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NOV 13 2023 RCUD

6 Attorneys for Insurance Commissioner as Trustee

7 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
8 **FOR THE COUNTY OF LOS ANGELES**

9 RICARDO LARA, Insurance Commissioner of  
the State of California,

10 Applicant,

11 vs.

12 MISSION INSURANCE COMPANY, a  
13 California corporation, et al

14 Respondent.

Case No. C 572 724

Honorable Teresa A. Beaudet

**STATUS REPORT FOR MISSION  
INSURANCE COMPANY TRUST,  
MISSION NATIONAL INSURANCE  
COMPANY TRUST AND ENTERPRISE  
INSURANCE COMPANY TRUST**

15 Consolidated with Case Numbers

16 C 576 324; C 576 416;  
17 C 576 323; C 576 325; C 629709

**November 14, 2023  
Time: 10:00 a.m.  
Department 50**

Action Filed: October 31, 1985

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22  
23 Ricardo Lara, Insurance Commissioner of the State of California, in his capacity as Trustee  
24 of the Mission Insurance Company Trust, the Mission National Insurance Company Trust, and the  
25 Enterprise Insurance Company Trust, respectfully submits this Status Report and shows:

26  
27  
28 **STATUS REPORT FOR MISSION INSURANCE COMPANY TRUST, MISSION NATIONAL INSURANCE  
COMPANY TRUST AND ENTERPRISE INSURANCE COMPANY TRUST - 1**

1 **Nature of the Proceedings**

2 Mission Insurance Company, Mission National Insurance Company and Enterprise  
3 Insurance Company (“The Mission Companies”), three substantial property and casualty insurance  
4 companies, entered conservation proceedings on October 31, 1985. They entered liquidation  
5 proceedings on February 24, 1987. As part of the process of administering these liquidation estates,  
6 their assets were transferred by order of this Court to the Mission Insurance Company Trust, the  
7 Mission National Insurance Company Trust, and the Enterprise Insurance Company Trust (the  
8 “Mission Companies’ Trusts”).  
9

10 **The Progress in Fixing the Claims, Valuing Assets and Making Distributions**

11  
12 The Insurance Commissioner previously reported that the claims process has been  
13 completed, and all proofs of claim determined, resulting in substantial distributions of assets.

14 Each approved policyholder priority creditor of each of the Mission Companies has  
15 received all the principal amount of its claim, and in the case of Mission National Insurance  
16 Company Trust, a substantial interest payment. Each general creditor of Mission National  
17 Insurance Company Trust has received one hundred percent of the approved principal amount of  
18 its claim, and the general creditors of Mission Insurance Company Trust and Enterprise Insurance  
19 Company Trust have received substantial but not one hundred percent distributions on their general  
20 creditor claims. .  
21

22  
23 This Court entered its Closing Order for the eventual wind-up of these trusts, but the trusts  
24 remain open to collect assets and make distributions.

25 Prior status reports advised of three assets remaining for collection by the Trusts. One asset  
26 arose from the disputed proceeds of a John Hancock Life Insurance Company annuity issued in  
27 connection with a structured settlement. On April 26, 2023, this Court issued its Order re: Motion

1 to Approve Agreement to Claimants to the John Hancock Annuity. The Insurance Commissioner  
2 has now received the \$ 150,000 Mission Insurance Company Trust portion of the settlement  
3 approved by this order. This matter is now resolved.  
4

5 Two other receivables may also generate assets for further distribution. Holland-America  
6 Insurance Company Trust, a sister company of the Mission Companies' Trusts in receivership in  
7 Missouri, owes Mission Insurance Company Trust a substantial sum on a general creditor proof of  
8 claim. While Holland-America Insurance Company Trust has paid its policyholder claims, it is in  
9 the process of seeking its release from the United States.  
10

11 Although Mission Insurance Company Trust, Mission National Insurance Company Trust  
12 and Enterprise Insurance Company Trust obtained their releases some years ago, the Holland-  
13 America Insurance Company Trust continues to address its federal release issues with the United  
14 States. The Mission Companies' Trusts will need to stay open because this asset is unlikely to be  
15 collected in 2023.  
16

17 Since the last status conference, the Insurance Commissioner as Trustee, through counsel,  
18 has followed up with counsel for the Missouri director of insurance as trustee of the Holland-  
19 America Insurance Company Trust. The extent of the potential collection on this asset, if any, will  
20 depend on the resolution by the Missouri receiver regarding matters of its federal claim issues, if  
21 any, with the United States. The undersigned counsel has been in regular communication with  
22 counsel for the Missouri Receiver. The Missouri Receiver continues to take steps to seek to resolve  
23 the issues, but in November 2023 advises that through counsel that the Missouri Receiver has not  
24 yet reached a resolution with the United States.  
25

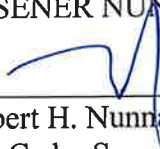
26 Universale Ruckversicherungs (Univeersale), a Swiss reinsurer in receivership, also owes  
27 money to Mission Insurance Company Trust, Mission National Insurance Company Trust and the

1 Enterprise Insurance Company Trust. The estate has assets, but has been in the process of seeking  
2 to liquidate them for distribution. On June 3, 2022, the Universale Ruck Bankruptcy Receivership  
3 issued a status update to creditors. Prior to that status update, the Universale Ruck bankruptcy  
4 estate had paid out 71.% to approved proof of claim creditors. The report projected that Universale  
5 Ruck will ultimately make a distribution to bring its approved claims distribution up to around  
6 90%. However, that same report projects that the next update will not occur until the third quarter  
7 of 2023. The Universale asset appears unlikely to be recovered in 2023. A further distribution  
8 from the Universale bankruptcy would increase the estates of each of the three trusts.  
9

10 The Insurance Commissioner as Trustee attaches the financial statements for the trusts as  
11 Exhibit A.  
12

13 The Insurance Commissioner as Trustee seeks to complete the wind-up, but the trusts  
14 should stay in existence until their assets are collected and distributed. The Insurance  
15 Commissioner as Trustee requests that the Court set a further status conference in late 2024. If  
16 matters progress on the two unresolved issues prior to that time, the Insurance Commissioner as  
17 Trustee will take steps to file a further status report to advise the Court.  
18

19  
20 Respectfully submitted,  
21 WISENER NUNNALLY HIGGINS, LLP

22   
23 \_\_\_\_\_  
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Attorneys for Insurance Commissioner as  
Trustee

# **Exhibit A**

**CONSOLIDATED: Mission Ins Cos**  
**STATEMENT OF ASSETS AND LIABILITIES**  
As of August 31, 2023

	872	170	
	Mission	Mission National	TOTAL
<b>ASSETS</b>			
Participation in pooled investments, at market	2,883,100	3,282,900	6,146,000
Accrued investment income	9,400	10,700	20,100
Recoverable from reinsurers	649,700	1,793,200	2,442,900
Receivable from affiliates	23,816,400	-	23,816,400
<b>Total Available Assets</b>	<b>27,358,600</b>	<b>5,086,800</b>	<b>32,425,400</b>
<b>LIABILITIES</b>			
Secured claims	1,414,400	1,501,700	2,916,100
Accrued administrative expenses	-	-	-
Claims against policies, including guaranty associations, before distributions	846,832,800	596,098,500	1,442,931,300
Early access and other Class 2 distributions	(846,832,800)	(536,482,800)	(1,383,315,200)
Payable to affiliates	78,724,300	36,075,900	114,800,200
All other claims	(4,683,000)	(19,237,800)	(23,900,900)
<b>Total Estimated Liabilities</b>	<b>75,475,700</b>	<b>77,855,700</b>	<b>153,431,200</b>
<b>NET ASSETS (DEFICIENCY)</b>	<b>(48,117,100)</b>	<b>(72,888,900)</b>	<b>(121,005,800)</b>
<b>ASSETS detail</b>			
Cash and Investments			
12001 Participation in Pooled Investment	2,883,100	3,282,890	6,145,990
Cash and Investments	2,883,100	3,282,890	6,145,990
13015 Accrued Int & Div Receivable	8,449	10,880	20,110
Reinsurance Receivable			
13001 Reins Recoverable-Paid	649,734	1,793,162	2,442,895
Reinsurance Receivable	649,734	1,793,162	2,442,895
Receivable from affiliates			
13012 EIC Receivable from Enterprise	-	6,900,203	6,900,203
13012 HAIC Receivable from Holland America	39,849,980	-	39,849,980
13012.1 Allowance for Receivable from Affiliates	(15,833,536)	(6,900,203)	(22,733,739)
Receivable from Affiliates Net of Allowance	23,816,444	-	23,816,444
<b>Total Available Assets</b>	<b>27,358,728</b>	<b>5,086,711</b>	<b>32,425,439</b>
<b>LIABILITIES detail</b>			
Secured Claims			
22001 Unclaimed Funds Payable	1,414,444	1,501,877	2,916,121
Secured Claims	1,414,444	1,501,877	2,916,121
Class 1: Payables and Accrued Expenses			
25001 Due To/From Intercompany Acct	1	1	3
Class 1 Liabilities	1	1	3
Class 2: Losses, Reserves and non-IGA Claims			
28001 Loss & ALAE Reserve	-	110,872,815	110,872,815
28008 Liability Due to GAS	861,199,259	284,717,823	945,916,882
29001 Other Class 2 Payable	165,633,302	200,508,039	366,141,341
Class 2 Liabilities before Distributions	846,832,561	596,098,477	1,442,931,038
Early Access and Other Class 2 Distributions			
28007 Advances to Guaranty Associations	(861,199,259)	(358,838,212)	(1,020,037,471)
41005 Class 2 Distributions	(177,860,427)	(175,029,447)	(352,889,874)
41012 Distributions on Behalf of Domiciliary	(7,672,875)	(2,614,835)	(10,287,810)
Early access and other Class 2 distributions	(846,832,560)	(536,482,595)	(1,383,315,155)
Class 3, 5 & 6: Calif and Federal claims			
27003 Premium Tax Payable - Class 3	111,132	-	111,132
41002 Class 3-6 Distributions	(111,132)	-	(111,132)
Class 3, 5 & 6 Liabilities	-	-	-
Class 7: Payable to Affiliates			
30002 MIC Payable to Mission	-	22,778,042	22,778,042
30002 MNIC Payable to Mission National	21,729,091	-	21,729,091
30002 EIC Payable to Enterprise	40,205,805	-	40,205,805
30002 HAIC Payable to Holland America	11,543,158	-	11,543,158
30002 MRC Payable to Mission Re	5,246,200	-	5,246,200
30002 INT Interest Payable to Affiliates	-	13,297,901	13,297,901
Class 7 Payable to Affiliates	78,724,251	36,075,943	114,800,193
Class 7: All Other Claims			
30001 Accounts Payable-Pre Liquidation	-	-	-
30005 Reinsurance Payable	383,122,808	5,398,982	388,519,771
30008 Other Class 7 Liabilities	2,255,708	2,442,517	4,698,225
41006 Class 7 Distributions	(399,041,525)	(27,077,326)	(417,118,852)
Class 7 Liabilities	(4,683,009)	(19,237,847)	(23,900,856)
<b>Total Estimated Liabilities</b>	<b>75,475,687</b>	<b>77,955,856</b>	<b>153,431,343</b>
<b>NET ASSETS (DEFICIENCY)</b>	<b>(48,116,960)</b>	<b>(72,888,945)</b>	<b>(121,005,904)</b>

**CONSOLIDATED: Mission Ins Cos**  
**STATEMENT OF OPERATIONS**  
For Six Months Ended June 30, 2023

	672	170		
	Mission	Mission National	TOTAL	
<b>REVENUES</b>				
54003	Miscellaneous Income	150,000	57,202	207,202
	<b>TOTAL REVENUES</b>	<b>150,000</b>	<b>57,202</b>	<b>207,202</b>
<b>EXPENSES</b>				
Legal				
62001	DOI Legal	502	-	502
62003	Other Legal Expense	2,501	973	3,474
	Total Legal Expenses	3,003	973	3,976
Consultants and Contractors				
63002	Accounting & Auditing	8,563	7,653	16,216
63007	Other Professional Fees	438	-	438
	Total Consultant Expenses	9,001	7,653	16,654
Office Expenses				
65015	Storage Rent	71,628	2	71,630
65016	Record Retrieval	83,303	27	83,330
	Total Office Expenses	154,931	29	154,959
70002	Allocated Expenses	90,115	52,494	142,609
	<i>Direct Admin Exp only</i>	<i>166,935</i>	<i>8,654</i>	<i>175,589</i>
	<b>Total Admin Expenses</b>	<b>257,050</b>	<b>61,149</b>	<b>318,199</b>
	<b>TOTAL EXPENSES</b>	<b>257,050</b>	<b>61,149</b>	<b>318,199</b>
<b>INVESTMENTS</b>				
53001	Interest Earned-Taxable	54,107	61,461	115,568
53002	Interest Earned-Non Taxable	1,270	1,435	2,706
53004	Dividends Earned	146	-	146
	Total Investment Income	55,524	62,896	118,420
68001	Investment Expense	(1,722)	(1,948)	(3,670)
68003	Interest Expense	(576)	313	(263)
	Total Investment Expenses	(2,298)	(1,635)	(3,933)
82001	LT Realized Gn/Ls-Pool	(16,172)	(18,422)	(34,595)
82002	ST Realized Gn/Ls-Pool	110,580	117,708	228,288
82005	Mark to Market-Pool	(72,309)	(74,920)	(147,229)
	Net G/L on Securities	22,099	24,366	46,465
	<b>NET INVESTMENT INCOME</b>	<b>75,325</b>	<b>85,627</b>	<b>160,952</b>
	<b>NET INCOME (LOSS)</b>	<b>(31,725)</b>	<b>81,680</b>	<b>49,955</b>

**PROOF OF SERVICE: By REGULAR MAIL**  
**(Code Civ. Proc., ' ' 1013, 2015.5)**

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STATE OF TEXAS, COUNTY OF DALLAS.

I am employed in the County of Dallas, State of Texas. I am over the age of 18 and not a party to the within action; my business address is 245 Cedar Sage Drive, Suite 240, Garland, Texas 75040.

On this date, I served the foregoing document described as **STATUS REPORT FOR MISSION INSURANCE COMPANY TRUST, MISSION NATIONAL INSURANCE COMPANY TRUST AND ENTERPRISE INSURANCE COMPANY TRUST** by placing a copy thereof enclosed in sealed envelopes addressed as follows:


Sent via FIRST CLASS MAIL to:  
The Attached List

I am readily familiar with my employer's practices of collection and processing correspondence for mailing with the U.S. Postal Service and the above-referenced correspondence will be deposited with the U.S. Postal Service on the same date as stated below, following the ordinary course of business.

  X   (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

\_\_\_\_ (Federal) I declare that I am employed by the office of a member of the bar of this court at whose direction the service was made.

Executed on November 1, 2023 at Garland, Texas.

  
\_\_\_\_\_  
Braedon Jones



New York Liquidation Bureau  
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