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 15 Insurance Commissioner of the State of California

16 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
 17 **FOR THE COUNTY OF LOS ANGELES**

19 INSURANCE COMMISSIONER OF THE
 STATE OF CALIFORNIA,

20 Applicant,

21 v.

22 GOLDEN STATE MUTUAL LIFE
 23 INSURANCE COMPANY, a California
 corporation,

24 Respondent.

Case No. BS123005
 Assigned to Hon. Ann I. Jones, Dept. 86

**NOTICE OF APPLICATION FOR
 SECOND ORDER CONTINUING
 CLAIMS BAR DATE: CONTINUANCE
 REQUESTED TO DECEMBER 31, 2013**

[Filed concurrently with Memorandum,
 Proposed Order and Proof of Service]

Date: July 20, 2012
 Time: 1:30 p.m.
 Dept: 86

1 **TO: (1) THE LOS ANGELES SUPERIOR COURT;**
2 **(2) ALL PERSONS AND ENTITIES KNOWN TO THE LIQUIDATOR TO HAVE**
3 **A SUBSTANTIAL UNSATISFIED CLAIM THAT MAY BE AFFECTED BY**
4 **THE REQUESTED COURT ORDERS; AND**
5 **(3) ALL INTERESTED PARTIES,**

6 **PLEASE TAKE NOTICE** that on July 20, 2012, at 1:30 p.m., or as soon thereafter as the
7 parties may be heard, in Department 86 of the Los Angeles Superior Court for the State of
8 California, County of Los Angeles, located at 111 N. Hill Street, Los Angeles, California 90012
9 (“Court”), Applicant Insurance Commissioner of the State of California, in his capacity as
10 Liquidator (“Liquidator”) of Golden State Mutual Life Insurance Company (“Golden State”), will
11 and hereby does apply to the Court and submit this application for a Court Order to continue the
12 Claims Bar Date from its current date of December 31, 2012, to a new date of December 31,
13 2013. Continuing the bar date also continues the date for publication in newspapers of notice of
14 the Claims Bar Date from June 30, 2012 to June 30, 2013. The Claims Bar Date was previously
15 continued from December 31, 2011 to December 31, 2012 by Order dated September 28, 2011 for
16 the same reasons set forth herein. The Claims Bar Date is the date that claims against Golden
17 State’s assets must be filed with the Liquidator.

18 **Grounds for the Application**

19 This Application is necessary to conserve estate assets. Golden State’s current estimated
20 net asset deficiency is \$8,693,400 as of December 31, 2011. Depending on the results of the sales
21 of Golden State’s remaining real estate currently valued at approximately \$1,264,652, the
22 outcome of the quiet title action by Community Impact Development II, LLC (“CID”) regarding
23 the murals currently valued at at least \$700,000 and set for trial on December 11, 2012, and the
24 outcome of the monument designation by the City of Los Angeles regarding the murals, Golden
25 State may not possess sufficient assets to permit significant distribution to certain priority classes
26 of claimants. As such, pursuant to Insurance Code § 1021(a), the Liquidator may decline to
27 handle claims from certain classes of claimants or decline to continue the liquidation.

1 Although the Liquidator has not made such determinations at this time, in the event such
2 determinations are made in the future, by this application the Liquidator presently seeks to avoid
3 the significant administrative costs of preparing and mailing proofs of claim packages to over
4 2,200 potential claimants, publishing notice in newspapers, and handling the returned proofs of
5 claim packages from claimants. Such costs continue to be estimated to be at least \$71,851.

6 The requested continuance will permit the Liquidator additional time to evaluate whether
7 such determinations are necessary and thereby, in the interim, conserve and monetize assets for
8 claimants in Priority classes who may receive distributions. Without the continuance, the
9 Liquidator presently will need to handle the claims process and incur the necessary administrative
10 expenses to do so without firm knowledge there will be material assets to distribute.

11 There is good cause for the requested continuance of the Claims Bar Date.

12 1. The continuance presently will avoid potentially unnecessary administrative
13 expenses associated with the claims process pending further information on the results of real
14 estate sales, CID's quiet title action regarding the murals, and the City of Los Angeles monument
15 designation of the murals.

16 2. There is no prejudice to any claimants or interested persons in Golden State's
17 estate. The only change in the claim administration process is that the Claims Bar Date and
18 newspaper publication of that date are continued for an additional twelve months to December 31,
19 2013, to avoid potentially unnecessary expenses.

20 3. The continuance is not expected to delay the claims process, as no distributions are
21 likely until the real estate is sold and the issues regarding the murals are resolved.

22 4. The orders requested herein are consistent with the Liquidator's authorities and
23 discretion under the Court's prior orders, the Insurance Code and case law.

24 This application is based on this Notice, the Memorandum of Points and Authorities and
25 the declarations of Scott Pearce and Michael R. Weiss and evidence filed concurrently with this
26 Notice, the pleadings, documents and papers on file in this action, all documents and other
27 evidence submitted in this action, and on such oral and/or documentary evidence and/or
28 arguments which may be presented at the hearing on this application.

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Copies of Liquidator’s Application and Supporting Evidence and Documents

Copies of the Liquidator’s Notice, Memorandum with evidence and Proposed Order supporting this application can be reviewed and downloaded at the Insurance Commissioner’s Conservation & Liquidation Office’s website at www.caclo.org/GoldenStateMutual. You also can call the Conservation & Liquidation Office’s toll-free telephone number 1-877-595-2379, ext. 5016, for assistance and to request a copy of the application and supporting documents.

Response or Opposition to Application

Any response or opposition to this application shall be filed with the Court and served by mail or e-mail to Golden State’s attorney Michael R. Weiss, with supporting evidence, on or before July 9, 2012. The Liquidator shall file any replies, with supporting evidence, on or before July 13, 2012. The address for Golden State’s attorney Michael R. Weiss for service is:


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No action is required on your part if you do not oppose this Application.

DATE: May 24, 2012

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LISA W. CHAO
Deputy Attorney General

EPSTEIN TURNER WEISS
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By: 
MICHAEL R. WEISS
Attorneys for Applicant
INSURANCE COMMISSIONER OF THE
STATE OF CALIFORNIA