

ELECTRONICALLY RECEIVED
Superior Court of California,
County of Orange
06/09/2017 at 02:27:14 PM
Clerk of the Superior Court
By Davon Velasquez, Deputy Clerk

FEE EXEMPT –
GOV'T CODE § 6103

Reservation No. 72535268

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

JUN 14 2017

DAVID H. YAMASAKI, Clerk of the Court

BY: _____ DEPUTY

1 XAVIER BECERRA
Attorney General of California
2 LISA W. CHAO
Supervising Deputy Attorney General
3 State Bar No. 198536
300 South Spring Street, Suite 1702
4 Los Angeles, CA 90013
Telephone: (213) 897-2481
5 Fax: (213) 897-5775
E-mail: Lisa.Chao@doj.ca.gov
6 *Attorneys for Applicant Insurance Commissioner of*
the State of California, in his capacity as the
7 *Liquidator of American Sterling Insurance Company*

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA

9 COUNTY OF ORANGE

10 CENTRAL JUSTICE CENTER

11
12 **INSURANCE COMMISSIONER OF THE**
13 **STATE OF CALIFORNIA,**

14 Applicant,

15 v.

16 **AMERICAN STERLING INSURANCE**
17 **COMPANY, a California Corporation,**

18 Respondent.

Case No. 30-2011-00510773

ORDER:

(1) **SETTLING AND APPROVING FINAL
REPORT AND ACCOUNT OF
LIQUIDATOR OF AMERICAN
STERLING INSURANCE COMPANY;**

(2) **AUTHORIZING DISBURSEMENT OF
FUNDS;**

(3) **APPROVING PAYMENT OF
EXPENSES; AND**

(4) **TERMINATING LIQUIDATION
PROCEEDING AND DISCHARGING
INSURANCE COMMISSIONER AS
LIQUIDATOR**

Date: June 9, 2017

Time: 9:00 a.m.

Dept: C14

Judge: The Honorable Robert J. Moss

Action Filed: September 26, 2011

T-3556420

1 The Application of the Insurance Commissioner of the State of California
2 ("Commissioner" or "Liquidator"), in his capacity as the Liquidator of American Sterling
3 Insurance Company ("American Sterling") for Orders: (1) Settling and Approving Final Report
4 and Account of Liquidator of American Sterling Insurance Company; (2) Authorizing
5 Disbursement of Funds; (3) Approving Payment of Expenses; and (4) Terminating Proceeding
6 and Discharging Liquidator ("Application") came on for hearing on June 9, 2017, at 9:00 a.m. in
7 Department C14 of the above entitled court, the Honorable Robert J. Moss, presiding.

8 The Court, after reviewing the Application, the Memorandum of Points and Authorities,
9 the supplemental brief, declarations and argument having been heard and good cause appearing,

10 IT IS HEREBY ORDERED that:

- 11 1. The Report and Account of Liquidator for the period from September 26, 2011,
12 through November 30, 2016, is settled and approved.
- 13 2. The Liquidator is authorized to distribute the principal amount of \$1,786,681.83 to
14 the approved Class 2 claimants as set forth in the Application, plus interest at the rate of 7% per
15 annum to the date of distribution.
- 16 3. The Liquidator is authorized to distribute the principal amount of \$341,762.90 to
17 the approved Class 7 claimants as set forth in the Application, plus interest at the rate of 7% per
18 annum to the date of distribution.
- 19 4. The Liquidator is authorized to retain the sum of \$110,000 (the "Reserve") for
20 payment of administrative closing expenses incurred by the Liquidator from and after December
21 1, 2016. Within seven (7) months after the entry of the signed order, the Liquidator shall
22 distribute any surplus amount of the Reserve to the approved Class 9 Claimant, American Sterling
23 Corporation (the "Class 9 Claimant"). The Liquidator shall provide the Class 9 Claimant with a
24 report of the expenditures of the Reserve. A report to the Court of the expenditures of the
25 Reserve shall not be required. The Liquidator shall have the right to seek Court approval of an
26 extension of the seven (7) month period based upon a showing of good cause.

1 5. The Liquidator is authorized to distribute the remaining funds, plus any remaining
2 Reserve, to the approved Class 9 Claimant. The amount available for distribution is subject to
3 adjustment for investment income and changes in market value of investments that have been
4 posted as of the date the investments are withdrawn from the investment pool.

5 6. All distributions shall be made within 10 business days of entry of the signed order
6 from the Court.

7 7. In accordance with the six month waiting period of Code of Civil Procedure
8 section 1517, as to disbursements that are either undeliverable or as to which issued checks have
9 not been negotiated, the Liquidator is authorized to void such checks that have not been
10 negotiated and escheat all undeliverable amounts and amounts of non-negotiated checks to the
11 Insurance Fund pursuant to Insurance Code section 12937.

12 8. The Liquidator is authorized to destroy all records of American Sterling in his
13 custody and control, except for those records necessary for examination by the Department of
14 Finance or other auditor of the Liquidator's books and records pursuant to Insurance Code section
15 1061 and any records requested by American Sterling Corporation or the participating insurance
16 guaranty associations within 90 days after the entry of this Order.

17 9. The estate of American Sterling shall be closed and the Commissioner shall be
18 discharged as liquidator upon the filing of a declaration that the Commissioner has distributed the
19 assets in accordance with this Court's order.

20 10. Upon the closing of the estate of American Sterling, all injunctions set forth in the
21 Liquidation Order filed on October 21, 2011 shall be dissolved.

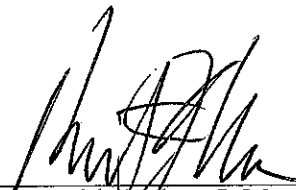
22 11. Upon the closing of the estate of American Sterling, title of all remaining property
23 and assets of American Sterling not distributed in accordance with this Order shall be re-vested in
24 American Sterling, including but not limited to American Sterling's five subsidiaries, to wit: (i)
25 American Sterling Productions, Ltd; (ii) Gold Fish LLC; (iii) American Sterling
26 Communications, LLC; (iv) American Sterling Capital Corporation; and (v) American Sterling
27 Productions One, LLC.

28

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

12. The Liquidator is authorized to take any action necessary to accomplish the purpose of this Order.

Dated: 6/14/17


The Honorable Robert J. Moss
Judge of the Superior Court

APPROVED AS TO FORM:
BROWN RUDNICK LLP

By: /s/ Laurel R. Zaeske
LAUREL R. ZAESKE
Attorneys for THOMAS H. CASEY,
Chapter 7 Trustee for the Bankruptcy Estate of
Lawrence P. Dodge and AMERICAN STERLING
CORPORATION