

1 ROB BONTA  
Attorney General of California  
2 LISA W. CHAO  
Supervising Deputy Attorney General  
3 CAROLINE C. LAM  
Deputy Attorney General  
4 State Bar No. 298045  
300 South Spring Street, Suite 1702  
5 Los Angeles, CA 90013-1230  
Telephone: (213) 269-6224  
6 Fax: (916) 731-2144  
E-mail: Caroline.Lam@doj.ca.gov  
7 *Attorneys for Applicant Insurance Commissioner  
of the State of California*

*Exempt from filing fees per Govt.  
Code § 6103*

**ELECTRONICALLY  
FILED**

**Superior Court of California,  
County of San Francisco**

**06/01/2023  
Clerk of the Court  
BY: SANDRA SCHIRO  
Deputy Clerk**

8  
9 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
10 COUNTY OF SAN FRANCISCO  
11  
12

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

Case No. CPF-01-320049

14 Applicant,

15 v.  
16

17 **HIH AMERICA COMPENSATION &  
LIABILITY INSURANCE COMPANY, a  
18 California domiciled insurance company,**

**DECLARATION OF COMPLIANCE BY  
SCOTT PEARCE CONFIRMING THE  
DISTRIBUTION OF SURPLUS  
RESERVES PURSUANT TO COURT  
ORDER AND CLOSING THE ESTATE  
OF HIH AMERICA COMPENSATION &  
LIABILITY INSURANCE COMPANY**

19 Respondent.  
20  
21  
22  
23  
24  
25  
26  
27  
28

**DECLARATION OF SCOTT PEARCE**

I, Scott Pearce, declare as follows:

1. I am the Chief Estate Trust Officer with the California Insurance Commissioner's Conservation & Liquidation Office (CLO). I joined the CLO as an Estate Trust Officer in February 2003 and became a Senior Estate Trust Officer in May 2005. I have been the Estate Trust Officer for HIH America Compensation & Liability Insurance Company (HIH America) since July 2007. I make this declaration in my official capacity as the Chief Estate Trust Officer for the CLO.

2. I am responsible for the management of financially impaired or insolvent insurance companies (referred to as "estates") from the time of conservation or liquidation until the court discharges the Insurance Commissioner of his or her duties as Conservator or Liquidator. I serve as a fiduciary, and in this capacity, I lead and direct a support team consisting of individuals who work in the areas of Accounting, Claims, Reinsurance, Legal, Finance, Information Technology, Human Resources, and Administration. Once the California Insurance Commissioner identifies an insurance company as financially impaired or at risk of mismanaging its assets, he files an application with the court for conservation or liquidation of the company.

3. I am responsible for the management and books and records of HIH America, and I have overall custody and control thereof. I have reviewed the CLO files for HIH America, which are maintained in the normal course of business.

4. I am authorized to make this declaration on behalf of applicant Insurance Commissioner of the State of California, in his capacity as Liquidator of HIH America. The following statements are based on my personal knowledge, acquired through my direct involvement in the HIH America liquidation. At the same time, I refer to certain facts and events in this declaration on information and belief and on records prepared by personnel at the CLO and kept in the ordinary course of CLO's business. If called upon to testify, I could and would testify competently to the facts herein, except as to matters stated on information and belief, and as to those matters, I believe them to be true.

5. On November 21, 2022, this Court issued its order (Order) granting the Commissioner's unopposed Motion to Reopen Proceedings For Limited Purpose and For Order Approving Distribution of Surplus Funds to Approved Class 2 Claimants (Motion). A true and correct copy of the Order is attached hereto as **Exhibit A**.

6. Pursuant to the Order, the Commissioner was authorized to forgo the pro rata distribution to Class 2 claimants whose distribution amount is less than \$5.00.

7. The Commissioner distributed surplus reserves to the approved Class 2 claimants in the amount of \$1,348,191.06 to the applicable state insurance guaranty associations and \$3,662.14 to the non-IGA claimants.

8. The Commissioner was authorized to retain \$100,000 in an administrative budget to pay for the costs to prepare and release the distribution.

9. The distribution to the approved claimants pursuant to the Court's November 21, 2022, Order, was completed as of May 17, 2023. Pursuant to paragraph four (4) of the Order, this case shall be closed upon the filing of the present declaration stating that the Commissioner has completed its distribution to Class 2 claimants in accordance with the Order in this matter.

I declare under the penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on this 23<sup>rd</sup> day of May, 2023, in San Francisco, California.

  
SCOTT PEARCE

# **EXHIBIT A**

1 ROB BONTA  
Attorney General of California  
2 LISA W. CHAO  
Supervising Deputy Attorney General  
3 CAROLINE C. LAM  
Deputy Attorney General  
4 State Bar No. 298045  
300 South Spring Street, Suite 1702  
5 Los Angeles, CA 90013-1230  
Telephone: (213) 269-6224  
6 Fax: (916) 731-2144  
E-mail: Caroline.Lam@doj.ca.gov  
7 *Attorneys for Applicant Insurance*  
*Commissioner of the State of California*  
8

**FILED**  
San Francisco County Superior Court

NOV 21 2022

CLERK OF THE COURT  
BY: [Signature]  
Deputy Clerk

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
10 COUNTY OF SAN FRANCISCO  
11  
12

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

15 Applicant,

16 v.

17 **HHH AMERICA COMPENSATION &**  
18 **LIABILITY INSURANCE COMPANY, a**  
19 **California domiciled insurance company,**

20 Respondent.

Case No. CPF-01-320049

**[PROPOSED] ORDER APPROVING  
MOTION TO REOPEN PROCEEDINGS  
FOR LIMITED PURPOSE AND FOR  
ORDER APPROVING DISTRIBUTION  
OF SURPLUS FUNDS TO APPROVED  
CLASS 2 CLAIMANTS**

Date: November 21, 2022  
Time: 9:30 a.m.  
Dept: 302  
Judge: Hon. Richard B. Ulmer Jr.

Trial Date: N/A  
Action Filed: March 29, 2001

23 Hearing on the Insurance Commissioner of the State of California's Motion (1) To Reopen  
24 Proceedings for Limited Purpose; and (2) For Order Approving Distribution of Surplus Funds to  
25 Approved Class 2 Insurance Guaranty Association Claimants came on regularly for hearing  
26 before the Honorable Richard B. Ulmer Jr., judge presiding, Department 302 of the San Francisco  
27 County Superior Court on November 21, 2022.  
28

1 The Insurance Commissioner of the State of California was represented by Caroline C.  
2 Lam, Deputy Attorney General. There were no other appearances.

3 The motion was not opposed, and having been duly noticed and good cause appearing  
4 therefore, is hereby granted.

5 IT IS HEREBY ORDERED that:

6 1. *Insurance Commissioner of the State of California v. HIH America Compensation &*  
7 *Liability Insurance Company*, Case No. CPF-01-320049, is reopened for the sole and limited  
8 purpose of making a distribution of surplus assets to Class 2 claimants whose pro rata distribution  
9 is \$5.00 or greater;

10 2. The Insurance Commissioner is authorized to forgo the pro rata distribution to Class  
11 2 claimants whose distribution amount is less than \$5.00;

12 3. The Insurance Commissioner is authorized to retain \$100,000 in an administrative  
13 budget to pay for the costs to prepare and release the distribution;

14 4. *Insurance Commissioner of the State of California v. HIH America Compensation &*  
15 *Liability Insurance Company*, shall be closed upon the filing of a declaration that the  
16 Commissioner has completed its distribution to Class 2 claimants in accordance with this Court's  
17 order in this matter;

18 5. If there are any assets remaining after the Insurance Commissioner has completed all  
19 his closing tasks, such remainder shall be escheated to the fund appropriated for the maintenance  
20 of the Department of Insurance pursuant to Insurance Code section 12937; and

21 6. The Insurance Commissioner is authorized to take any action necessary to  
22 accomplish the purpose of this Order.

23  
24 Dated: 11/21/22

Ulmer  
The Honorable Richard B. Ulmer

**DECLARATION OF SERVICE BY U.S. MAIL**

Case Name: **Insurance Commissioner of the State of California v. HIH America  
Compensation and Liability Insurance Company**  
Superior Court of California, County of San Francisco, Case No.: CPF-01-320049

I hereby certify that on June 1, 2023, I electronically filed the following documents with the Clerk of the Court by using the Court's electronic filing system (EFS) operated by ACE (Messenger and Attorney Service, Inc.): **DECLARATION OF COMPLIANCE BY SCOTT PEARCE CONFIRMING THE DISTRIBUTION OF SURPLUS RESERVES PURSUANT TO COURT ORDER AND CLOSING THE ESTATE OF HIH AMERICA COMPENSATION LIABILITY INSURANCE COMPANY**

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 90013-1230.

On June 1, 2023, I served the attached **DECLARATION OF COMPLIANCE BY SCOTT PEARCE CONFIRMING THE DISTRIBUTION OF SURPLUS RESERVES PURSUANT TO COURT ORDER AND CLOSING THE ESTATE OF HIH AMERICA COMPENSATION LIABILITY INSURANCE COMPANY** 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:

**SEE ATTACHED SERVICE LIST**

I declare under penalty of perjury under the laws of the State of California and the United States of America the foregoing is true and correct and that this declaration was executed on June 1 2023, at Los Angeles, California.

Cecilia Apodaca

*/s/ Cecilia Apodaca*

---

Declarant

---

Signature



Case Name: **Insurance Commissioner of the State of California v. HIH America  
Compensation and Liability Insurance Company**  
Superior Court of California, County of San Francisco, Case No.: CPF-01-320049

## SERVICE LIST

California Insurance Guarantee Association  
PO BOX 29066  
Glendale, CA 91209-9066

Illinois Insurance Guaranty Fund  
150 S Wacker Dr, Ste 2970  
Chicago, IL 60606

Michigan P&C Insurance Guaranty Assoc  
PO BOX 531266  
Livonia, MI 48153-1266

Colorado Insurance Guaranty Association  
1720 S Bellaire St., Ste 408  
Denver, CO 80222-4320

Wisconsin Insurance Security Fund  
2820 Walton Commons W. Ste. 135  
Madison, WI 53718-6797

Nevada Insurance Guaranty Association  
1635 Village Center Circle, Ste 170  
Las Vegas, NV 89134

Indiana Insurance Guaranty Association  
3502 Woodview Trace, Ste 100  
Indianapolis, IN 46268

Florida Worker's Comp Ins. Guaranty Assoc  
PO BOX 15159  
Tallahassee, FL 32317-5159

Texas P&C Insurance Guaranty Association  
9120 Burnet Rd.  
Austin, TX 78758-5204

Lenny Szarek, Inc.,  
C/O Todd C Lyster, Esq  
Lyster & Associates  
134 North LaSalle St., Ste 900  
Chicago, IL 60602

Utah P&C Insurance Guaranty Association  
PO BOX 95986  
South Jordan, UT 84095

Climatemp Inc.  
801 Parkview Blvd.  
Lombard, IL 60148-3230

Nebraska P&C Insurance Guaranty Association  
c/o Western Guaranty Fund Services  
1720 South Bellaire St., Suite 408  
Denver, CO 80222

Nestle Prepared Foods Co  
Attn: D Myndie Brown  
30003 Bainbridge Rd  
Solon, OH 44139-2205

Twenty First Century Resources  
7486 Woodbriar Ln  
West Bloomfield, MI 48322-2887

Kentucky Insurance Guaranty Association  
6000 Brownsboro Park Blvd, Ste D  
Louisville, KY 40207

Genius Solutions Management Concept  
7177 Miller Dr. Ste A  
Warren, MI 48092-1699

Homak Manufacturing  
350 N La Salle Dr. Ste 1100  
Chicago, IL 60654-5131

Hitachi Magnetics Corporation

R & M Trucking., Inc.



7800 Neff Rd.  
Edmore, MI 48829-9399

3720 River Rd., Ste. 100  
Franklin Park, IL 60131-2171

Hartz Construction Co., Inc.  
9026 Heritage Pkwy  
Woodridge, IL 60517-4939

C & D Heating & Cooling Inc.  
160 W York Ave.  
West Chicago, IL 60185-1951

Safford Unified School District #1  
734 W 11TH ST  
Safford, AZ 85546-2967

Kroeschell, Inc.  
3222 N Kennicott Ave  
Arlington Heights, IL 60004-1428

Melco Transfer, Inc.  
PO BOX 604  
Manteno, IL 60950-0604

Suburban Job Link Corporation  
14 E Jackson Blvd Ste 1210  
Chicago, IL 60604-2233

John & Mary Beth Magouirk  
134 Driftwood Ln  
Fort Myers Beach, FL 33931-4304

Best Staff Solutions  
3000 Town Ctr Ste 1515  
SOUTHFIELD, MI 48075-1186

Northland Investments, Inc.  
PO BOX 250  
Houghton Lake, MI 48629-0250

Fred Radandt Sons, Inc.  
1800 Johnston Dr  
Manitowoc, WI 54220-1333

Flooring Resources Corporation  
600 Pratt Blvd  
Elk Grove Village, IL 60007-5113

Rayner Covering Systems, Inc.  
665 Schneider Dr  
South Elgin, IL 60177-1162

Rex D. Putnam  
339 Moser Dr  
Bronson, MI 49028-8319

ODM Tool And Mfg.  
9550 Joliet Rd.  
Hodgkins, IL 60525-4148

Gary's Metals, Inc.  
405 Scout Cabin Rd.  
Carterville, IL 62918-3274

Nationwide Installation  
6240 Corberry Trl. NE  
Ada, MI 49301-8367

Machinery Components  
1833 Downs Dr.  
West Chicago, IL 60185-1805

Total Assurance Company  
1454 Castle Dr  
Petoskey, MI 49770-8797

Iowa Insurance Guaranty Association  
801 Grand Ave. Ste. 3700  
Des Moines, IA 50309-8004

Ayala Boring Construction  
P.O. BOX 957286  
Hoffman Estates, IL 60195-7286

Gee Cartage, Inc.  
PO BOX 118  
Lansing, IL 60438-0118

Van Drunen Ford Co., Inc.  
3233 183<sup>rd</sup> St.  
Homewood, IL 60430-2601

Polymicro Technologies, Inc

Molycorp Metals And Alloys

18019 N 25<sup>th</sup> Ave  
Phoenix, AZ 85023-1246

8220 W Harrison St.  
Tolleson, AZ 85353-3330

Poly-Pak & Ship Inc  
2021 Illini Ave.  
Vandalia, IL 62471-3400

Blaise Krautkramer  
725 3rd ST  
Algoma, WI 54201

Ornelas Construction Company  
12520 W Horseshoe Dr.  
New Lenox, IL 60451-2388

United Memorial Health System  
615 S Bower St  
Greenville, MI 48838-2614

Badger Basket Company  
PO BOX 227  
Edgar, WI 54426-0227

Harry W. Kuhn, Inc.  
207 Illinois Ave  
Saint Charles, IL 60174-2149

Insulated Panel Co.  
3218 Wains Way  
Oakland, MI 48363

Lansing Housing Commission  
419 Cherry St  
Lansing, MI 48933

Kane County Flea Market, Inc.  
PO BOX 549  
St Charles, IL 60174-0549

J & B Hauling, Inc.  
5110 South Rd.  
Gurnee, IL 60031-1851

Grier Abrasive Company, Inc.  
123 W Taft Dr  
South Holland, IL 60473-2034

Olympic Caulking Co  
600 Jamison Ln.  
Hoffman Estates, IL 60169-4129

RCI Systems, Inc.  
1220 W Geneva Dr.  
Tempe, AZ 85282-3433

Special Insurance Services  
401 W Fayette Ave # 417  
Springfield, IL 62704-2732

Warwick Publishing Company  
Attn: Jaci Schalow  
2601 E Main St  
St Charles, IL 60174-4289

Milwaukee Steel Converting Corp.  
400 W Burkhard Ct  
Oak Creek, WI 53154-2051

Dean's Eggs Inc.  
811 S Ferry Dr  
Lake Mills, WI 53551-1832

UAW Local 974  
3025 Springfield Rd  
East Peoria, IL 61611-4880

Appeal For Charities & Goodwill  
50 W 71<sup>ST</sup> St.  
Chicago, IL 60621-3648

Ace Electric  
910 S Cumberland Ave.  
Park Ridge, IL 60068-4637

ATTN: Andrew Wade-Chief Counsel  
AZ WCSF  
800 West Washington St, Ste 303  
Phoenix, AZ 85005

994 Diamond Rdg Ste 102  
Jefferson City, MO 65109-6885

Oregon Insurance Guaranty Association  
10700 SW Beaverton Hwy. Ste. 426  
Beaverton, OR 97005-3019