Code and transferred to
28 CIGA, in order to pay the on-going claims not secured by the National Union surety bond.

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IV.

FINANCIAL REPORT

A. Accounting Statements

The CLO's Accounting Department has updated its financial statements through March 31, 2009. A copy of the consolidated balance sheet for the SNICIL estates is attached hereto as Exhibit E. Secured claims liability balance includes \$28.0 million for the SNTL lien.

The positive net value amount shown for Combined Benefits Insurance Company ("CBIC") is subject to material uncertainties.

CBIC's reinsurance recoverable amounts are due primarily from US Life Insurance Company, a subsidiary of AIG, and, to the extent that the reinsurance recoverables against US Life is part of the arbitration award, it is secured by National Union's (an AIG subsidiary) *supersedeas* bond. While the CLO has every reason to believe that it will prevail in recovery of amounts of paid losses through the period covered by the arbitration, balance sheet items projecting reinsurance recovery of the approximately \$4 million in case reserves and IBNR amounts are uncertain estimates. US Life has, and is continuing, to contest paying any amounts.

There remains substantial uncertainty pertaining to the remaining \$8.2 million of unpaid loss reserve for open claims. While the amounts listed are based on actuarial opinions, the ultimate liability will be uncertain until all claims are ultimately resolved.

Finally, there remains to be adjudicated all of the proof of claims submitted by General Creditors that are Class 7 claims per Insurance Code § 1033. Since the entirety of the 5 Superior estates have insufficient assets to distribute to pay any claims below Class 2, the Class 7 Proof of Claims have not been valued and adjudicated. Many of these claims are related to general expense items (e.g. landlord breach of contract claims and other unpaid vendor claims) that would have to be allocated among the five estates. The burden of re-reviewing all such claims is onerous relative to the time and expense that would be borne by CBIC to do so. CBIC's liability for such claims are arguably joint and several; the net effect being that reserving such claims against CBIC alone would effectively eliminate any potential net positive value stated for CBIC in Exhibit E.

1 The accounting department continues its other projects on an on-going basis, including its estate
2 asset allocations, supporting the billing activities of the reinsurance department resolving statutory
3 deposits accounts in various jurisdictions and/or recoveries and the IGA claims data reconciliation
4 project.

5 V.

6 **CLAIMS ADMINISTRATION**

7 **A. Claims Processing**

8 **1. Premium and Subrogation Collection Activity**

9 Premium collection and subrogation recoveries remain a minor item. There are still some
10 protracted collection and subrogation matters being monitored with minimal expense. The SNICIL
11 estates will bear no direct cost, other than the minimal allocation for the monitoring process, as these
12 matters are being pursued through vendors operating on a contingency fee basis. For the 2009 calendar
13 year through May 31, 2009 premium collections were \$678 while subrogation recoveries spiked to
14 \$173,762.52 of which one claim represented \$147,500 of the recoveries.

15 **2. Claims Administration:**

16 As previously noted, the estates have two open unliquidated Proof of Claims. U.S. Life's claim
17 will not be formally adjudicated until the matter resolves. The non-covered Arkansas claim has not yet
18 exceeded the statutory payment cap of \$300,000 although the CLO is informed that there is a prognosis
19 of a major medical procedure. The CLO currently does not take a position on the claim since the
20 Arkansas Guaranty Association continues to pay medical benefits within the statutory cap. Total paid by
21 the Arkansas Guaranty Association is currently at \$245,876. Once the maximum has been reached the
22 CLO will review the policyholder claim.

23 The estates are yet to finalize the claims from the 61 (multiple states have claims on more than
24 one of the 5 estates) Guaranty Associations who paid claims. Since the formal resolution of the Guaranty
25 Association claims involves a discounting of future reserves, the Liquidator generally waits until there
26 appears to be a prospect of a relatively imminent closure of the estate before finalizing their claim. We do
27 note that 29 out of the 61 Guaranty Association claims either have zero or one claim remaining open.
28

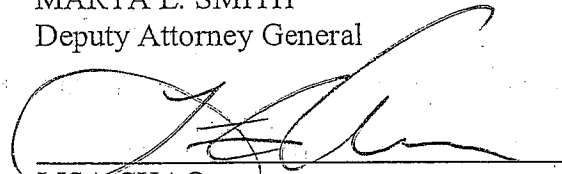
1 As mentioned in Part IV, Financial Report, assuming there are sufficient assets for CBIC to
2 satisfy all Class 2 claims, the CLO will have to open and review all lower class POCs submitted to
3 determine the amount of additional creditor claims CBIC may have an obligation to pay.

4 **CONCLUSION**

5 The Liquidating Companies continue to conduct significant run-off activities, including its appeal
6 to recover reinsurance; claims administration, estate accounting, reinsurance negotiations and
7 settlements. Moreover, these liquidating companies continue to fulfill a significant goal of collecting and
8 distributing assets to the insurance guaranty associations, in order to close the gap between the assets of
9 the liquidating companies and their financial obligations. If the Court has questions concerning the
10 contents of this status report, the liquidator will endeavor to provide answers within a reasonable time.

11
12 Dated: July 1, 2009

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LISA CHAO
Deputy Attorney General

Attorneys for the Honorable Steve Poizner,
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

Exhibit A

Exhibit A
SUPERIOR NATIONAL INSURANCE COMPANIES IN LIQUIDATION
Paid Loss Recoverables (Net of Premiums Payable) by Reinsurers
March 31, 2009

	TOTAL	< 30 days	30-59 days	60-89 days	90-119 days	120 days and over
AUL RMS UNUM LIFE AM	(323,174)					(323,174)
AUL RMS/FED INS CHUBB	-					
AUL RMS/American United Life	21,125					21,125
AUL RMS (SF)/American Acc Re	(144)					(144)
Blackthorn Re Svc/Ace American	386,145		124,803			261,343
Captive Reinsurers	34,543					34,543
Clearwater Insurance	-					
CIGNA*	-					
Cigna Re/Connecticut General Life	52,298					52,298
CIGNA Re/Life Insurance Co. of North America	-					
CNA Re/Continental Casualty	186,784		150,180		13,438	23,166
Continental Re*	18,263					18,263
Coronet Ins/Camelback Re	-					
Donnelly Skirtich/Continental Assurance	(43)					(43)
Employers Re*	-					
Excess*	277,744					277,744
FHA/HealthNet	5,471,076					5,471,076
Gerling Global	63,254	63,394			(140)	
Home (In Liquidation)	260,304					260,304
Ing Re (UK)	-					
Insurance Co. of Hannover	19,960	19,960				
Int'l Sol/IOA Re/Continental Casualty Company	3,835,210		487,954	530,521		2,816,735
JEH Re/John Hancock Mutual	1,324,793					1,324,793
LDG Re Corp. OCR/Workers Comp Alternative Facility	299,844			53,938		245,906
LDG Re SRD/First All Financial	-					
LRD Re- SRD/Transatlantic	137,693		47,274			90,419
Life Insurance Company of North America	-					
New England Re*	-					
North America*	10,896					10,896
Reinsurance Services of Princeton/Amer United Life Ins	(21,165)					(21,165)
Reliastar Life UK	-					
ReliaStar Life	671			786		(115)
Scandinavian Re	-					
Scor Re*	-					
Scor Re (IL)	251,694	251,694				
St Paul Re	198,145	198,145				
Transatlantic Re	-					
Travelers SPC-HF/Travelers Ind*	16,602					16,602
Travelers/Phoenix*	9,777					9,777
Trustmark	1,398,970		175,462			1,223,508
Underwriters Re	-					
United Republic*	42,170					42,170
US Life	349,595,834					349,595,834
Zurich (UK)	-					
Total at March 31, 2009	363,569,269	533,193	985,673	585,245	13,298	361,451,861

	100.00%	0.15%	0.27%	0.16%	0.00%	99.42%
US Life (in Arbitration)	(349,595,834)	-	-	-	-	(349,595,834)
FHA/HealthNet (In Dispute)	(5,471,076)	-	-	-	-	(5,471,076)
Trustmark (In Dispute)	(1,398,970)	-	(175,462)	-	-	(1,223,508)
Home (In Liquidation)	(260,304)	-	-	-	-	(260,304)
Captive Program	(34,543)	-	-	-	-	(34,543)
*Pre-liquidation receivables in process of reconciliation	(375,452)	-	-	-	-	(375,452)
Net Balance Due at March 31, 2009	6,433,090	533,193	810,211	585,245	13,298	4,491,144
	100.00%	8.29%	12.59%	9.10%	0.21%	69.81%

Exhibit B

Exhibit B
SUPERIOR NATIONAL INSURANCE COMPANIES IN LIQUIDATION
 Ceded Case Reserves by Reinsurers
 March 31, 2009

American Accident Group I	79,071
American United Life	
AUL RMS (SF) Unum Life American	
AUL RMS Fed Ins Chubb	552,396
Blackthorn Re Svc/Ace American	4,375,765
Buffalo Re	73,610
Captive Reinsurers	695,408
CIGNA	148,191
Cigna Re/Connecticut General Life	1,463,421
CIGNA Re/Life Insurance Co. of North America	1,657,487
Clarendon National Insurance	95,637
CNA Re/Continental Casualty	1,602,677
Cologne Re of America	12,643
Cont Re	22,906
Coronet Ins/Camelback Re	7,184
Excess	31,448
FHA/HealthNet	
First Allmerica Financial (LDG Re-SRD)	753,267
Gerling Global (Constitution Re)	639,003
Hartford Fire	162,477
Home (in Liquidation)	14,265
Imperial Casualty & Indemnity	13,984
Insurance Co. of Hanover (IL)	266,645
Int'l Sol/OA Re/Continental Casualty Company	10,443,439
JEH Re/John Hancock Mutual	93,617
Le Mans Reinsurance	17,212
Mercantile and General Re	65,930
New England Re	
North America	32,953
North America Re	75,645
North Star Re	23,974
North Star Re thru CSMC	47,016
Pennsylvania Manufacturer's	69,182
Reliastar Life (Minnesota)	995,444
ReliaStar Life (UK)	
Scor Re	372,461
Scor Re (IL) (All State)	3,695,176
Security Re	5,057
Signet Re	147,325
Skandia America Re	56,983
St Paul Re	2,045,618
Toa Re of America	11,128
Transatlantic Re	1,064,690
Transatlantic Re (LDG Re-SRD)	1,657,487
Travelers Indemnity	40,502
Travelers/Phoenix	20,133
Trustmark	7,733,381
Underwriters Re	61,206
United Republic Re	24,192
US Life	72,919,744
Winterthur Swiss Ins. Co.	14,518
Workers Comp Alternative Facility/LDG Re	3,432,375
Zurich Re (UK) Ltd./Benfield LTD	98,824
<hr/>	
Total at March 31, 2009	117,932,697
<hr/>	
Disputed - US Life	(72,919,744)
<hr/>	
Net Ceded Case Reserves	45,012,953

Exhibit C

Exhibit C
SUPERIOR NATIONAL INSURANCE COMPANIES IN LIQUIDATION
Ceded IBNR by Reinsurers
March 31, 2009

US Life	56,421,327
All Other Treaties (In Process of Review)	63,520,771
<hr/>	
Total at March 31, 2009	119,942,098
Disputed - US Life	(56,421,327)
<hr/>	
Net Ceded IBNR	63,520,771

Exhibit D

Exhibit D
**COMPUTATION OF DIFFERENCES IN AMOUNTS OF PAID LOSS
RECOVERABLES (NET OF PREMIUM PAYABLES)
BETWEEN THE JULY 2009 AND FEBRUARY 2009
STATUS CONFERENCE REPORTS**

Paid Loss Recoverables (Net of Premium Payables)

\$ (42,924,289) Decrease in paid loss recoverables (net of premium payables) computed as follows:

New Billings	\$ 11,091,022
Less: CA Special Sch P Withdrawal - US Life QS Treaty	(53,065,574)
Less: Collections	(949,737)
Decrease	\$ (42,924,289)

Net Balance Due

\$ 1,979,173 Increase in net balance due computed as follows:

New Billings	\$ 2,928,226
Less: Collections	(949,053)
Increase	\$ 1,979,173

Exhibit E

Insurance Commissioner of the State of California
Conservation & Liquidation Office

CONSOLIDATED SUPERIOR NATIONAL ESTATES
STATEMENT OF ASSETS AND LIABILITIES IN LIQUIDATION
As of March 31, 2009

	Cal Comp	Combined Benefits	Superior Natl	Superior Pacific	Commercial Comp	TOTAL
ASSETS						
Cash and cash equivalents:						
Restricted	766,400	-	-	-	-	766,400
Participation in pooled investments	39,867,300	2,440,000	8,303,900	6,956,900	2,450,600	60,018,700
Non-pooled short-term investments:						
Restricted	116,200	229,300	-	-	-	345,500
Accrued investment income	235,900	14,500	49,200	40,400	14,500	354,500
Statutory deposits held by other states	788,500	-	344,700	-	632,800	1,766,000
Funds held by guaranty associations	-	-	10,486,400	-	225,600	10,712,000
Recoverable from reinsurers - paid	214,927,800	7,192,000	109,675,400	3,752,600	28,021,600	363,569,400
Recoverable from reinsurers - case reserves	48,735,500	1,800,200	42,785,200	10,673,700	13,938,200	117,932,800
Recoverable from reinsurers - IBNR	84,231,400	2,080,400	16,613,500	11,233,300	5,783,400	119,942,000
Salvage and subrogation recoverable	60,900	-	44,400	-	-	105,300
Total Available Assets	389,729,900	13,756,400	188,302,700	32,656,900	51,066,700	675,512,600
LIABILITIES						
Secured claims ^{Note 1}	21,803,000	203,600	4,974,900	72,300	1,116,100	28,169,900
Accrued administrative expenses	6,605,500	213,200	2,160,100	1,577,300	479,000	11,035,100
Claims against policies, including guaranty associations, before distributions	1,822,041,500	26,426,900	756,411,100	175,473,400	128,874,100	2,909,227,000
Early access and other Class 2 distributions	(472,100,600)	(18,208,600)	(183,994,800)	(30,586,800)	(49,443,000)	(754,333,800)
All other claims	21,047,400	678,200	28,730,400	7,859,100	964,400	59,279,500
Total Estimated Liabilities	1,498,954,000	12,152,800	608,308,100	214,848,900	92,604,700	2,426,868,500
NET ASSETS (DEFICIENCY)	(1,109,224,100)	1,603,600	(420,005,400)	(182,192,000)	(41,538,000)	(1,751,355,900)

^{Note 1} Includes \$28 million for SNTL lien, pursuant to an approved court order dated May 7, 2003.

DECLARATION OF SERVICE BY U.S. MAIL

Case Name: **Insurance Commissioner v. Superior National Insurance Co.**
No.: **BS 061974**

I declare:

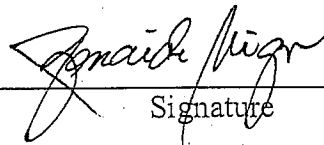
I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service that same day in the ordinary course of business.

On July 1, 2009, I served the attached **LIQUIDATOR'S FURTHER STATUS CONFERENCE STATEMENT FOR LEAD CASE** by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the internal mail collection system at the Office of the Attorney General at 300 South Spring Street, Suite 1702, Los Angeles, CA 90013, addressed as follows:

(SEE ATTACHED SERVICE)

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on July 1, 2009, at Los Angeles, California.

Zenaida Bigno
Declarant


Signature

SERVICE LIST

**CASE: INSURANCE COMMISSIONER v. SUPERIOR NATIONAL
INSURANCE COMPANY and CONSOLIDATED PROCEEDINGS**

CASE NO: BS 061974

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