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FILED
Superior Court of California
County of Los Angeles

SEP 15 2017

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By Rita Nazaryan, Deputy
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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*

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CENTRAL CIVIL WEST

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

Applicant,

v.

**SUPERIOR NATIONAL INSURANCE
COMPANY,**

Respondent.

Case No.: BS061974
Consolidated with: BS061675
BS062171
BS062173
BS063746

NOTICE OF APPLICATION AND
APPLICATION FOR ORDER
APPROVING LIQUIDATOR'S
PROPOSAL TO DISBURSE ASSETS TO
CERTAIN STATE INSURANCE
GUARANTY ASSOCIATIONS;
DECLARATIONS OF ROMMEL ADAO
AND RAYMOND MINEHAN IN
SUPPORT THEREOF

Hearing date: October 17, 2017
Time: 11:00 a.m.
Dept: 310
Judge: The Honorable Kenneth R.
Freeman

EXEMPT CODE
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1 TO ALL INTERESTED PARTIES AND THEIR ATTORNEYS OF RECORD:

2 PLEASE TAKE NOTICE that on October 17, 2017 at 11:00 a.m., or as soon thereafter as
3 the matter may be heard in Department 310 of the Superior Court of the State of California, Los
4 Angeles County, Central Civil West Courthouse located at 600 South Commonwealth Avenue,
5 Los Angeles, California, applicant Dave Jones, Insurance Commissioner of the State of
6 California, in his capacity as Liquidator ("Liquidator") of Superior National Insurance Company,
7 Superior Pacific Casualty Company, California Compensation Insurance Company, Combined
8 Benefits Insurance Company and Commercial Compensation Casualty Company (collectively the
9 "Insolvent Companies"), will and hereby does apply for an Order approving the Liquidator's
10 application to disburse the assets of the Insolvent Companies to certain state insurance guaranty
11 associations or funds pursuant to Insurance Code section 1035.5.

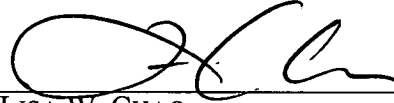
12 The application is based on this Notice, the accompanying Application in support thereof,
13 the Declarations of Rommel Adao and Raymond Minehan, and such additional evidence and
14 argument as may be offered at the time of the hearing on this application.

15 Pursuant to Insurance Code section 1035.5, subdivision (e), notice of said application shall
16 be given by United States certified mail at least 30 days prior to the submission of said
17 application to the Court. The Court may take action upon the application provided that the notice
18 has been given and the Commissioner's proposal complies with Insurance Code section 1035.5,
19 subdivisions (b)(1) – (4).

1 Dated: September 7, 2017

Respectfully Submitted,

2 XAVIER BECERRA
3 Attorney General of California

4 

5 LISA W. CHAO
6 Supervising Deputy Attorney General
7 *Attorneys for Applicant Dave Jones,*
8 *Insurance Commissioner of the State of*
9 *California, in his capacity as Liquidator of*
10 *Superior National Insurance Company,*
11 *Superior Pacific Casualty Company,*
12 *California Compensation Insurance*
13 *Company, Commercial Compensation*
14 *Casualty Company and Combined Benefits*
15 *Insurance Company*

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1 **SUMMARY OF APPLICATION**

2 Pursuant to Insurance Code¹ sections 1035.5 and 1037, the Liquidator seeks court
3 approval for his proposal to disburse the Insolvent Companies' assets to certain insurance
4 guaranty associations ("IGAs"). In aggregate amounts, the Liquidator seeks court approval to
5 disburse \$4,429,000 from the insolvent estate of California Compensation Insurance Company;
6 \$5,600,000 from the insolvent estate of Superior National Insurance Company; \$5,000,000 from
7 the insolvent estate of Superior Pacific Casualty Company; \$1,684,200 from the insolvent estate
8 of Commercial Compensation Casualty Company; and \$1,000,000 from the estate of Combined
9 Benefits Insurance Company. This is a total distribution from the five estates of \$17,713,200.
10 The specific amounts to be disbursed to the IGAs are set forth in Section "III" below.

11 The Liquidator submits that he has complied with the requirements of section 1035.5 for
12 disbursement of assets to insurance guaranty associations and accordingly, this Court should
13 approve the instant application.

14 **THE LIQUIDATOR IS AUTHORIZED TO DISBURSE ASSETS**

15 **I. INSURANCE CODE SECTION 1035.5 GOVERNS THE DISBURSEMENT OF ASSETS TO**
16 **INSURANCE GUARANTY ASSOCIATIONS**

17 Section 1035.5 controls the disbursement of an insolvent insurer's assets to the California
18 Insurance Guarantee Association ("CIGA") and/or to any other IGA. Section 1035.5 provides in
19 its entirety:

20 "Notwithstanding the provisions of Article 14 (commencing with §1010),
with regard only to those insurers subject to this article:

21 "(a) Within 120 days of the issuance of an order directing the winding up
22 and liquidation of the business of an insolvent insurer under §1016, the
23 commissioner shall make application to the court for approval of a proposal to
24 disburse the insurer's assets, from time to time as such assets become available, to
the California Insurance Guarantee Association, or the California Life and Health
Insurance Guarantee Association, and to any entity or person performing a similar
function in another state.

25 "(b) The proposal shall at least include the following provisions for:

26 "(1) Reserving amounts for the payment of expenses of administration and
27 the payment of claims of secured creditors (to the extent of the value of the security
held) and claims falling within the priorities established in paragraphs (1) to (4),

28 ¹ Unless otherwise noted, all statutory references are to the Insurance Code.

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1 inclusive, of subdivision (a) of §1033.

2 “(2) Disbursement of the assets marshaled to date and subsequent
3 disbursements of assets as they become available.

4 “(3) Equitable allocation of disbursements to each of the associations
5 entitled thereto.

6 “(4) The securing by the commissioner from each of the associations
7 entitled to disbursements pursuant to this section of an agreement to return to the
8 commissioner such assets previously disbursed as may be required to pay claims of
9 secured creditors and claims falling within the priorities established in paragraphs
10 (1) to (5), inclusive, of subdivision (a) of §1033 in accordance with the priorities.
11 No bond shall be required of any association.

12 “(5) A full report to be made by the association to the commissioner
13 accounting for all assets so disbursed to the association, all disbursements made
14 therefrom, any interest earned by the association on the assets, and any other matter
15 as the court may direct.

16 “(c) The commissioner's proposal shall provide for disbursements to the
17 associations in amounts estimated at least equal to the claim payments made or to
18 be made by the associations for which such associations could assert a claim against
19 the commissioner, and shall further provide that if the assets available for
20 disbursement from time to time do not equal or exceed the amount of the claim
21 payments made or to be made by the associations, then disbursements shall be in
22 the amount of available assets. The reserves of the insolvent insurer on the date of
23 the order of liquidation shall be used for purposes of determining the pro rata
24 allocation of funds among eligible associations. “(d) The commissioner shall offset
25 the amount disbursed to any entity or person performing a function in any other
26 state similar to that function performed by the California Insurance Guarantee
27 Association, or the California Life and Health Insurance Guarantee Association, by
28 the amount of any statutory deposit, premiums, or any other asset of the insolvent
insurer held in that state.

“(e) Notice of such application shall be given to the associations in and to
the commissioners of insurance of each of the states. Any such notice shall be
deemed to have been given when deposited in the United States certified mails,
first-class postage prepaid, at least 30 days prior to submission of such application
to the court. Action on the application may be taken by the court provided the above
required notice has been given and provided further that the commissioner's
proposal complies with paragraphs (1) and (4) of subdivision (b).”

California and other states have similar requirements regarding the handling of assets of
insolvent insurers that require the equitable distribution of an insolvent insurer's assets among all
IGAs. (§ 1033, subd. (a); *Commercial Nat. Bank v. Superior Court* (1993) 14 Cal.App.4th 393,
398 (finding that claimants within same class are entitled to share pro rata in distribution to
class).) Therefore, pursuant to section 1035.5, subdivision (b)(4), the Liquidator secured
agreements from the IGAs receiving distributions from the Liquidator to return to the Liquidator

1 the distributed assets as may be required to pay claims of secured creditors and claims failing
2 within the priorities established in section 1033, subdivisions (a) (1) to (5), inclusive.

3 (Declaration of Rommel Adao ("Adao Decl."), ¶ 4.)

4 **II. PREVIOUS EARLY ACCESS DISTRIBUTIONS**

5 The Liquidator has previously made fourteen early access distributions to the IGAs.

6 On November 13, 2001, Los Angeles Superior Court Judge Frances Rothschild approved
7 distributions by the Liquidator to CIGA the amounts of \$11,125,000 from the estate of Superior
8 National Insurance Company and \$13,875,000 from the estate of California Compensation
9 Insurance Company, for a total distribution of \$25 million. (Adao Decl., ¶ 5.)

10 On February 13, 2002, Judge Rothschild approved distributions by the Liquidator to
11 CIGA of an additional \$5 million from the estates of Superior National Insurance Company and
12 California Compensation Insurance Company. (Adao Decl., ¶ 6.)

13 On January 16, 2003, this Court approved distributions by the Liquidator to certain IGAs
14 in the amounts of \$104,907,447 from California Compensation Insurance Company; \$1,712,274
15 from Combined Benefits Insurance Company; \$15,717,252 from Commercial Compensation
16 Casualty Company; and \$8,814,098 from Superior Pacific Casualty Company, for a total
17 distribution from the four estates of \$131,151,071. (Adao Decl., ¶ 7.)

18 On June 10, 2003, this Court approved the distributions by the Liquidator to certain IGAs
19 in the amounts of \$37,888,752 from California Compensation Insurance Company; \$4,207,971
20 from Combined Benefits Insurance Company; \$9,355,770 from Commercial Compensation
21 Casualty Company, for a total distribution from the three estates of \$51,452,493. (Adao Decl., ¶
22 8.)

23 On August 2, 2005, this Court approved the distributions by the Liquidator to certain
24 IGAs in the amounts of \$130,942,593 from California Compensation Insurance Company;
25 \$5,749,786 from Combined Benefits Insurance Company; \$8,372,626 from Commercial
26 Compensation Casualty Company; \$33,599,122 from Superior National Insurance Company; and
27 \$4,527,090 from Superior Pacific Casualty Company, for a total distribution from the five estates
28 of \$183,191,217. (Adao Decl., ¶ 9.)

1 On May 31, 2007, this Court approved the distributions by the Liquidator to certain IGAs
2 of \$32,114,636 from California Compensation Insurance Company; \$1,848,730 from Combined
3 Benefits Insurance Company; \$1,083,895 from Commercial Compensation Casualty Company;
4 \$8,718,925 from Superior National Insurance Company; and \$6,281,609 from Superior Pacific
5 Casualty Company, for a total distribution from the five estates of \$50,047,795. (Adao Decl.,
6 ¶ 10.)

7 On June 24, 2008, this Court approved the distributions by the Liquidator to certain IGAs
8 in the amounts of \$26,380,125 from California Compensation Insurance Company; \$388,959
9 from Commercial Compensation Casualty Company; and \$4,969,738 from Superior Pacific
10 Casualty Company, for a total distribution from the three estates of \$31,738,822. (Adao Decl.,
11 ¶ 11.)

12 On October 1, 2010, this Court approved the distributions by the Liquidator to certain
13 IGAs in the amounts of \$210,000,000 from California Compensation Insurance Company;
14 \$30,000,000 from Commercial Compensation Casualty Company; \$7,500,000 from Superior
15 Pacific Casualty Company; and \$80,000,000 from Superior National Insurance Company, for a
16 total distribution from the four estates of \$327,500,000. (Adao Decl., ¶ 12.)

17 On August 3, 2011, this Court approved the distributions by the Liquidator to certain
18 IGAs and individual policyholders with non-covered claims in the amounts of \$55,024,210 from
19 California Compensation Insurance Company, \$1,752 from Combined Benefits Insurance
20 Company, \$49,314,946 from Superior National Insurance Company, \$1,788 from Superior
21 Pacific Casualty Company, and \$10,134,352 from Commercial Compensation Casualty
22 Company, for a total distribution from the five estates of \$114,477,048. (Adao Decl., ¶ 13.)

23 On September 10, 2012, this Court approved the distributions by the Liquidator to certain
24 IGAs in the amounts of \$34,680,371 from California Compensation Insurance Company;
25 \$577,602 from Combined Benefits Insurance Company; \$3,293,891 from Superior National
26 Insurance Company; \$1,873,621 from Superior Pacific Casualty Company, and \$348,601 from
27 the Commercial Compensation Casualty Company for a total distribution from the five estates of
28 \$40,769,086. (Adao Decl., ¶ 14.)

1 On June 27, 2013, this Court approved the distributions by the Liquidator to certain IGAs
2 in the amounts of \$19,263,710 from California Compensation Insurance Company; \$1,500,000
3 from Combined Benefits Insurance Company; \$5,798,192 from Superior National Insurance
4 Company; \$1,000,000 from Superior Pacific Casualty Company, and \$1,454,747 from the
5 Commercial Compensation Casualty Company for a total distribution from the five estates of
6 \$29,016,649. (Adao Decl., ¶ 15.)

7 On November 18, 2014, this Court approved the distributions by the Liquidator to certain
8 IGAs in the amounts of \$7,489,470 from California Compensation Insurance Company;
9 \$2,500,000 from Combined Benefits Insurance Company; \$6,500,000 from Superior National
10 Insurance Company; \$3,000,000 from Superior Pacific Casualty Company, and \$916,057 from
11 the Commercial Compensation Casualty Company for a total distribution from the five estates of
12 \$20,405,527. (Adao Decl., ¶ 16.)

13 On October 22, 2015, this Court approved the distributions by the Liquidator to certain
14 IGAs in the amounts of \$10,054,626 from California Compensation Insurance Company; \$22,806
15 from Combined Benefits Insurance Company; \$5,543,660 from Superior National Insurance
16 Company; \$3,000,000 from Superior Pacific Casualty Company, and \$676,427 from the
17 Commercial Compensation Casualty Company for a total distribution from the five estates of
18 \$19,297,519. (Adao Decl., ¶ 17.)

19 On October 18, 2016, this Court approved the distributions by the Liquidator to certain
20 IGAs in the amounts of \$5,426,200 from California Compensation Insurance Company;
21 \$1,000,000 from Combined Benefits Insurance Company; \$5,763,012 from Superior National
22 Insurance Company; \$5,000,000 from Superior Pacific Casualty Company, and \$445,113 from
23 the Commercial Compensation Casualty Company for a total distribution from the five estates of
24 \$17,634,325. (Adao Decl., ¶ 18.)

25 **III. PROPOSED DISTRIBUTIONS**

26 Pursuant to the requirements of section 1035.5 and the general powers granted under
27 section 1037, the Liquidator now proposes to make the following specific disbursements of assets
28 to the following IGAs from the Insolvent Companies.

1 **A. California Compensation Insurance Company**

2 As of June 30, 2017, the Liquidator of California Compensation Insurance Company
3 ("California Compensation") has total cash assets of approximately \$19,794,400. This amount
4 consists of \$19,677,700 in the CLO Investment Pool and \$116,700 in Non-Pooled Accounts.
5 (See Declaration of Raymond Minehan ("Minehan Decl."), Exhibit "A," which is a spreadsheet
6 entitled "Consolidated Superior National Estates, Statement of Assets and Liabilities in
7 Liquidation," and details the total cash and certain liabilities of the Insolvent Companies.)

8 The Liquidator proposes to distribute and pay up to a maximum of 55.25% of each IGA's
9 projected ultimate liability, defined as paid losses, loss adjustment expenses, paid administrative
10 expenses, and case reserves after application of credits for statutory deposits and previous
11 payments, for a total distribution to all IGAs of \$4,429,000. Accordingly, the Liquidator of
12 California Compensation proposes to distribute and pay the following amounts:

13	1. Arkansas Property & Casualty Guaranty Fund	\$	16,700
14	2. California Insurance Guarantee Association	\$	4,080,000
15	4. Florida Workers' Comp. Ins. Guaranty Association	\$	34,300
16	5. Illinois Insurance Guaranty Fund	\$	109,000
17	6. Louisiana Insurance Guaranty Association	\$	45,000
18	7. Oklahoma P&C Insurance Guaranty Association	\$	142,000
19	8. South Carolina P&C Insurance Guaranty Association	\$	2,000

20 (See Minehan Decl., Exhibit "B," entitled "Superior National Insurance Companies in
21 Liquidation, Summary of 15th Early Access Distribution to IGAs" detailing the distributions by
22 company to each IGA.)

23 Pursuant to section 1035.5, subdivision (b)(1), the Liquidator has retained sufficient assets
24 from the total cash assets of California Compensation for the payment of projected administrative
25 expenses and the payment of claims of secured creditors and claims falling within the priorities
26 established in section 1033, subdivisions (a)(1) to (4). Specifically, as of June 30, 2017 the
27 Liquidator has retained \$231,200 for unclaimed property to be escheated. (Minehan Decl., ¶ 5
28 and Exhibit "A.")

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1 Subtracting the total proposed distribution of \$4,429,000 and the above amount from total
2 cash assets of \$19,794,400 leaves remaining excess cash assets for California Compensation of
3 \$15,134,200 which is more than adequate to cover all future expenses of administration.

4 (Minehan Decl., ¶ 5.)

5 No distribution will be made to any other IGA since the amounts previously distributed
6 already equal the present calculated percentage of IGA ultimate liability. Other than the IGAs
7 listed immediately above, the Liquidator has no information concerning any payments made by
8 other IGAs on behalf of California Compensation that would demonstrate an exigency requiring
9 the Liquidator to make an early distribution or reserve assets to make an early distribution to
10 other IGAs.

11 **B. Superior National Insurance Company**

12 As of June 30, 2017, the Liquidator of Superior National Insurance Company (“Superior
13 National”) has total cash assets of approximately \$20,223,100 in the CLO Investment Pool.

14 (Minehan Decl., Exhibit “A.”)

15 The Liquidator proposes to distribute and pay up to a maximum of 58% of each IGA’s
16 projected ultimate liability, defined as paid losses, loss adjustment expenses, paid administrative
17 expenses, and case reserves after application of credits for statutory deposits and previous
18 payments, for a total distribution to CIGA of \$5,600,000.

19 Pursuant to section 1035.5, subdivision (b)(1), the Liquidator has retained certain amounts
20 from the total cash assets of Superior National for the payment of administrative expenses and the
21 payment of claims of secured creditors and claims falling within the priorities established in
22 section 1033, subdivision (a)(1) to (4). Specifically, as of June 30, 2017 the Liquidator has
23 retained \$77,500 for unclaimed property to be escheated. (Minehan Decl., ¶ 6 and Exhibit “A.”)

24 Subtracting the total proposed distribution of \$5,600,000 and the above reserved amount
25 from total cash assets of \$20,223,100 leaves remaining excess cash assets for Superior National
26 of \$14,545,600, which is more than adequate to cover all future expenses of administration.

27 (Minehan Decl., ¶ 6.)

28 No distribution will be made to any other IGA since the amounts previously distributed

1 already equal the present calculated percentage of IGA ultimate liability. Other than the IGA
2 listed immediately above, the Liquidator has no information concerning any payments made by
3 other IGAs on behalf of Superior National that would demonstrate an exigency requiring the
4 Liquidator to make an early distribution or reserve assets to make an early distribution to other
5 IGAs.

6 **C. Superior Pacific Casualty Company**

7 As of June 30, 2017, the Liquidator of Superior Pacific Casualty Company ("Superior
8 Pacific") has total cash assets of approximately \$14,922,600 in the CLO Investment Pool.
9 (Minehan Decl., Exhibit "A.")

10 The Liquidator proposes to distribute and pay up to a maximum of 35% of each IGA's
11 projected ultimate liability, defined as paid losses, loss adjustment expenses, paid administrative
12 expenses, and case reserves after application of credits for statutory deposits and previous
13 payments, for a total distribution to all IGAs of \$5,000,000. Accordingly, the Liquidator of
14 Superior Pacific proposes to distribute and pay the following amounts:

- | | | |
|----|---|--------------|
| 15 | 1. California Insurance Guarantee Association | \$ 4,956,000 |
| 16 | 2. Texas P&C Insurance Guarantee Association | \$ 44,000 |

17 (See Minehan Decl., Exhibit "B," entitled "Superior National Insurance Companies in
18 Liquidation, Summary of 15th Early Access Distribution to IGAs" detailing the distributions by
19 company to each IGA.)

20 Pursuant to section 1035.5, subdivision (b)(1), the Liquidator has retained sufficient cash
21 assets from the total cash assets of Superior Pacific for the payment of administrative expenses
22 and the payment of claims of secured creditors and claims falling within the priorities established
23 in section 1033, subdivisions (a)(1) to (4). Specifically, as of June 30, 2017 the Liquidator has
24 retained \$400 for unclaimed property to be escheated. (Minehan Decl., ¶ 7 and Exhibit "A.")

25 Subtracting the total proposed distribution of \$5,000,000 and the above reserved amount
26 from total cash assets of \$14,922,600 leaves remaining excess cash assets for Superior Pacific of
27 \$9,922,200, which is more than adequate to cover all future expenses of administration.
28 (Minehan Decl., ¶ 7.)

1 No distribution will be made to any other IGA since the amounts previously distributed
2 already equal the present calculated percentage of IGA ultimate liability. Other than the IGAs
3 listed immediately above, the Liquidator has no information concerning any payments made by
4 other IGAs on behalf of Superior Pacific that would demonstrate an exigency requiring the
5 Liquidator to make an early distribution or reserve assets to make an early distribution to other
6 IGAs.

7 **D. Commercial Compensation Casualty Company**

8 As of June 30, 2017, the Liquidator of Commercial Compensation Casualty Company
9 ("Commercial Compensation") has total cash assets of approximately \$11,481,500 in the CLO
10 Investment Pool. (Minehan Decl., Exhibit "A.")

11 The Liquidator proposes to distribute and pay up to a maximum of 82% of each IGA's
12 projected ultimate liability, defined as paid losses, loss adjustment expenses, paid administrative
13 expenses, and case reserve after application of credits for statutory deposits and previous
14 payments, for a total distribution to all IGAs of \$1,684,200. Accordingly, the Liquidator of
15 Commercial Compensation proposes to distribute and pay the following amounts:

16	1. Colorado Insurance Guaranty Association	\$ 50,000
17	2. Kansas Insurance Guaranty Association	\$ 89,800
18	3. Missouri P&C Insurance Guaranty Association	\$ 249,500
19	4. Mississippi Insurance Guaranty Association	\$ 13,500
20	5. New Jersey Workers' Comp. Security Fund	\$ 141,600
21	6. New York State Ins. Dept. Liquidation Bureau	\$ 587,600
22	7. Pennsylvania Workers' Comp. Security Fund	\$ 230,200
23	8. Tennessee Insurance Guaranty Association	\$ 175,500
24	9. Texas P&C Insurance Guarantee Association	\$ 80,000
25	10. Utah P&C Insurance Guaranty Association	\$ 66,500

26 (Minehan Decl., Exhibit "B.")

27 Pursuant to section 1035.5, subdivision (b)(1), the Liquidator has retained sufficient assets
28 from the total cash assets of Commercial Compensation for the payment of administrative

1 expenses and the payment of claims of secured creditors and claims falling within the priorities
2 established in section 1033, subdivisions (a)(1) to (4). Specifically, as of June 30, 2017 the
3 Liquidator retained \$682,600 for unclaimed property to be escheated. (Minehan Decl., ¶ 8 and
4 Exhibit "A.")

5 Subtracting the total proposed distribution of \$1,684,200 and the above amount from total
6 cash assets of \$11,481,500 leaves remaining excess cash assets for Commercial Compensation of
7 \$9,114,700 which is more than adequate to cover all future expenses of administration. (Minehan
8 Decl., ¶ 8.)

9 **E. Combined Benefits Insurance Company**

10 As of June 30, 2017, the Liquidator of Combined Benefits Insurance Company
11 ("Combined Benefits") has total cash assets of approximately \$8,215,700. This amount consists
12 of \$7,985,500 in the CLO Investment Pool and \$230,200 in Non-Pooled Accounts. (Minehan
13 Decl., Exhibit "A.")

14 The Liquidator proposes to distribute and pay up to a maximum of 97% of the IGA's
15 projected ultimate liability, defined as paid losses, loss adjustment expenses, paid administrative
16 expenses, and case reserve after application of credits for statutory deposits and previous
17 payments, for a total distribution to CIGA of \$1,000,000. (Minehan Decl., Exhibit "B.")

18 Pursuant to section 1035.5, subdivision (b)(1), the Liquidator has retained sufficient assets
19 from the total cash assets of Combined Benefits for the payment of administrative expenses and
20 the payment of claims of secured creditors and claims falling within the priorities established in
21 section 1033, subdivisions (a)(1) to (4). Specifically, as of June 30, 2017 the Liquidator retained
22 \$600 for unclaimed property to be escheated. (Minehan Decl., ¶ 9 and Exhibit "A.")

23 Subtracting the total proposed distribution of \$1,000,000 and the above amount from total
24 cash assets of \$8,215,700 leaves remaining excess cash assets for Combined Benefits of
25 \$7,215,100 which is more than adequate to cover all future expenses of administration. (Minehan
26 Decl., ¶ 9.) No distribution will be made to any other IGA since the amounts previously
27 distributed already equal the present calculated percentage of IGA ultimate liability. Other than
28 the IGAs listed immediately above, the Liquidator has no information concerning any payments

1 made by other IGAs on behalf of Combined Benefits that would demonstrate an exigency
2 requiring the Liquidator to make an early distribution or reserve assets to make an early
3 distribution to other IGAs.

4 WHEREFORE, the Liquidator prays that the Court issue an Order as follows:

5 1. Finding that proper notice of this application was provided to all IGAs in and all
6 Commissioners of Insurance of each of the states pursuant to section 1035.5, subdivision (e) and
7 to all interested parties in this proceeding;

8 2. Authorizing the Liquidator of California Compensation Insurance Company to
9 distribute and pay a total of \$4,429,000 from the assets of California Compensation Insurance
10 Company to certain insurance guaranty associations as set forth in this application;

11 3. Authorizing the Liquidator of Superior National Insurance Company to distribute
12 and pay a total of \$5,600,000 from the assets of Superior National Insurance Company to certain
13 insurance guaranty associations as set forth in this application;

14 4. Authorizing the Liquidator of Superior Pacific Casualty Company to distribute and
15 pay a total of \$5,000,000 from the assets of Superior Pacific Casualty Company to certain
16 insurance guaranty associations as set forth in this application;

17 5. Authorizing the Liquidator of Commercial Compensation Casualty Company to
18 distribute and pay a total of \$1,684,200 from the assets of Commercial Compensation Casualty
19 Company to certain insurance guaranty associations as set forth in this application;

20 6. Authorizing the Liquidator of Combined Benefits Insurance Company to distribute
21 and pay a total of \$1,000,000 from the assets of Combined Benefits Insurance Company as set
22 forth in this application; and

23 7. Authorizing the Liquidator to take any and all action necessary to accomplish the
24 purposes of this Order.

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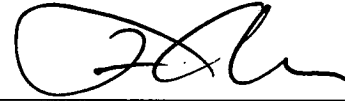
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1 Dated: September 7, 2017

Respectfully Submitted,

2 XAVIER BECERRA
3 Attorney General of California

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5 LISA W. CHAO
6 Supervising Deputy Attorney General
7 *Attorneys for Applicant Dave Jones,*
8 *Insurance Commissioner of the State of*
9 *California, in his capacity as Liquidator of*
10 *Superior National Insurance Company,*
11 *Superior Pacific Casualty Company,*
12 *California Compensation Insurance*
13 *Company, Commercial Compensation*
14 *Casualty Company and Combined Benefits*
15 *Insurance Company*

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DECLARATION OF ROMMEL ADAO

DECLARATION OF ROMMEL ADAO

I, Rommel Adao, declare as follows:

1. I am employed as an Estate Trust Manager with the Insurance Commissioner of the State of California's Conservation and Liquidation Office. If called upon to testify, I could and would testify competently, under oath, to the following facts as they are personally known to me, except as to those matters stated on information and belief, and as to those matters, I believe them to be true. The statements contained in this declaration are not all within my personal knowledge, and I am informed and believe that no single officer of the CLO has personal knowledge of all these matters. The statements herein are based on information assembled by authorized employees of the CLO, and I am informed and believe that the statements based upon that information are true and correct.

2. The Insurance Commissioner of the State of California (Commissioner or Liquidator), in his statutory role as Conservator or Liquidator, has the responsibility for the management and administration of the conservation and/or liquidation of numerous California insurers, including the estates of Superior National Insurance Company, Superior Pacific Casualty Company, California Compensation Insurance Company, Combined Benefits Insurance Company and Commercial Compensation Casualty Company (collectively the "Insolvent Companies").

3. Since 2013, I am the CLO employee responsible for the overall management of the Insolvent Companies in conservation and in liquidation, including but not limited to financial reporting, claim administration, and disbursement of assets. I am also responsible for the management of books and records of the Insolvent Companies, and I have overall custody and control thereof.

4. The Liquidator's responsibilities include the disbursement of the Insolvent Companies' assets to the insurance guarantee associations (IGAs) as required by Insurance Code section 1035.5. Prior to making any disbursement of assets, the Liquidator secured the agreement from each IGA receiving a distribution from the Liquidator to return to the Liquidator the distributed assets as may be required to pay claims of secured creditors and claims falling within the priorities established in section 1033, subdivisions (a) (1) to (5).

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1 5. On November 13, 2001, this Court approved the distribution by the Liquidator to
2 the California Insurance Guarantee Association ("CIGA") of \$11,125,000 from the estate of
3 Superior National Insurance Company and \$13,875,000 from the estate of California
4 Compensation Insurance Company, for a total distribution of \$25 million.

5 6. On February 13, 2002, this Court approved the distribution by the Liquidator to
6 the CIGA of an additional \$5 million from the estates of Superior National Insurance Company
7 and California Compensation Insurance Company.

8 7. On January 16, 2003, this Court approved the distribution by the Liquidator to
9 certain insurance guaranty associations ("IGAs") of \$104,907,447 from California Compensation
10 Insurance Company; \$1,712,274 from Combined Benefits Insurance Company; \$15,717,252 from
11 Commercial Compensation Casualty Company; and \$8,814,098 from Superior Pacific Casualty
12 Company, for a total distribution from the four estates of \$131,151,071.

13 8. On June 10, 2003, this Court approved the distribution by the Liquidator of
14 \$37,888,752 from California Compensation Insurance Company; \$4,207,971 from Combined
15 Benefits Insurance Company; and \$9,355,770 from Commercial Compensation Casualty
16 Company, for a total distribution from the three estates of \$51,452,493.

17 9. On August 2, 2005, this Court approved the distribution by the Liquidator to
18 certain IGAs of \$130,942,593 from California Compensation Insurance Company; \$5,749,786
19 from Combined Benefits Insurance Company; \$8,372,626 from Commercial Compensation
20 Casualty Company; \$33,599,122 from Superior National Insurance Company; and \$4,527,090
21 from Superior Pacific Casualty Company, for a total distribution from the five estates of
22 \$183,191,217.

23 10. On May 31, 2007, this Court approved the distribution by the Liquidator to IGAs
24 of \$32,114,636 from California Compensation Insurance Company; \$1,848,730 from Combined
25 Benefits Insurance Company; \$1,083,895 from Commercial Compensation Casualty Company;
26 \$8,718,925 from Superior National Insurance Company; and \$6,281,609 from Superior Pacific
27 Casualty Company, for a total distribution from the five estates of \$50,047,795.

28 11. On June 24, 2008, this Court approved the distribution by the Liquidator to IGAs

1 of \$26,380,125 from California Compensation Insurance Company; \$388,959 from Commercial
2 Compensation Casualty Company; and \$4,969,738 from Superior Pacific Casualty Company, for
3 a total distribution from the three estates of \$31,738,822.

4 12. On October 1, 2010, this Court approved the distribution by the Liquidator to
5 IGAs of \$210,000,000 from California Compensation Insurance Company; \$30,000,000 from
6 Commercial Compensation Casualty Company; \$7,500,000 from Superior Pacific Casualty
7 Company; and \$80,000,000 from Superior National Insurance Company, for a total distribution
8 from the four estates of \$327,500,000.

9 13. On August 3, 2011, this Court approved the distributions by the Liquidator of
10 certain IGAs and individual policyholders with non-covered claims of \$55,024,210 from
11 California Compensation Insurance Company; \$1,752 from Combined Benefits Insurance
12 Company; \$49,314,946 from Superior National Insurance Company; \$1,788 from Superior
13 Pacific Casualty Company; and \$10,134,352 from Commercial Compensation Casualty
14 Company, for a total distribution from the five estates of \$114,477,048.

15 14. On September 10, 2012, this Court approved the distributions by the Liquidator of
16 certain IGAs in the amounts of \$34,680,371 from California Compensation Insurance Company;
17 \$577,602 from Combined Benefits Insurance Company; \$3,293,891 from Superior National
18 Insurance Company; \$1,873,621 from Superior Pacific Casualty Company; and \$348,601 from
19 the Commercial Compensation Casualty Company for a total distribution from the five estates of
20 \$40,769,086.

21 15. On June 27, 2013, this Court approved the distributions by the Liquidator of
22 certain IGAs in the amounts of \$19,263,710 from California Compensation Insurance Company;
23 \$1,500,000 from Combined Benefits Insurance Company; \$5,798,192 from Superior National
24 Insurance Company; \$1,000,000 from Superior Pacific Casualty Company; and \$1,454,747 from
25 the Commercial Compensation Casualty Company for a total distribution from the five estates of
26 \$29,016,649.

27 16. On November 18, 2014, this Court approved the distributions by the Liquidator of
28 certain IGAs in the amounts of \$7,489,470 from California Compensation Insurance Company;

1 \$2,500,000 from Combined Benefits Insurance Company; \$6,500,000 from Superior National
2 Insurance Company; \$3,000,000 from Superior Pacific Casualty Company; and \$916,057 from
3 the Commercial Compensation Casualty Company for a total distribution from the five estates of
4 \$20,405,527.

5 17. On October 22, 2015, this Court approved the distributions by the Liquidator of
6 certain IGAs in the amounts of \$10,054,626 from California Compensation Insurance Company;
7 \$22,806 from Combined Benefits Insurance Company; \$5,543,660 from Superior National
8 Insurance Company; \$3,000,000 from Superior Pacific Casualty Company; and \$676,427 from
9 the Commercial Compensation Casualty Company for a total distribution from the five estates of
10 \$19,297,519.

11 18. On October 18, 2016, this Court approved the distributions by the Liquidator to
12 certain IGAs in the amounts of \$5,426,200 from California Compensation Insurance Company;
13 \$1,000,000 from Combined Benefits Insurance Company; \$5,763,012 from Superior National
14 Insurance Company; \$5,000,000 from Superior Pacific Casualty Company; and \$445,113 from
15 the Commercial Compensation Casualty Company for a total distribution from the five estates of
16 \$17,634,325.

17 I declare under penalty of perjury under the laws of the State of California that the
18 foregoing is true and correct.

19 Executed this 7TH day of September, 2017, at San Francisco, California.

20
21 
22 Rommel Adao

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DECLARATION OF RAYMOND MINEHAN

1 7. Pursuant to Insurance Code section 1035.5, subdivision (b), the Liquidator has
2 retained liquid investment assets on behalf of Superior Pacific Casualty Company (“Superior
3 Pacific”) to provide for the payment as of June 30, 2017 of \$400 for unclaimed property to be
4 escheated. After taking into account this amount including the proposed distribution, Superior
5 Pacific has an additional \$9,922,200 in excess liquid investment assets, which are more than
6 adequate to cover all future administrative expenditures and additional distributions.

7 8. Pursuant to Insurance Code section 1035.5, subdivision (b), the Liquidator has
8 retained liquid investment assets on behalf of Commercial Compensation Casualty Company
9 (“Commercial Compensation”) to provide for the payment as of June 30, 2017 of \$682,600 for
10 unclaimed property to be escheated. After taking into account this amount including the proposed
11 distribution, Commercial Compensation has an additional \$9,114,700 in excess liquid investment
12 assets, which are more than adequate to cover all future administrative expenditures and
13 additional distributions.

14 9. Pursuant to Insurance Code section 1035.5, subdivision (b), the Liquidator has
15 retained liquid investment assets on behalf of Combined Benefits Insurance Company
16 (“Combined Benefits”) to provide for the payment as of June 30, 2017 of \$600 for unclaimed
17 property to be escheated. After taking into account payment of the proposed distribution,
18 Combined Benefits has at least an additional \$7,215,100 in excess liquid investment assets, which
19 are more than adequate to cover all future administrative expenditures and additional
20 distributions.

21 10. Attached and incorporated herein as Exhibit “A” is a true and correct copy of a
22 spreadsheet entitled “Consolidated Superior National Estates, Statement of Assets & Liabilities in
23 Liquidation.” This spreadsheet accurately details total cash in possession and certain liability of
24 the Liquidator as of June 30, 2017, and the other cash availability calculations of California
25 Compensation, Combined Benefits, Superior National, Superior Pacific and Commercial
26 Compensation.

27 11. Attached and incorporated herein as Exhibit “B” is a true and correct copy of a
28 spreadsheet entitled “Superior National Insurance Companies in Liquidation, Summary of 15th

1 Early Access Distribution to IGAs.” This spreadsheet accurately details the proposed amounts of
2 the early access distributions to each IGA by each of the Insolvent Companies.

3 I declare under penalty of perjury under the laws of the State of California that the
4 foregoing is true and correct.

5 Executed this 7 day of September, 2017, at San Francisco, California.

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EXHIBIT A

Insurance Commissioner of the State of California
Conservation & Liquidation Office

CONSOLIDATED SUPERIOR NATIONAL ESTATES
STATEMENT OF ASSETS AND LIABILITIES IN LIQUIDATION
As of June 30, 2017

	Cal Comp	Combined Benefits	Superior Natl	Superior Pacific	Commercial Comp	TOTAL
ASSETS						
Participation in pooled investments	19,677,700	7,985,500	20,223,100	14,922,600	11,481,500	74,290,400
Non-pooled short-term investments:						
Restricted	116,700	230,200	-	-	-	346,900
Accrued investment income	62,300	25,400	63,700	45,200	36,200	232,800
Statutory deposits held by other states	-	-	-	-	336,500	336,500
Funds held by guaranty associations	-	-	11,378,100	-	12,000	11,390,100
Recoverable from reinsurers - paid	204,800	1,100	1,157,100	518,600	438,700	2,320,300
Recoverable from reinsurers - case reserves	2,100,500	29,400	7,413,800	4,452,800	895,600	14,892,100
Recoverable from reinsurers - IBNR	8,874,600	-	-	1,831,200	807,100	11,512,900
Total Available Assets	31,036,600	8,271,600	40,235,800	21,770,400	14,007,600	115,322,000
LIABILITIES						
Secured claims	231,200	600	77,500	400	682,600	992,300
Claims against policies, including guaranty associations, before distributions	2,020,455,400	34,092,700	837,612,000	219,124,300	140,644,100	3,251,928,500
Early access and other Class 2 distributions	(917,959,300)	(27,078,300)	(417,917,700)	(51,969,700)	(98,429,400)	(1,513,354,400)
All other claims	119,267,100	6,240,800	28,722,700	62,365,700	13,754,500	230,350,800
Total Estimated Liabilities	1,221,994,400	13,255,800	448,494,500	229,520,700	56,651,800	1,969,917,200
NET ASSETS (DEFICIENCY)	(1,190,957,800)	(4,984,200)	(408,258,700)	(207,750,300)	(42,644,200)	(1,854,595,200)

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EXHIBIT B

EXHIBIT B

**Superior National Insurance Companies in Liquidation
Summary of 15th Early Access Distribution to IGA's 2017**

Insurance Guaranty Association	301	304	305	306	302	Total	State
	55.25%	58%	35%	82%	97%		
	California Compensation	Superior National	Superior Pacific	Commercial Compensation	Combined Benefits		
Arkansas	16,700.00					\$ 16,700.00	AR
California	4,080,000.00	5,600,000.00	4,956,000.00		1,000,000.00	\$ 15,636,000.00	CA
Colorado				50,000.00		\$ 50,000.00	CO
Florida	34,300.00					\$ 34,300.00	FL
Illinois	109,000.00					\$ 109,000.00	IL
Kansas				89,800.00		\$ 89,800.00	KS
Louisiana	45,000.00					\$ 45,000.00	LA
Missouri				249,500.00		\$ 249,500.00	MO
Mississippi				13,500.00		\$ 13,500.00	MS
New Jersey				141,600.00		\$ 141,600.00	NJ
New York				587,600.00		\$ 587,600.00	NY
Oklahoma	142,000.00					\$ 142,000.00	OK
Pennsylvania				230,200.00		\$ 230,200.00	PA
South Carolina	2,000.00					\$ 2,000.00	SC
Tennessee				175,500.00		\$ 175,500.00	TN
Texas			44,000.00	80,000.00		\$ 124,000.00	TX
Utah				66,500.00		\$ 66,500.00	UT
	<u>\$ 4,429,000.00</u>	<u>\$ 5,600,000.00</u>	<u>\$ 5,000,000.00</u>	<u>\$ 1,684,200.00</u>	<u>\$ 1,000,000.00</u>	<u>\$ 17,713,200.00</u>	

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FILED
Superior Court of California
County of Los Angeles

SEP 15 2017

Sherri R. Carter, Executive Officer/Clerk
By Rita Nazaryan, Deputy
Rita Nazaryan

XAVIER BECERRA
Attorney General of California
LISA W. CHAO
Supervising Deputy Attorney General
State Bar No. 198536
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Los Angeles, CA 90013
Telephone: (213) 897-2481
Fax: (213) 897-5775
E-mail: Lisa.Chao@doj.ca.gov
*Attorneys for Applicant Dave Jones,
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*

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CENTRAL CIVIL WEST

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

Applicant,

v.

**SUPERIOR NATIONAL INSURANCE
COMPANY,**

Respondent.

Case No.: BS061974
Consolidated with: BS061675
BS062171
BS062173
BS063746

**PROOF OF SERVICE BY FIRST CLASS
MAIL**

Hearing date: October 17, 2017
Time: 11:00 a.m.
Dept: 310
Judge: The Honorable Kenneth R.
Freeman

EXEMPT CODE 6103

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DECLARATION OF SERVICE BY U.S. MAIL

Case Name: **Insurance Commissioner v. Superior National Insurance Co.**

Case No.: BS061974
Consolidated with: BS061675
BS062171
BS062173
BS063746

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; my business address is 300 South Spring Street, Suite 1702, Los Angeles, CA 90013.

On **September 12, 2017**, I served the foregoing:

(1) NOTICE OF APPLICATION AND APPLICATION FOR ORDER APPROVING LIQUIDATOR'S PROPOSAL TO DISBURSE ASSETS TO CERTAIN STATE INSURANCE GUARANTY ASSOCIATIONS; DECLARATIONS OF ROMMEL ADAO AND RAYMOND MINEHAN IN SUPPORT THEREOF

(2) [PROPOSED] ORDER APPROVING LIQUIDATOR'S PROPOSAL TO DISBURSE ASSETS TO CERTAIN STATE INSURANCE GUARANTY ASSOCIATIONS

by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States Mail at Los Angeles, California, addressed as follows:

PLEASE SEE ATTACHED SERVICE LIST

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 **September 12, 2017**, at Los Angeles, California.

Martha Ochoa
Declarant



Signature

SERVICE LIST BY FIRST CLASS MAIL

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

NO.: BS061974
CONSOLIDATED WITH: BS061675
BS062171
BS062173
BS063746

<p>Iain A.W. Nasatir, Esq. PACHULSKI STANG ZIEHL YOUNG & JONES 10100 Santa Monica Blvd., 11th Floor Los Angeles, CA 90067 Tel: (310) 277-6910 / Fax: (310) 201-0760 inasatir@pszyjlaw.com</p>	<p>Robert E. Nagle General Counsel & Vice President Superior Natl. Ins. Group, Inc. 49 Peregrine Circle Oak Park, CA 91377</p>
<p>Peter J. Gurfein, Esq. LANDAU GOTTFRIED & BERGER LLP 1801 Century Park East, Suite 700 Los Angeles, CA 90067 Tel (310) 557-0050 / Fax: (310) 557-0056 (Centre Insurance Company) pgurfein@lgbfirm.com</p>	<p>Louis J. Cisz, III Matthew A. Richards Gina M. Fornario Nixon Peabody LLP One Embarcadero Center, 18th Flr. San Francisco, CA 94111-3600 lcisz@nixonpeabody.com mrichards@nixonpeabody.com gforario@nixonpeabody.com</p>
<p>Joseph K. Hegedus, Esq. LEWIS, BRISBOIS, BISGAARD & SMITH, LLP 221 N. Figueroa Street, Suite 1200 Los Angeles, CA 90012 Tel: (213) 250-1800 / Fax: (213) 250-7900 hegedus@llbslaw.com</p>	<p>Conrad V. Sison LOCKE LORD LLP 300 S. Grand Avenue, Ste. 800 Los Angeles, CA 90071-3200 Tel: (213) 687-6719 / Fax: (213) 485-1200 (California Insurance Guarantee Association)</p>
<p>Terence Kenney WILD CAREY & FIFE 120 Montgomery Street, Suite 1000 San Francisco, CA 94104-4313 Tel: (415) 837-3101 / Fax:(415) 837-3111 (Kitchen Works, Inc.) Terencekenney@wcandf.com</p>	<p>Deborah L. Stein Christopher A. Sant Simpson Thacher & Bartlett LLP 1999 Avenue of the Stars, 29th Flr. Los Angeles, CA 90067 Tel: (310) 407-7500 Fax: (310) 407-7502 dstein@stblaw.com</p>

<p>Henry A. Knebel, Esq. The Law Offices of Henry Knebel 28042 Avenue Stanford, Unit E. Valencia, CA 91355 knebelh@earthlink.net</p>	<p>Philip A. O'Connell, Jr., Esq. Katherine Eddy, Esq. Dentons US LLP 525 Market Street, 26th Floor San Francisco, CA 94105 Tel: (415) 882-5000 / Fax: (415) 543-5472 poconnelljr@sonnenschein.com (Centre Insurance Company)</p>
<p>Michael S. Lurey, Esq. Kimberly A. Posin, Esq. Lucas R. Bailey LATHAM & WATKINS 355 S. Grand Avenue Los Angeles, CA 90071 Tel: (213) 485-1234 / Fax: (213) 891-8763 Michael.lurey@lw.com</p>	<p>Gerald C. Pluard Jr., Esq. Kemper Insurance Companies – Legal One Temper Drive Long Grove, Illinois 60049-0001 Tel: (847) 320-2000 / Fax: (847) 320-4202 (Lumberman's Mutual Casualty Co. or Kemper Insurance Companies)</p>
<p>Linda M. Lasley, Esq. Lewis Brisbois, Bisgaard & Smith 221 No. Figueroa St., Ste. 1200 Los Angeles, CA 90012 lasley@lbbslaw.com</p>	<p>Joel Ross RISK ENTERPRISE MANAGEMENT LTD. 2540 Route 130, Suite 109 Cranbury, NJ 08512 (Risk Enterprise Management Ltd.)</p>
<p>John McPherson Hinshaw & Culbertson, LLP 633 W. 5th Street, 47th Floor Los Angeles, CA 90071 Tel: (213) 680-2800/ Fax: (213) 614-7399 (Risk Enterprise Management Ltd.) jmcperson@bargerwolen.com</p>	<p>Raymond J. Lester Vice President & Associate General Counsel Trustmark Insurance Company 400 Field Drive Lake Forest, Illinois 60045</p>
<p>Michael C. Zellers, Esq. Michelle McAloon, Esq. TUCKER ELLIS & WEST LLP 515 S. Flower Street, 42nd Floor Los Angeles, CA 90071 Tel: (213) 430-3400 / Fax: (213) 430-3409 Michael.zellers@tuckerellis.com</p>	<p>Linda Dakin-Grimm, Esq. Milbank Tweed Hadley & McCloy LLP 2029 Century Park East, 33rd Floor Los Angeles, CA 90067 Ldakin-grimm@milbank.com</p>
<p>Wayne Wilson California Ins. Guarantee Association 101 N. Brand Blvd., Suite 600 Glendale, CA 91203 Tel: (323) 782-0252/ Fax: (323) 782-1489</p>	<p>Andrew S. Amer Simpson Thacher & Bartlett LLP 425 Lexington Avenue New York, New York 10017 Tel: (212) 455-2000 / Fax: (212) 455-2502 aamer@stblaw.com</p>

<p>Brian Currey, Esq. Erick Y. Kizirian, Esq. O'Melveny & Meyers LLP 400 So. Hope Street Los Angeles, CA 90071-2899</p>	<p>Gary A. Nye, Esq. Michael B. Adreani, Esq. Roxborough, Pomerance Nye & Adreani 5820 Canoga Ave., #250 Woodland Hills, CA 91367 gan@rpnalaw.com nba@rpnalaw.com</p>
<p>Christopher Norgaard, Esq. Nina B. Ries, Esq. NEWELL, CAMPBELL & ROCHE LLP 633 W. 5th Street, Suite 2600 Los Angeles, CA 90071 Tel: (213) 223-2030 / Fax: (213) 223-2029</p>	

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As of 8/24/17

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FILED

Superior Court of California
County of Los Angeles

SEP 15 2017

Sherril R. Carter, Executive Officer/Clerk
By Rita Nazaryan, Deputy
Rita Nazaryan

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 Dave Jones,*
7 *Insurance Commissioner of the State of California,*
8 *in his capacity as Liquidator of Superior National*
9 *Insurance Company, Superior Pacific Casualty*
10 *Company, California Compensation Insurance*
11 *Company, Commercial Compensation Casualty*
12 *Company and Combined Benefits Insurance*
13 *Company*

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA

12 COUNTY OF LOS ANGELES

13 CENTRAL CIVIL WEST

15 INSURANCE COMMISSIONER OF THE
16 STATE OF CALIFORNIA,

17 Applicant,

18 v.

19 SUPERIOR NATIONAL INSURANCE
20 COMPANY,

21 Respondent.

Case No.: BS061974
Consolidated with: BS061675
BS062171
BS062173
BS063746

22 **PROOF OF SERVICE BY CERTIFIED
23 MAIL**

Hearing date: October 17, 2017
Time: 11:00 a.m.
Dept: 310
24 Judge: The Honorable Kenneth R.
25 Freeman

EXEMPT CODE 10103

09182017

DECLARATION OF SERVICE BY CERTIFIED MAIL

Case Name: **Insurance Commissioner v. Superior National Insurance Co.**

Case No.: BS061974
Consolidated with: BS061675
BS062171
BS062173
BS063746

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 with postage thereon fully prepaid that same day in the ordinary course of business.

On **September 15, 2017**, I served the foregoing:

(1) NOTICE OF APPLICATION AND APPLICATION FOR ORDER APPROVING LIQUIDATOR'S PROPOSAL TO DISBURSE ASSETS TO CERTAIN STATE INSURANCE GUARANTY ASSOCIATIONS; DECLARATIONS OF ROMMEL ADAO AND RAYMOND MINEHAN IN SUPPORT THEREOF

(2) [PROPOSED] ORDER APPROVING LIQUIDATOR'S PROPOSAL TO DISBURSE ASSETS TO CERTAIN STATE INSURANCE GUARANTY ASSOCIATIONS

by placing a true copy thereof enclosed in a sealed envelope as certified mail and return receipt requested, 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:

PLEASE SEE ATTACHED SERVICE LIST

I declare under penalty of perjury under the law of the State of California the foregoing is true and correct and that this declaration was executed on **September 15, 2017**, at Los Angeles, California.

Martha Ochoa
Declarant

Martha Ochoa
Signature

CERTIFIED SERVICE LIST

Tom Glause, Commissioner Wyoming Insurance Department 106 East 6th Avenue Cheyenne, Wyoming 82002-0440	Lori K. Wing-Heier, Director Alaska Division of Insurance 550 West 7th Avenue, Suite 1560 Anchorage, Alaska 99501-3567
Jim L. Ridling, Commissioner Alabama Department of Insurance 201 Monroe Street, Suite 502 Montgomery, Alabama 36104	Allen W. Kerr, Commissioner Arkansas Insurance Department 1200 West Third Street Little Rock, Arkansas 72201-1904
Leslie R. Hess, Interim Director Arizona Department of Insurance 2910 North 44th Street, Suite 210 Phoenix, Arizona 85018-7269	Marguerite Salazar, Commissioner Colorado Division of Insurance 1560 Broadway, Suite 850 Denver, Colorado 80202
Katherine L. Wade, Commissioner Connecticut Department of Insurance 153 Market Street, 7th Floor Hartford, Connecticut 06103	Stephen C. Taylor, Commissioner Dept. of Insurance, Securities and Banking 810 First Street, N. E., Suite 701 Washington, DC 20002
Karen Weldin Stewart, Commissioner Delaware Department of Insurance 841 Silver Lake Boulevard Dover, Delaware 19904	Jeff Atwater, Chief Financial Officer Department of Financial Services J. Edwin Larson Building 200 E. Gaines, Street Tallahassee, Florida 32399-0301
David Altmaier, Commissioner Office of Insurance Regulation The Larson Building 200 E. Gaines Street, Room 101A Tallahassee, Florida 32399-0301	Ralph T. Hudgens, Commissioner Office of Insurance and Safety Fire Commissioner Two Martin Luther King, Jr. Drive West Tower, Suite 704 Atlanta, Georgia 30334
Gordon I. Ito, Commissioner Hawaii Insurance Division Dept. of Commerce & Consumer Affairs King Kalakaua Building 335 Merchant Street, Room 213 Honolulu, Hawaii 96813	Nick Gerhart, Commissioner Iowa Insurance Division Two Ruan Center 601 Locust, 4 th Floor Des Moines, Iowa 50309-3438
Dean Cameron, Director Idaho Department of Insurance 700 West State Street, 3rd Floor Boise, Idaho 83720-0043	Anne Melissa Dowling, Acting Director Illinois Department of Insurance 320 W. Washington Street Springfield, Illinois 62767-0001
Stephen W. Robertson, Commissioner Indiana Department of Insurance 311 W. Washington Street, Suite 103 Indianapolis, Indiana 46204-2787	Ken Selzer, Commissioner Kansas Department of Insurance 420 SW 9th Street Topeka, Kansas 66612-1678
Brian Maynard, Commissioner Kentucky Department of Insurance 215 West Main Street Frankfort, Kentucky 40601	James J. Donelon, Commissioner Louisiana Department of Insurance 1702 N. 3rd Street Baton Rouge, Louisiana 70802

CERTIFIED SERVICE LIST

Daniel R. Judson, Commissioner Massachusetts Division of Insurance 1000 Washington Street, 8 th Floor Boston, Massachusetts 02118-6200	Al Redmer, Commissioner Maryland Insurance Administration 200 St. Paul Place, Suite 2700 Baltimore, Maryland 21202
Eric A. Cioppa, Superintendent Maine Bureau of Insurance Dept. of Professional & Financial Reg. 34 State House Station Augusta, Maine 04333-0034	Patrick M. McPharlin, Director Dept. of Insurance and Financial Services Mason Building, 8 th Floor 530 W. Allegan Street Lansing, Michigan 48933
Mike Rothman, Commissioner Minnesota Department of Commerce 85 7th Place East, Suite 500 St. Paul, Minnesota 55101	John M. Huff, Director Missouri Department of Insurance 301 West High Street, Suite 530 Jefferson City, Missouri 65101
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