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14 Attorneys for Applicant  
 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. Joanne O'Donnell, Dept. 86

**NOTICE OF LIQUIDATOR'S  
 APPLICATION TO APPROVE  
 LIQUIDATION EXPENSES**

[Filed concurrently with Memorandum,  
 Declarations, Exhibits, and Proof of Service]

Date: March 25, 2015  
 Time: 9:30 a.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 March 25, 2015, at 9:30 a.m., or as soon thereafter as  
7 the 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 submit his Application for:

- 12 1. A Court Order approving the Liquidator’s expenses for the period from January 1,  
13 2012 through December 31, 2014; and
- 14 2. A Court Order authorizing the Liquidator to take any and all actions necessary to  
15 accomplish the purposes of the above requested Order.

16 **Grounds for the Application**

17 This application seeks Court approval of the Liquidator’s expenses for the period from  
18 January 1, 2012 through December 31, 2014. Golden State was a mutual life insurance company  
19 domiciled and existing under the laws of the State of California. Prior to 2009, Golden State  
20 experienced financial difficulties when its assets and investments proved inadequate to support  
21 the reserves it required to meet its obligations. On September 30, 2009, Los Angeles Superior  
22 Court Judge David P. Yaffe appointed the Insurance Commissioner to serve as Golden State’s  
23 Conservator due to Golden State’s financial impairment. Thereafter, on January 28, 2011, Los  
24 Angeles Superior Court Judge Ann I. Jones terminated the Insurance Commissioner’s status as  
25 Conservator and ordered and appointed the Insurance Commissioner to serve as Golden State’s  
26 Liquidator.

27 The Insurance Commissioner was appointed to serve as Golden State’s Liquidator because  
28 Golden State was insolvent in that, as of September 30, 2010, Golden State’s estimated liabilities

1 exceeded its estimated remaining assets by over \$3.5 million (“Order Appointing Liquidator”).  
2 The Order Appointing Liquidator, among other things, placed Golden State into liquidation,  
3 vested title to Golden State’s assets in the Liquidator, directed the Liquidator to liquidate and  
4 wind up Golden State’s assets, liabilities and business, and provides the Liquidator with broad  
5 discretion and authorities to complete Golden State’s liquidation.

6 Golden State’s liquidation has been complex and challenging, and the Liquidator’s staff  
7 has worked diligently to address and resolve the numerous issues presented by Golden State’s  
8 insolvency which necessitated its liquidation. The expenses incurred by the Liquidator necessary  
9 for Golden State’s liquidation for which approval is requested in this Application are the  
10 following:

11 For January 1, 2012 through December 31, 2012:

12	1.	Ins. Commissioner’s CLO:	\$ 429,055.00
13	2.	Todd Donovan:	\$ 40,914.30
14	3.	INS Consultants:	\$ 1,600.00
15	4.	Epstein Turner Weiss:	\$ 441,874.02
16	5.	Wisener Nunnally Gold:	\$ 4,106.51
17	6.	Larson & Rosenberger:	\$ 9,031.85
18	7.	Kane Corporation:	\$ 40,888.25
19	8.	Ervin Cohen & Jessup:	\$ 10,000.00
20	9.	Cooke’s Crating:	\$ 1,018.00
21	10.	ART Movers:	\$ 8,928.00
22		Total for 2012:	\$ 987,415.93

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1 For January 1, 2013 through December 31, 2013:

2	1.	Ins. Commissioner's CLO:	\$ 240,118.00
3	2.	Todd Donovan:	\$ 17,100.00
4	3.	Epstein Turner Weiss:	\$ 224,708.00
5	4.	Wisener Nunnally Gold:	\$ 12,771.00
6	5.	JLK Rosenberger:	\$ 9,000.00
7	6.	Kane Corporation:	\$ 33,711.00
8	7.	Cooke's Crating:	\$ 691.00
9	8.	ART Movers:	\$ 8,114.00
10		Total for 2013:	\$ 546,213.00

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12 For January 1, 2014 through December 31, 2014:

13	1.	Ins. Commissioner's CLO:	\$ 131,993.35
14	2.	Todd Donovan:	\$ 3,532.50
15	3.	Epstein Turner Weiss:	\$ 60,122.36
16	4.	Wisener Nunnally Gold:	\$ 837.50
17	5.	JLK Rosenberger:	\$ 9,036.61
18	6.	Kane Corporation:	\$ 20,293.75
19	7.	Cooke's Crating:	\$ 690.77
20	8.	ART Movers:	\$ 4,740.88
21		Total for 2014:	\$ 231,247.72

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23 This application is made pursuant to *In re Executive Life Insurance Company* (1995) 32  
24 Cal.App.4<sup>th</sup> 344, Insurance Code §§ 1021 and 1037 and the Orders of conservation and  
25 liquidation for Golden State, on the grounds that the above-described fees and expenses were  
26 reasonable and necessary for the liquidation of Golden State, are reasonable for the services  
27 performed, are within the Liquidator's statutory authority and broad discretion pursuant to the  
28 Order of Liquidation, Insurance Code §§ 1021 and 1037 and case law including *In Re Executive*

1 *Life Insurance Company* (1995) 32 Cal.App.4th 344, and were rendered in the best interests of the  
2 Golden State Estate. Court approval of the expenses is appropriate.

3 Written notice of this application and the requested Orders has been provided to Golden  
4 State's Certificate of Contribution holders, The National Organization of Life and Health  
5 Insurance Guaranty Associations and its attorneys, the Pension Benefit Guaranty Corporation and  
6 Pitney Bowes, Inc. The above described persons and entities are listed on the Proof of Service  
7 filed concurrently herewith.

8 This application is based on this Notice, the Memorandum of Points and Authorities and  
9 the declarations of Scott Pearce, Michael R. Weiss, Robert H. Nunnally, Jr., and Peter C. Kane,  
10 and evidence filed concurrently with this Notice, the pleadings, documents and papers on file in  
11 this action, and on such oral and/or documentary evidence and arguments which may be presented  
12 at the hearing on this application.

13 **Copies of Liquidator's Application and Supporting Evidence and Documents**

14 Copies of the Liquidator's Notice, Memorandum with evidence and Proposed Order  
15 supporting this application can be reviewed and downloaded at the Insurance Commissioner's  
16 Conservation & Liquidation Office's website at [www.caclo.org/GoldenStateMutual](http://www.caclo.org/GoldenStateMutual).

17 **Response or Opposition to Application**

18 Any response or opposition to this application shall be filed with the Court and served by  
19 mail or e-mail to Golden State's attorney Michael R. Weiss, with supporting evidence, on or  
20 before March 12, 2015. The Liquidator shall file any replies, with supporting evidence, on or  
21 before March 18, 2015. The address for the Commissioner's attorney for service is:

22 Michael R. Weiss  
23 Epstein Turner Weiss  
24 A Professional Corporation  
25 633 W. Fifth Street, Suite 3330  
26 Los Angeles, California 90071  
27 Telephone: (213) 861-7487  
28 Facsimile: (213) 861-7488  
Email: [mrw@epsteinturnerweiss.com](mailto:mrw@epsteinturnerweiss.com).

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

1 DATE: February 18, 2015  
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KAMALA D. HARRIS  
Attorney General of California  
DIANE S. SHAW  
W. DEAN FREEMAN  
Supervising Deputy Attorneys General  
LISA W. CHAO  
Deputy Attorney General

EPSTEIN TURNER WEISS  
A Professional Corporation

By: 

MICHAEL R. WEISS  
Attorneys for Applicant  
INSURANCE COMMISSIONER OF THE  
STATE OF CALIFORNIA