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7 *Attorneys for Petitioner Insurance Commissioner of*
8 *the State of California, in his capacity as the*
Liquidator of Western General Insurance Company

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Superior Court of California,
County of Los Angeles
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9
10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 COUNTY OF LOS ANGELES
12 CENTRAL DISTRICT

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

Petitioner,

15
16 v.

17 **WESTERN GENERAL INSURANCE**
18 **COMPANY,**

Respondent.

Case No. 21STCP01655

DECLARATION OF SCOTT PEARCE IN
SUPPORT OF INSURANCE
COMMISSIONER'S MOTION TO
CONFIRM DISTRIBUTION PURSUANT
TO LANDLORD PROOF OF CLAIM

Date: December 11, 2026
Time: 9:30 a.m.
Dept: 833
Judge: The Honorable Joseph Lipner
Trial Date: N/A
Action Filed: May 21, 2021

1 I, Scott Pearce, declare:

2 1. I am the Senior Estate Trust Officer of the Conservation and Liquidation Office
3 (CLO), which the Insurance Commissioner of the State of California (Commissioner) is using to
4 conduct the liquidation of Western General Insurance Company (Western General). In that
5 capacity, I was appointed Liquidation Manager of Western General and I am familiar with the
6 conservation and the continuing liquidation of Western General. I have personal knowledge of the
7 facts recited herein, and if called and sworn, would competently so testify.

8 2. In May 2021, at the outset of Western General's conservation, Western General was
9 leasing office space at 5230 Las Virgenes Road, Calabasas, California 91302 (the Property) from
10 Colorado Capital Calabasas, LLC (Colorado Capital). Due to administrative requirements, the
11 Commissioner maintained that space for Western General until March 31, 2023. Thus, the lease
12 obligations incurred during that period became an administrative cost of the Western General
13 estate.

14 3. On or about February 28, 2022, Colorado Capital submitted a proof of claim to
15 Western General estate seeking payment for obligations incurred during the conservation and
16 liquidation of Western General as well as before conservation (the Proof of Claim). After
17 analyzing the Proof of Claim, supporting documents, and relevant agreements, by letter mailed on
18 July 17, 2026, my office, on behalf of the Commissioner, approved in part and rejected in part
19 Colorado Capital's Proof of Claim (the Determination Letter). Attached hereto as Exhibit 1 is a
20 true and correct copy of the Determination Letter.

21 4. Specifically, the Commissioner approved a \$505,801 Class 1 claim for administrative
22 costs incurred during the pendency of this conservation and liquidation. The Commissioner also
23 approved a \$2,533,475.44 Class 7 claim for costs incurred prior to Western General's liquidation.
24 In all other respects, the Commissioner denied the Proof of Claim.

25 5. In response to the Commissioner's determination, the managing agent of Colorado
26 Capital, Norman Kravetz, emailed the CLO stating his belief that the determination was wrong
27 with respect to its treatment of a Parking Termination Agreement. CLO responded stating that the
28 provisions of the Parking Termination Agreement did not support his argument. Attached hereto

1 as Exhibit 2 is a true and correct copy of the CLO's correspondence with Mr. Kravetz. To date,
2 the Commissioner has not received any other response to his Determination Letter.

3 6. After submitting the Proof of Claim, on or about May 4, 2024, Mr. Kravetz claimed
4 that Colorado Capital had assigned or transferred the Proof of Claim to Warner World, LLC, of
5 which he is also the manager. To date, Mr. Kravetz, Warner World, LLC, the receiver of the
6 Property, and Wells Fargo have not agreed as to who is entitled to the proceeds due from the
7 Proof of Claim. Thus, unless these parties agree otherwise and once he is ready to make the
8 distribution, the Commissioner plans to interplead the proceeds due from the Proof of Claim in
9 the Receivership Action.

10 7. The Commissioner is currently finalizing the remaining Class 1 claims and is
11 prepared to proceed to determination of Class 2 claims. But, due to the uncertainty over Colorado
12 Capital's claim, the Commissioner seeks the Court's approval of his course of action to avoid any
13 future dispute that could interfere with all determinations and distributions of claims of lower
14 classes.

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

17 Executed on September 22, 2026, in Santa Rosa, California.

18
19 

20 Scott Pearce
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EXHIBIT 1

Our Mission

The CLO, on behalf of the Insurance Commissioner, rehabilitates and/or liquidates, under Court supervision, troubled insurance enterprises domiciled in the State of California. In addition the CLO provides Special Examination Services, with Commissioner and Board oversight. As a fiduciary for the benefit of all claimants, the CLO handles the property of troubled or failed enterprises in a prudent, cost-effective, fair, timely, and expeditious manner.



P.O. Box 26894
San Francisco, CA
94126-6894
Tel: 415-676-5000
Fax: 415-676-5002

Conservation & Liquidation Office

Proof of Claim Partial Approval / Partial Rejection

July 17, 2026

Norman Kravetz
Warner World, LLC
C/O Robert Plotkowski, ESQ
2121 Avenue of the Stars, Ste. 2600
Los Angeles, CA 90067-5050

David Wallace, ESQ
General Counsel
Trigild IVL
RE: Receivership Estate of RBE 29899 Agoura, LLC, et al.
8111 Douglas Ave., Ste. 600
Dallas, TX 75225

Re: **Western General Insurance Company in Liquidation**

Proof of Claim#: 930023
Claimed Amount: \$6,362,632.61
Approved Amount: \$3,039,276.44 comprised of a Class 1 approval for \$505,801 and a Class 7 approval for \$2,533,475.44

Dear Mr. Kravetz and Mr. Wallace:

This letter is sent on behalf of the California Insurance Commissioner, who was appointed Liquidator of Western General Insurance Company pursuant to the Liquidation Order dated August 5, 2021, in Insurance Commissioner of the State of California v. Western General Insurance Company, case number 21STCP01655, established in the Superior Court of The State of California, County of Los Angeles, Central District. The Conservation & Liquidation Office ("CLO") acts on behalf of the Liquidator in these Liquidation proceedings.

We acknowledge receipt of the Proof of Claim 930023, with the claimant listed as Colorado Capital Calabasas, LLC, including supporting documentation asserting damages for past-due rent, operating expenses, real estate broker commissions, tenant improvements, and parking fees/agreements in the amount of \$3,901,230.32, as well as a contingent and undetermined claim of \$2,461,402.00. Mr. Kravetz contends that this Proof of Claim was assigned by the lessor to Warner World, LLC. Meanwhile, a receivership order is in place as to Colorado Capital Calabasas, LLC, which recites that the receiver has certain power and authority. We have communicated with Mr. Kravetz and with the Receiver's office to seek to define whether Warner World, LLC or the Receiver is the proper party with whom to communicate regarding this proof of claim. Being we have not received clear guidance on this point, this letter is addressed to Trigild IVL's General Counsel of the Receiver and to Mr. Kravetz, care of his attorney.

We have concluded our evaluation of the Proof of Claim and have determined appropriate partial allowance and partial disallowance of it, as outlined in this correspondence. This letter is pursuant to California Insurance Code Section 1032.

Pursuant to the liquidation order, the Commissioner as Liquidator is authorized to assume, reject, or to modify any executory contracts, including without limitation any lease, rental, or agreement. Accordingly, all lease agreements between Colorado Capital Calabasas, LLC and Western General Insurance Company were deemed rejected as of the liquidation date. The rejection of leases is set forth in paragraph 12 of the Order of Liquidation.

This letter constitutes a partial allowance of the Proof of Claim, addressing the benefit, where applicable, to the estate of post-receivership use of a portion of the leased premises, as well as the general creditor claim for the rejected lease(s).

We describe a summary of the claim determination by portion of the premises, as follows:

Suite 285: Represents rent and operating expenses from May 2021-February 2025 in the sum of \$108,307.02, allowed in part under Class 7 of the liquidation payment priority structure, set forth in the California Insurance Code Section 1033. Amounts paid by subtenants, Godiva Wig Company, (occupying the space since November 2020), were credited against the outstanding amount claimed against Western General.

Suite 295: Represents rent and operating expenses in the amount of \$12,586.68 for May 2021 - July 2021 under Class 1, as the property was occupied during this time period by the Conservation & Liquidation Office for the administration of the Western General Estate. The space was vacated by 7/31/21. The rent and operating expenses from August 2021-February 2025 in the amount of \$155,004.62 is classified under Class 7. Payments remitted by Maverick during their temporary occupancy of Suite 295 from August 2021-May 2022 have been credited against the amount claimed against Western General. The total allowance for Suite 295 losses is \$167,591.30, of which \$12,586.68 is allowed at Class 1 priority, and \$155,004.62 is allowed at Class 7 priority.

Suite 300 & 307: Represents rent of \$74,075.43 plus monthly operating expenses \$551 from May 2021-January 2022, allowed as Class 1 in the amount of \$486,449.32, relative to the benefit to the liquidation estate of post-receivership usage, as the property was occupied by the Conservation & Liquidation Office during that time period. Layoffs of the majority of Western General staff took place July 2021. Consequently, more than 50 percent of the third-floor space was not being used. Therefore, a 50 percent deduction was applied to rent from September 2021-January 2022. For rent from February 2022-February 2025, we allowed \$2,104,992.65 at Class 7 priority, based on Western General's contractual lease schedule. Payments remitted by Maverick during their occupancy of the third floor from May 2022-February 2025 have been credited against the amount claimed against Western General.

Broker Commissions: We have allowed \$16,250.43 in real estate broker commissions, reflecting a prorated allocation (0.059%) of the total commissions in the amount of \$275,431.00, based on seven months remaining on Western General's lease term, whereas the commission primarily related to the lease extension covering periods subsequent to the expiration of Western General's lease.

Tenant Improvements: We have allowed \$148,920.72, representing a 0.059% prorated share of the \$2,524,080.00 in tenant improvements, calculated based on Maverick's 9.75-year lease term, relative to the seven months remaining under Western General's lease.

Parking: Effective October 6, 2019, Mr. Kravetz agreed to terminate and buy out property management's parking obligation to Western General for \$540,000. The buyout figure appears to be based on average monthly parking and security expenses of \$7,566.20 multiplied by the remaining 65 lease months (\$491,803.00). The basis for the remaining \$48,197 is unclear. We acknowledge receipt of email correspondence from Mr. Kravetz of June 30, 2026, and July 14, 2026, indicating he deserves reimbursement of the Parking Termination Agreement; however, based on how the contract is written, property management received full benefit of the agreement. Therefore, no portion of the buyout has been included in this approval, except for 26 overflow parking spaces reimbursed by Western General at \$1,430 per month. We have included \$1,430 for parking from May 2021-July 2021. However, due to Western General staff layoffs in July 2021, reductions in parking allowance has been applied, according to the Company's need for parking spaces. We have included 10 parking spaces @ \$55 used from August 2021-October 2021, and 5 spaces @ \$55 from November 2021-January 2022. We confirmed with Shira Titen with Moss & Company that the agreement for the 26 over flow parking spaces ceased in January 2022. The total amount approved for parking is \$6,765, under Class 1.

The resulting allowances are as follows:

	CLASS 1	CLASS 7
Suite 285		\$108,307.02
Suite 295	\$12,586.68	\$155,004.62
Suite 300/307	\$486,449.32	\$2,104,992.65
Real Estate Commissions		\$16,250.43
Tenant Improvements		\$148,920.72

Parking	\$6,765.00	
Total	\$505,801.00	\$2,533,475.44

The Proof of Claim is otherwise rejected. This partial rejection of the Proof of Claim is based upon the factors listed above, as well as failure of the documentation to support the amount or causation of some amounts claimed, and the failure of the claims materials to establish a basis for the recovery of certain amounts claimed. All other basis for rejection is preserved, including all contractual limitations, all statutory provisions, and all rights to deductions for offsets, credits and payments.

This letter confirms Proof of Claim 930023 is approved for \$3,039,276.44. In accordance with California Insurance Code 1033, and under the payment hierarchy of the liquidation process, the claim allowance is allocated to Class 1 in the amount of \$505,801.00, and Class 7 in the amount of \$2,533,475.44.

It is important to note that a distribution of Class 7 approved Proof of Claim holders can be made only if sufficient assets exist to reach the Class 7 priority creditors, only upon approval by the Superior Court following a hearing. At this time, no distribution hearing has been scheduled, and we are unable to estimate when such a hearing may take place. Payment of the Class 7 claim is contingent upon the financial condition of Western General Insurance Company at the time of liquidation distributions. Payment of the Class 1 settlement may be issued by the CLO without court approval; however, the CLO reserves the right to seek court approval for the Class 1 administrative payment also.

We understand there may be a dispute between Warner World, LLC and Chris Nielsen as the Receiver of Colorado Capital Calabasas, LLC regarding which entity is the present holder of this Proof of Claim with an entitlement to claim proceeds. If the parties do not reach agreement or obtain an adjudication from a court of competent jurisdiction as between themselves, the CLO will plan to seek resolution at the appropriate time through an interpleader action, declaratory judgment action, or other appropriate proceeding before the Liquidation Court. The issue as to the proper current holder of the Proof of Claim is not resolved by this determination letter.

This determination is based on currently available information. If you disagree with the allowed amount or classification of your claim, you must submit a written objection with supporting documentation within 30 days of the date of this letter.

If you have submitted other unrelated claims arising out of other instances, occurrences or acts in a timely manner, such claim(s) are not affected by this determination and will be considered separately. We are unaware of any such Proofs of Claim; however, if you contend additional pertinent POCs exist, please include copies of the POC with your response.

Pursuant to the California Insurance Code Section 1032, any rejected portion of this claim can be challenged under the following provisions:

“When a claim is rejected by the Commissioner, a written notice of the rejection shall be given by mail, addressed to the claimant at the address set forth in his claim.

Within thirty (30) days after the mailing of the Notice, the claimant may apply to the court in which the liquidation proceeding is pending for an order to show cause (OSC) why the claim should be allowed.”

The OSC remedy is your exclusive judicial remedy, and you are prohibited and enjoined from initiating, maintaining and/or prosecuting a lawsuit or other legal action arising from the rejection of your claim against the Insurance Commissioner as Liquidator of the Insolvent Companies or the Insolvent Companies.

Should you choose to apply to the Liquidation Court for an Order to Show Cause, you must serve a copy of such application on the following individuals:

- 1) Douglas J. Beteta, Esq., Deputy Attorney General, California Department of Justice, Office of the Attorney General, 300 South Spring St. Suite 1702, Los Angeles, CA 90013
- 2) Jack Hom, Esq., Senior Staff Counsel, California Department of Insurance, 1901 Harrison Street, 6th Floor, Oakland, CA 94612
- 3) Joseph B. Holloway, CEO & Special Deputy Insurance Commissioner, Conservation & Liquidation Office, P.O. Box 26894, San Francisco, CA, 94126
- 4) Michele Vass, Chief Claims Officer, Conservation & Liquidation Office, P.O. Box 26894, San Francisco, CA, 94126

If you have any questions about the content of this letter, please contact Erin Fuller at (415) 676-2131 or email us at WGICPOC@caclo.org.

Sincerely,

Western General Insurance Company in Liquidation

Erin Fuller
Conservation and Liquidation Office
P.O. Box 26894
San Francisco, CA 94126-6894

EXHIBIT 2

Douglas Beteta

From: Fuller, Erin <FullerE@caclo.org>
Sent: Friday, July 17, 2026 10:31 AM
To: 'Norman Kravetz'
Cc: 'Rob@advisorsllp.com'
Subject: RE: Warner World, LLC POC: 930023 Partial Approval Partial Rejection

Good morning, Norm.

I understand your perspective. However, the Parking Termination Agreement contract prepared by your office does not clearly delineate the provisions you are describing.

Sincerely,

Erin Fuller

Conservation and Liquidation Office
Regulatory Services Group
P.O. Box 26894
San Francisco, CA 94126-6894
FullerE@caclo.org
(415) 676-2131
Fax: (415) 676-5002

CONFIDENTIALITY NOTICE

This message and any attachments are from the Conservation & Liquidation Office and are intended only for the addressee. Information contained herein is confidential, and may be privileged or exempt from disclosure pursuant to applicable federal or state law. This message is not intended as a waiver of the confidential, privileged or exempted status of the information transmitted. Unauthorized forwarding, printing, copying, distribution or use of such information is strictly prohibited and may be unlawful. If you are not the addressee, please promptly delete this message and notify the sender of the delivery error by e-mail or by calling the Conservation & Liquidation Office at (415)676-5000.

From: Norman Kravetz <nkravetz@rbellc.com>
Sent: Thursday, July 16, 2026 4:52 PM
To: Fuller, Erin <FullerE@caclo.org>
Subject: FW: Warner World, LLC POC: 930023 Partial Approval Partial Rejection

Good afternoon Erin, I still feel that the additional prepaid parking fee is clearly an item that should be returned, upon receipt of notice, that Western General will not need or use any off-site parking, due to the fact that they were giving back almost all of their space which required additional off site parking. Date of notice should end the additional need. In your evaluation, you used, as an example, that Western General wasn't using half of the floor, another point that I have objected to, due to the fact, that W.G. was in possession of all of that space, not requiring additional parking, all supported by the correspondence that I recently sent you on July 12th. I do have another

question; was there a reason that the “determination letter” sent to us was dated June 15th, not July 15th,? Just curious. I do hope your summer is going well. Go Dodgers! Sincerely, Norm

From: Fuller, Erin <FullerE@caclo.org>

Sent: Thursday, July 16, 2026 10:42 AM

To: Norman Kravetz <nkravetz@rbellc.com>; Rob Plotkowski <Rob@advisorsllp.com>

Subject: Warner World, LLC POC: 930023 Partial Approval Partial Rejection

Good morning Norm and Rob.

I have attached our correspondence of partial approval, partial rejection of Warner World’s Proof of Claim against Western General Insurance Company in Liquidation, Proof of Claim 930023. I mailed the letter via USPS yesterday afternoon.

Please keep us posted on your progress in working with the Receiver and lender regarding entitlement to the claim proceeds.

We look forward to resolving this matter as soon as possible.

Sincerely,

Erin Fuller

Conservation and Liquidation Office

Regulatory Services Group

P.O. Box 26894

San Francisco, CA 94126-6894

FullerE@caclo.org

(415) 676-2131

Fax: (415) 676-5002

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DECLARATION OF ELECTRONIC SERVICE AND SERVICE BY U.S. MAIL

Case Name: Insurance Commissioner v. Western General Insurance Co.
Case Number: 21STCP01655
Party Represented: Insurance Commissioner of the State of California, in his capacity as
the Liquidator of Western General Insurance Company

Declaration of Electronic Service

1. I am at least 18 years of age and not a party to this matter.
2. I am employed in the Office of the Attorney General of the State of California. My business address is 300 South Spring Street, Suite 1702, Los Angeles, CA 90013-1230, County of Los Angeles.
3. My electronic service address is Cindy.Pain@doj.ca.gov.
4. On September 28, 2026, I electronically served the following document[s]:

**DECLARATION OF SCOTT PEARCE IN
SUPPORT OF INSURANCE COMMISSIONER'S MOTION TO CONFIRM
DISTRIBUTION PURSUANT TO LANDLORD PROOF OF CLAIM**

5. I electronically served the aforementioned document[s] by emailing them to the following individual[s]:

See Attached Service List

I declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct, and that this declaration was executed on September 28, 2026.

Cindy Pain
Declarant

/s/ Cindy Pain
Signature

Declaration of Service by U.S. Mail

1. I am at least 18 years of age and not a party to this matter.
2. I am employed in the Office of the Attorney General of the State of California. My business address is 300 South Spring Street, Suite 1702, Los Angeles, CA 90013-1230, County of Los Angeles.
3. On September 28, 2026, I served the following document[s]:

**DECLARATION OF SCOTT PEARCE IN
SUPPORT OF INSURANCE COMMISSIONER'S MOTION TO CONFIRM
DISTRIBUTION PURSUANT TO LANDLORD PROOF OF CLAIM**

4. I served the aforementioned documents by mailing them to the following individual[s]:

See Attached Service List

5. I am readily 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. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.
6. On September 28, 2026, I enclosed the documents identified in paragraph [3] in a sealed envelope or package addressed to the persons at the address listed in paragraph [4] and placed the envelope for collection and mailing, following our ordinary business practices.

I declare under penalty of perjury under the laws of the State of California and the United States of America that the foregoing is true and correct, and that this declaration was executed on September 28, 2026.

L. Siaumau

/s/ L. Siaumau

Declarant

Signature

LA2020603913
68760259

DECLARATION OF SERVICE BY E-MAIL and U.S. MAIL

Case Name: **Insurance Commissioner v. Western General Insurance Co.**

Case No.: **21STCP01655**

John E. McPherson, Esq.
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Colorado Calabasas LLC
c/o Norman Kravetz
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Woodland Hills, CA 91367
E-mail: nkravetz@rbelc.com

David Wallace, ESQ
General Counsel, Trigild IVL
RE: Receivership Estate of RBE 29899
Agoura, LLC, et al.
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Dallas, TX 75225
E-mail: David.Wallace@trigild.com

Warner World, LLC
c/o Norman Kravetz
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Woodland Hills, CA 91367
E-mail: nkravetz@rbelc.com

Norman Kravetz
Warner World, LLC
c/o Robert Plotkowski, ESQ
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