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FILED

MAY - 7 1991

GARY L. GRANVILLE, County Clerk
By [Signature] DEPUTY

6 Attorneys for Applicant

#20

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF ORANGE

11 INSURANCE COMMISSIONER OF THE)	NO. 655784
STATE OF CALIFORNIA,)	
12)	JUDGE C. ROBERT JAMESON
Applicant,)	
13)	ORDER APPOINTING
u.)	LIQUIDATOR AND
14)	RESTRAINING ORDERS
WESTERN EMPLOYERS INSURANCE COMPANY)	
15 COMPANY OF AMERICA,)	
a California corporation,)	
16)	Date: May 7, 1991
Respondent.)	Time: 1:30 p.m.
17)	Dept: 12

18 The verified Application for Order of Liquidation of
19 Respondent Western Employers Insurance Company of America came on
20 regularly for hearing on May 7, 1991, in Department 12 of the above
21 entitled court, the Honorable C. Robert Jameson, Judge presiding.
22 Applicant appeared by his counsel, Daniel E Lungren, Attorney
23 General of the State of California, by Edmond B. Mamer, Deputy
24 Attorney General. Respondent appeared by J. Michael Nolan, Senior
25 Vice President and General Counsel. The court having considered
26 the Application and there being no objection, the court finds as
27 follows:

28 a. On April 25, 1991, the court herein appointed the

1 Applicant as Conservator of Western Employers Insurance Company of
2 America.

3 b. Western Employers Insurance Company of America had
4 been voluntarily winding up its business since January, 1987 and
5 efforts to find a qualified buyer for the company have been futile.

6 WHEREFORE, IT IS HEREBY ORDERED THAT:

7 1. The Insurance Commissioner of the State of California
8 is appointed in his official capacity as Liquidator of Respondent,
9 Western Employers Insurance Company of America, and directed to
10 liquidate and wind up the affairs of Respondent and to act in all
11 ways and exercise all powers necessary for the purpose of carrying
12 out such order;

13 2. Title to all assets of Respondent now in the
14 possession of the Insurance Commissioner as Conservator hereof, as
15 well as title to any assets of said Respondent discovered hereafter
16 is hereby vested in said Liquidator;

17 3. Said Liquidator, as such, is hereby authorized to pay
18 as expenses of administration, all expenses heretofore incurred by
19 the Conservator of Respondent and presently unpaid and is hereby
20 authorized to pay the full amount of any checks or drafts which
21 have been issued by the Conservator of Respondent and which are
22 presently outstanding and unpaid when said checks or drafts are
23 presented for payment;

24 4. The rights and liabilities of creditors,
25 policyholders, shareholders, and all other persons interested in
26 the assets of Respondent, including the State of California, are
27 fixed as of the date of this order;

28 5. Respondent, its officers, directors, agents and

1 employees and all other persons are hereby enjoined and restrained
2 from transacting any of the business of Respondent or the
3 disposition of any of its assets and property;

4 6. All persons are hereby enjoined and restrained from
5 interference with the possession, title and rights of Applicant, as
6 Liquidator, in and to the assets of Respondent and from
7 interference with the conduct of the Liquidator in winding up of
8 the business of Respondent;

9 7. All persons are hereby enjoined from the waste of
10 assets of Respondent;

11 8. All persons are hereby enjoined from instituting or
12 prosecuting any action or proceedings against Respondent, or
13 Applicant as Liquidator of Respondent, without the consent of this
14 court obtained after reasonable notice to said Liquidator;

15 9. All persons are hereby enjoined from obtaining
16 preferences, judgments, attachments or other liens, or making any
17 levy against Respondent or its assets;

18 10. All officers, directors, agents and employees of
19 Respondent are hereby ordered to deliver to said Liquidator all
20 assets, books, records, equipment and other property of said
21 Respondent;


22 11. All funds and bank accounts in the name of
23 Respondent, or Applicant as Conservator, are hereby vested in said
24 Liquidator and said funds shall be subject to withdrawal from said
25 banks upon the order of said Liquidator only;

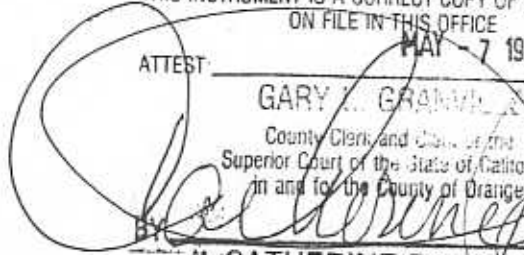

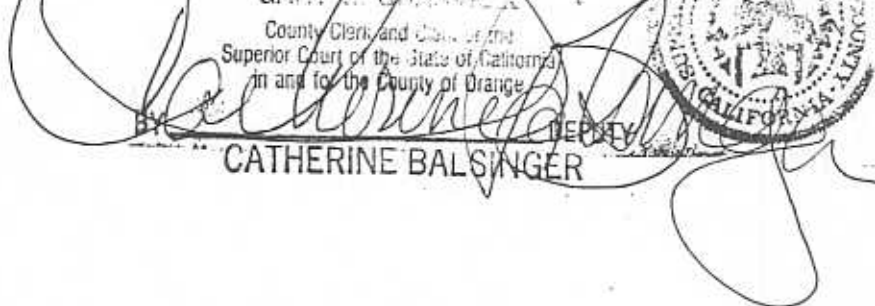
26 12. All insurance agents and brokers are hereby ordered
27 to account to the Liquidator of Respondent for all funds of
28 Respondent held by them in their fiduciary capacity, as specified

1 in Sections 1733, 1734 and 1735 of the Insurance Code, or due to
2 Respondent, and directed to forward said funds to Applicant as
3 Liquidator, and said funds are vested in Applicant as Liquidator;
4 and

5 13. Said Liquidator is hereby authorized to initiate such
6 equitable or legal actions or proceedings in this or other states
7 as may appear to him necessary to carry out his function as
8 Liquidator.

9 DATED: May 7, 1991.

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12 
13 G. ROBERT JAMESON
14 Judge of the Superior Court

15 THIS INSTRUMENT IS A CORRECT COPY OF THE ORIGINAL
16 ON FILE IN THIS OFFICE
17 MAY 7 1991
18 ATTEST: 
19 GARY J. GRAMMER
20 County Clerk and Clerk of the
21 Superior Court of the State of California
22 in and for the County of Orange
23 
24 BY: 
25 CATHERINE BALSINGER