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RECORDED FILED
COUNTY OF SAN FRANCISCO
OCT 29 2004
GINA BROWN
County Clerk

Attorneys for Applicant, Insurance Commissioner of the State of
California as Liquidator of Coastal Insurance Company

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SAN FRANCISCO

INSURANCE COMMISSIONER OF THE
STATE OF CALIFORNIA,

Applicant,

vs.

COASTAL INSURANCE COMPANY,

Respondent.

CASE NO. CGC-00-310934

DECLARATION RE COMPLIANCE IN
SUPPORT OF THE FINAL REPORT AND
ACCOUNT OF LIQUIDATOR

I, FRED A. BUCK, declare:

1. I am a Special Deputy Insurance Commissioner. The statements contained in this declaration are not all within my personal knowledge, and I am informed that no single officer of the Conservation and Liquidation Office ("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. As to those matters that are within my own personal knowledge, the statements are true. If called upon as a witness, I would testify as set forth herein.

1 2. I am responsible for the supervision and management of all matters pertaining to
2 all companies for which the Insurance Commissioner has been appointed conservator or
3 liquidator and which are managed by the CLO, including but not limited to supervision and
4 management by the CLO's financial, investment, accounting, claims, and reinsurance
5 departments and personnel.

6 3. I have overall custody and control of the CLO's files and records pertaining to
7 all companies in liquidation, including Coastal Insurance Company in Liquidation ("the
8 Estate"), and am responsible for the maintenance of such files and records in the ordinary course
9 of business. I am familiar with the business and record keeping practices of the CLO.

10 4. I am responsible for all claims, financial, investment, accounting, tax, actuarial,
11 and reinsurance matters pertaining to the liquidation of the Estate and am responsible for the
12 manner in which the Estate will be concluded.

13 5. On February 26, 2004, this Court entered its "Orders (1) Settling And Approving
14 Final Report and Account of Conservator and Liquidator from February 2, 1989 to November
15 30, 2003, (2) Approving Assignment of Receivables to the California Insurance Guarantee
16 Association, (3) Final Distribution of Assets, (4) Settling and Approving Same, (5) Discharging
17 Liquidator And Releasing Commissioner From Liability and Dismissing Action"(collectively,
18 the "Order").

19 6. Pursuant to paragraph 4 of the Order, on or about March 12, 2004, 1,534
20 distributions were made by the Liquidator via check issuance or electronic transfer in total
21 amount of \$38,969,533.73 (such amount reflecting investment earnings through the distribution
22 date). During the period from March 12, 2004 to September 29, 2004, 369 checks were
23 presented for payment by the recipients thereof and electronic transfers accepted in total amount
24 of \$38,780,297.25. During that same period, it was determined that 1,165 checks were returned
25 or were outstanding, representing the amount of \$189,236.48. On September 29, 2004, the sum
26 of \$189,236.48 escheated to the State of California in accordance with the Order and Section
27 1517 (b) of the Code of Civil Procedure.
28

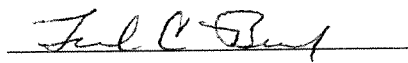
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7. The Liquidator retained \$173,680.00 from the Estate prior to making the payment described in Paragraph 6 above for payment of administrative expenses incurred after November 30, 2003 with respect to the estate.

8. The Order provided that the Commissioner shall be discharged as Liquidator of the Estate upon the filing of a declaration that he distributed the assets thereof in accordance with the terms of the Order. As set forth in paragraphs 1-7 above, the Commissioner has transferred all residual assets of the Estate and has taken all action necessary pursuant to the terms of the Order, and the Estate is closed concurrent with the filing of this declaration.

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

Executed this 13th day of October, 2004, at San Francisco, California.



Fred A. Buck

Special Deputy Insurance Commissioner

#308897v1

DECLARATION OF SERVICE

Case Name: **INSURANCE COMMISSIONER OF THE STATE OF CALIFORNIA v.
COASTAL INSURANCE COMPANY**

Case No.: **CGC-00-310934**

I declare:

I am employed in the Office of the Attorney General. I am over 18 years of age and not a party to the within entitled cause. 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 October 19, 2004, I placed the attached

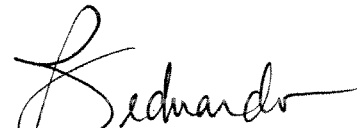
**DECLARATION RE COMPLIANCE IN SUPPORT OF THE FINAL
REPORT AND ACCOUNT OF LIQUIDATOR**

in the internal mail collection system at the Office of the Attorney General, 300 South Spring Street, 5th Floor, Los Angeles, California 90013, for deposit in the United States Postal Service that same day in the ordinary course of business, in a sealed envelope, postage fully postpaid, addressed as follows:

(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 October 19, 2004, at Los Angeles, California.

ROSITA V. EDUARDO



Signature

SERVICE LIST

Insurance Commissioner v. Coastal Insurance Company San Francisco Superior Court Case No. CGC-00-310934

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