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*Attorneys for Applicant Insurance Commissioner  
7 of the State of California as Liquidator of  
Municipal Mutual Insurance Company*

ENDORSED  
FILED  
Superior Court of California  
County of San Francisco

FEB 02 2012

CLERK OF THE COURT  
BY: WESLEY RAMIREZ  
Deputy Clerk

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 COUNTY OF SAN FRANCISCO

13 INSURANCE COMMISSIONER OF THE  
STATE OF CALIFORNIA,

Case No. CPF-07-507033

14 Applicant,

15 v.

**DECLARATION OF JOHN BATTLE  
CONFIRMING THE DISTRIBUTION OF  
ASSETS PURSUANT TO THE COURT'S  
ORDER AND CLOSING THE ESTATE  
OF MUNICIPAL MUTUAL INSURANCE  
COMPANY**

17 MUNICIPAL MUTUAL INSURANCE  
COMPANY,

18 Respondent.

Trial Date: N/A  
Action Filed: February 14, 2007

20 I, JOHN BATTLE, hereby declare under penalty of perjury of the laws of the State of  
21 California as follows:

22 1. I am the Claims Officer for the California Insurance Commissioner's  
23 ("Commissioner") Conservation & Liquidation Office ("CLO"). I make this declaration in my  
24 official capacity as the Claims Officer for the CLO.

25 2. I have been employed by CLO since July 1, 2004. I have been responsible for  
26 overseeing all aspects of the liquidation of Municipal Mutual Insurance Company ("MMIC")  
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1 since the inception of its liquidation in October 2006. I am familiar with the documents and files  
2 maintained by the CLO pertaining to MMIC's liquidation.

3 3. The statements contained in this declaration are not all within my personal  
4 knowledge, and I am informed that no single officer of the CLO has personal knowledge of all of  
5 these matters. The statements in this declaration are based upon information assembled by  
6 authorized employees of the CLO, and I am informed and believe that the statements based upon  
7 that information are true. As to those matters that are within my own personal knowledge, the  
8 statements are true. If called upon as a witness, I would testify as set forth herein.

9 4. The Insurance Commissioner is the Liquidator of MMIC. On January 31, 2012, this  
10 Court granted the Insurance Commissioner's application for orders and entered an "Order (1)  
11 Approving Final Report and Accounting; (2) Approving the Assignment of Reinsurance  
12 Recoverables to the California Insurance Guarantee Association; and (3) Approving a Final  
13 Distribution of Assets of Municipal Mutual Insurance Company" (hereinafter, "Order").

14 5. Paragraph 7 of the Order provides that the estate of MMIC is closed and the  
15 Insurance Commissioner shall be discharged as Liquidator upon the Insurance Commissioner's  
16 filing of a Declaration of Compliance. The Declaration of Compliance confirms that the  
17 Insurance Commissioner has distributed the assets of MMIC's estate in accordance with this  
18 Court's Order which was entered on January 31, 2012.

19 7. In accordance with the Court's Order (Paragraph 5), the Insurance Commissioner has  
20 distributed to the one approved Class 2 claimant, California Insurance Guarantee Association  
21 ("CIGA") the sum of \$4,800,000.00.

22 Similarly, as authorized by this Court, the Insurance Commissioner has entered into the  
23 Assignment and Release Agreement with CIGA whereby all rights and entitlements of the  
24 reinsurance contract between MMIC and ALEA North America Insurance Company are assigned  
25 to CIGA.

26 8. The only approved claimant was CIGA. The distribution to CIGA was made via a  
27 wire transfer. Accordingly, the Insurance Commissioner did not escheat any funds to the  
28 Insurance Fund.

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9. Pursuant to this Court's Order (Paragraph 3), the Insurance Commissioner has retained \$84,155.00 for payment of administrative expenses he incurred as Liquidator for the period from and after October 1, 2011. Pursuant to the Court's Order, the Insurance Commissioner as Liquidator will pay any excess closing and administrative costs out of funds appropriated for the maintenance of the Department of Insurance.

10. The Insurance Commissioner now has taken all necessary steps pursuant to the terms of this Court's Order, and will close the estate concurrent with the filing of this declaration.

I declare under penalty of perjury that the foregoing is true and correct, except as to matters stated on information and belief and, as to those matters, I believe them to be true. Executed this 2 day of February, 2012, at San Francisco, California

  
\_\_\_\_\_  
JOHN BATTLE  
Claims Officer  
Conservation & Liquidation Office

**DECLARATION OF SERVICE BY U.S. MAIL**

Case Name: **Insurance Commissioner v. Municipal Mutual Insurance Company**  
Case No.: **San Francisco County Superior Court Case No. CPF-07-507033**

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 February 2, 2012, I served the attached

**DECLARATION OF JOHN BATTLE CONFIRMING THE DISTRIBUTION OF ASSETS  
PURSUANT TO THE COURT'S ORDER AND CLOSING THE ESTATE OF MUNICIPAL  
MUTUAL INSURANCE COMPANY**

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 1515 Clay Street, 20th Floor, Oakland, CA 94612-0550, addressed as follows:

Kyra Leary, Director  
LDG Reinsurance Corporation  
401 Edgewater Place, Suite 400  
Wakefield, MA 01880

C. Guerry Collins, Esq.  
Lord, Bissel & Brook  
300 South Grand Avenue 8th Floor  
Los Angeles, CA 90071

California Insurance Guarantee Association  
P. O. Box 16860  
Beverly Hills, CA 90209-3319

Suzanne Fetter  
SVP of Claims and Head of Office  
ALEA North America Insurance Office  
55 Capital Boulevard, Corporate Ridge  
Rocky Hill, CT 06067

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 February 2, 2012, at Oakland, California.

\_\_\_\_\_  
Lydia Banaga  
Declarant

\_\_\_\_\_  
*Lydia Banaga*  
Signature