

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

FILED

DA

DEC 06 1991

JAMES H. DEMPSEY, CLERK

L. Rivas

BY L. RIVAS, DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

INSURANCE COMMISSIONER OF THE)
STATE OF CALIFORNIA,)
)
Applicant,)
)
vs.)
)
EXECUTIVE LIFE INSURANCE)
COMPANY, a California)
corporation, and DOES 1)
THROUGH 1,000,)
)
Respondents.)

CASE NO. BS 006912

ORDER OF
LIQUIDATION

Date: December 6, 1991
Time: 8:30 a.m.
Dept.: 67

The Court, having considered the Motion for
Instructions Regarding an Order of Liquidation on December 6,
1991, finds and ORDERS the following:

Based on the evidence presented in these proceedings,
only in order to permit guaranty associations and similar
organizations to assess their members in connection with these
proceedings, this Court hereby finds that Executive Life Insurance

1 Company is insolvent, orders that Executive Life Insurance Company
2 be liquidated in accordance with such plans as may be hereinafter
3 approved by the Court and appoints the Insurance Commissioner of
4 the State of California as Rehabilitator of Executive Life
5 Insurance Company. It being found that it is essential to the
6 safety of the public and is in the best interest of the
7 shareholders, policyholders and other creditors of Respondent and
8 to the orderly administration of these proceedings, Respondent and
9 its officers¹, directors,² shareholders,³ attorneys and attorneys-
10 at-law,⁴ agents, affiliates, subsidiaries, reinsurers, brokers,
11 third-party administrators, servants and employees and all other
12 persons, agencies, associations and entities are hereby
13 permanently enjoined and restrained from:

14
15
16 ¹ The term "officers" as used throughout this order shall
17 include, but not be limited to, the following individuals: Fred
18 Carr, William Jack Adams, William Louis Sanders, Chong Ping Chan,
19 Steven William Turner, William Carrolton Adams, Allan Leslie
Chapman, Raul Apolinario Cruz, Robert Leonard Feigenbaum, Merle
Arthur Horst, George Rodney John Letts, Douglan Frank Marcian, and
Gary Richard Schulte.

20 ² The term "director" as used herein shall, without
21 limitation, include the following: Fred Carr, Robert Leonard
22 Feigenbaum, William Louis Sanders, William Carrolton Adams, Albert
Gustave Handschumacher, Gray Richard Schulte, Allan Leslie
Chapman, Merle Arthur Horst, Alan Carthart Snyder, Raul Apolinario
Cruz, and George Rodney John Letts.

23 ³ The term "shareholder" as used herein shall, without
24 limitation, include First Executive Corporation, a Delaware
corporation.

25 ⁴ The terms "Attorneys" or "attorneys-at-law" as used
26 herein include, without limitation, the following law firms:
27 Barger & Wolen, Bass & Dysart; Courdert Brothers; Dykema Gossett;
28 Fulbright & Jaworski; Hufstedler, Kaus & Beardsley; Kennedy,
Holland, Delacy & Svoboda; Latham & Watkins; Leboeuf, Lamb, Leiby
& MacRae, Munger, Tolles & Olson; Steptoe & Johnson, Treister &
Glatt; and Williams & Jensen.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

a. transacting any of the business of Respondent or the disposition of any of the Property except in accordance with the written instructions of the Rehabilitator until further order of this Court;

b. interfering with the acquisition of possession by or the exercise of dominion and control over the Property by the Rehabilitator, with the jurisdiction of this Court, or with these proceedings;

c. the sale, hypothecation, mortgaging, waste, conveyance, or dissipation, of the Property or the assertion of dominion or control over the Property other than as permitted by prior orders of this Court;

d. the seeking or obtaining of any preferences of any kind or nature, the obtaining of any judgments, foreclosures, attachments, levies or liens of any kind or nature, the exercise without prior leave of this Court of any powers of sale or any rights of set-off, rescission or the like against respondent or the Property except pursuant to the prior orders of this Court, this Court having exercised its exclusive jurisdiction with respect to the Property and any claims and rights asserted with respect to it;

e. the filing, commencement or prosecution of any new suits, arbitration proceedings, mediations, alternative dispute resolutions or demands or claims or the continued prosecution of any pending suits, arbitration proceedings, mediations, alternate dispute resolutions or claims with respect to Respondent or the Property other than in this

1 proceeding before this Court unless the prior approval of
2 this Court has been granted upon good cause shown; and
3 f. -from interfering with the possession, title and rights
4 of the Commissioner, as Rehabilitator, in and to the assets
5 of Respondent, and from interfering with the Rehabilitator
6 in the conducting of the business of Respondent, and
7 g. institution of suits to collect any of the Property or
8 institution of suits which purport to asserts derivative
9 rights on behalf of Respondent.

10 The findings herein are final determinations to the
11 extent permitted under California law. The Rehabilitator shall
12 have all powers, duties, rights and obligations heretofore granted
13 to him as Conservator.

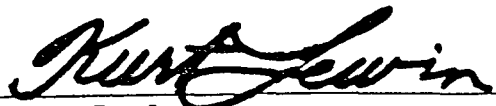
14 This Order is without prejudice to all prior orders of
15 the Court, and without prejudice to the rights of interested
16 parties to continue to challenge and to challenge any liquidating
17 payments which may be sought under said liquidation plans
18 (including any part thereof such as any bid for assets and
19 liabilities of Executive Life Insurance Company), or to seek
20 payment of interim payments, or to challenge any payments made
21 during the conservatorship.

22 The confirmation hearing is hereby set for 8:30 a.m.,
23 on the 16th day of December, 1991, in Department 67, at which time
24 any and all persons or other legal entities desiring to object to,
25 comment on, present evidence or comments with respect to, or in
26 any other way deal with the Conservator's Motion or this Order
27 must do so. Any such objections, comments, or other matters
28

1 relating to the subject matter herein must be made at such hearing
2 or the same shall be irrevocably deemed waived.

3 -It is further ordered that notice of this order and
4 hearing shall be given by hand or by facsimile, on December 6,
5 1991 to those who have entered their request for notice herein.
6 It is hereby determined and decreed that such notice is fair,
7 reasonable, and sufficient, and that no other or further notice is
8 necessary or required.

9
10 Dated: DEC 06 1991

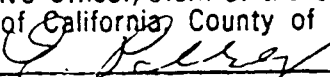

Kurt J. Lewin
Judge of the Superior Court

11
12
13
14 THE DOCUMENT TO WHICH THIS CERTIFICATE IS
15 ATTACHED IS A FULL, TRUE, AND CORRECT COPY
16 OF THE ORIGINAL ON FILE AND OF RECORD IN
MY OFFICE.

DEC 30 1991

ATTEST _____

JAMES H. DEMPSEY

17
18 Executive Officer/Clerk of the Superior
19 Court of California County of Los Angeles.
By  Deputy

20
21
22
23
24
25
26
27
28