

NYSCEF

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At IAS Part 33 of the Supreme Court of the State of New York, County of Nassau, at the courthouse located at 100 Supreme Court Drive, Mineola, New York, on the 21<sup>st</sup> day of August, 2020.

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NASSAU

In the Matter of

Index No. 607845/2020

the Application of

ORDER

Motion Seq. No. 01

Motion Date 08/19/2020

XXX

Linda A. Lacewell, Superintendent of Financial Services of the State of New York, for an order to take possession and liquidate the business and affairs of

ALLIANCE NATIONAL INSURANCE COMPANY.

Linda A. Lacewell, Superintendent of Financial Services of the State of New York ("Superintendent"), having moved this Court by order to show cause ("Order to Show Cause") for an order placing Alliance National Insurance Company ("ANIC") into liquidation, appointing the Superintendent and her successors in office as liquidator ("Liquidator") of ANIC, and directing the Liquidator to take possession of ANIC's property and to liquidate its business and affairs, and upon reading and filing the petition of the Superintendent, duly verified on July 27, 2020 (the "Petition"), the affidavit of Eileen Fox, sworn to on July 21, 2020, and the exhibits and schedules annexed thereto, this Court finds that ANIC should be placed into liquidation under Insurance Law Article 74 because ANIC consented to the entry of an order of liquidation and ANIC is insolvent; and

NOW, on motion of Letitia James, Attorney General of the State of New York, it is hereby

**ORDERED** as follows:

1. The relief requested in the Petition for an order of liquidation ("Order") is granted;
2. The Superintendent and her successors in office are appointed Liquidator of ANIC;
3. The Liquidator is directed to take possession of ANIC's property and liquidate ANIC's business and affairs in accordance with Insurance Law Article 74;
4. The Liquidator is vested with all powers and authority expressed or implied under Insurance Law Article 74, in addition to the powers and authority set forth in this Order and with title to ANIC's property, contracts, rights of action, and all of its books and records, wherever located, as of the date of entry of this Order;
5. The Liquidator may deal with the property and business of ANIC in ANIC's name or in the name of the Liquidator;
6. All persons and entities are permanently enjoined and restrained from wasting the assets of ANIC, and are permanently enjoined and restrained, except as authorized by the Liquidator, from transacting ANIC's business or disposing of ANIC's property;
7. All persons and entities are permanently enjoined and restrained from interfering with the Liquidator or this proceeding, obtaining any preferences, judgments, attachments or other liens, making any levy against ANIC, its assets or any part thereof, and commencing or prosecuting any actions or proceedings against the Liquidator, ANIC, the New York Liquidation Bureau, or their present or former employees, attorneys, or agents, relating to this proceeding or the discharge of their duties under Insurance Law Article 74 in relation thereto;
8. The Liquidator is vested with all rights in ANIC's contracts and agreements, however described, and is permitted to, in her discretion, reject any contracts to which ANIC is a party, in which case all liability under such contracts or agreements shall cease and be fixed as of the date of rejection;
9. Any bank, savings and loan association, other financial institution, or any other entity or person, that has on deposit or in its possession, custody, or control any of ANIC's funds, accounts (including escrow accounts), or assets shall immediately, upon the Liquidator's request and direction: (a) turn over custody and control of such funds, accounts or assets to the Liquidator; (b) transfer title of such funds, accounts, or assets to the Liquidator; (c) change the name of such accounts to the name of the Liquidator; (d) transfer funds from such bank, savings and loan association, or other financial institution; and (e) take any other action reasonably necessary for the proper conduct of the liquidation proceeding;

10. All persons or entities, including, without limitation, Alliance Risk Management, LLC, Alliance Risk Holdings, Inc., and UMICO Holdings, Inc., having property, papers (including attorney work product and documents held by attorneys), and/or information, including, but not limited to, underwriting data, any reinsurance or other insurance policies, claims files (electronic or paper), software programs, and/or bank records owned by, belonging to, or relating to ANIC shall preserve such property and/or information and immediately, upon the Liquidator's request and direction, assign, transfer, turn over, and deliver such property and/or information to the Liquidator.
11. The Liquidator is authorized, permitted, and allowed to sell, assign, or transfer any and all stocks, bonds, or other securities at the best price reasonably obtainable at such times and upon such terms and conditions as, in her discretion, she deems to be in the best interest of the creditors of ANIC, and is further authorized to take such steps and to make and execute such agreements and other papers as may be necessary to effect and carry out such sales, transfers, and assignments, without the further approval of this Court.
12. All existing insurance policies of ANIC shall terminate at 12:01 A.M. local time on the earliest of 30 days from the entry of an order of liquidation of ANIC, 30 days from the giving of notice of such cancellation, if such notice is required by an insurance policy or applicable law, or upon the date and time stated in the policy.
13. In accordance with Insurance Law Section 7405(f), the Liquidator is authorized to make "early access distributions" of ANIC's assets to the guaranty funds in other states that cover claims against ANIC policyholders ("Guaranty Funds") in accordance with such statute and an agreement as may be entered into between the Liquidator and the Guaranty Funds, and such agreement is authorized and approved.
14. All claims against ANIC and all evidence to support such claims must be submitted to the Liquidator by the date ("Bar Date") that is six (6) months from the date of entry of this Order, and all claims submitted after the Bar Date are barred and discharged, except that the Bar Date does not apply to the Liquidator's claims for administrative expenses and claims for reimbursement submitted by the New York Workers' Compensation Security Fund and the Guaranty Funds.
15. All claims against ANIC submitted for the first time after the issuance of this Order, and all evidence supporting such claims, shall be filed on or before the Bar Date using the electronic portal for the submission of claims located on the website [www.nybpoc.org](http://www.nybpoc.org).
16. The Liquidator is authorized, in her discretion, to refrain from adjudicating claims of any class unless and until: (a) she reasonably believes that adjudication of such claims would be in the best interests of the estate or (b) it is likely that the ANIC estate will have sufficient assets to pay claims of such class.

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- 17. Immunity is extended to the Superintendent in her capacity as Liquidator of ANIC, her successors in office, the New York Liquidation Bureau, and their agents and employees, for any cause of action of any nature against them, individually or jointly, for any act or omission when acting in good faith, in accordance with the orders of this Court, or in the performance of their duties pursuant to Insurance Law Article 74;
- 18. ANIC is insolvent pursuant to Insurance Law § 7402(a);
- 19. The Liquidator may at any time make further application to this Court for such further and different relief as she sees fit;
- 20. The Liquidator shall serve a copy of this Order by overnight delivery upon: (a) Alliance National Insurance Company, Attention: John David Granneman, at its statutory home office located at 300 Garden City Plaza, Garden City, New York 11530; (b) Alliance National Insurance Company, Attention: John David Granneman, at its main administrative office located at 370 Commerce Drive, Suite 101, Fort Washington, PA 19034; (c) Linda S. Agnew, Harras Bloom & Archer LLP, 445 Broad Hollow Road, Suite 127, Melville, New York 11747; and (d) any person or entity who or that timely filed and served papers in opposition to the relief sought;
- 21. The Liquidator shall provide notice of this Order to all creditors, claimants, and interested persons by: (a) publication of notice of this Order, in a form substantially similar to the one attached hereto as Annex A, in the *New York Post*, once a week for two consecutive weeks, commencing within 30 days of entry of this Order; and (b) posting this Order on the Internet web page maintained by the New York Liquidation Bureau at <http://www.nylb.org> within 15 days after the entry of this Order;
- 22. This Court shall retain jurisdiction over this matter for all purposes;
- 23. The caption for this proceeding is hereby amended as follows:

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NASSAU

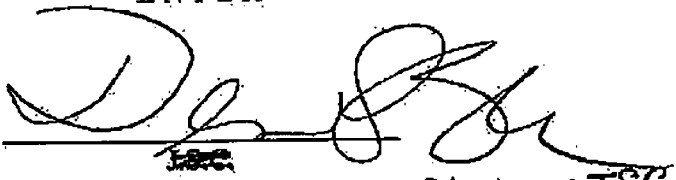
-----X  
In the Matter of

the Liquidation of

ALLIANCE NATIONAL INSURANCE COMPANY.  
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24. All further papers in this proceeding shall bear the above amended caption.

ENTER



Honorable Denise L. Sher, AJSC

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**ENTERED**

**Aug 24 2020**

NASSAU COUNTY  
COUNTY CLERK'S OFFICE