

**SUPREME COURT OF THE STATE OF NEW YORK  
NEW YORK COUNTY**

EA  
3/10/15  
E

PRESENT: De Ft H Maulton  
Justice

PART 57<sup>50</sup>

Re: Lion Ins. Co.

INDEX NO. 405486-07

MOTION DATE \_\_\_\_\_

MOTION SEQ. NO. 6

The following papers, numbered 1 to \_\_\_\_\_, were read on this motion to/for \_\_\_\_\_

Notice of Motion/Order to Show Cause — Affidavits — Exhibits \_\_\_\_\_ No(s). \_\_\_\_\_

Answering Affidavits — Exhibits \_\_\_\_\_ No(s). \_\_\_\_\_

Replying Affidavits \_\_\_\_\_ No(s). \_\_\_\_\_

Upon the foregoing papers, it is ordered that this motion is for an order pursuant to Article 74 of the New York Insurance Law converting this proceeding from reabilitation to liquidation and for various other judicial relief is granted in accordance with the order typed simultaneously herewith. Lion Ins Company closed writing new and renewal policies since 2002 and no one has represented that there are no outstanding creditors or policyholder claims, and the surplus of \$158,795 should be distributed to Lion Insurance Company's parent company, Eagle Insurance Company. No answering papers opposing the relief has been submitted to the court on the return date of the motion on 12/14/15.

MOTION/CASE IS RESPECTFULLY REFERRED TO JUSTICE FOR THE FOLLOWING REASON(S):

Dated: 3/9/15

**RECEIVED**  
MAR 10 2015  
GENERAL CLERK'S OFFICE  
NYS SUPREME COURT - CIVIL

**FILED**

MAR 10 2015

COUNTY CLERK'S OFFICE  
NEW YORK

De Ft H Maulton, J.S.C.  
**DE FT H MAULTON**

1. CHECK ONE: .....  CASE DISPOSED  NON-FINAL DISPOSITION
2. CHECK AS APPROPRIATE: ..... MOTION IS:  GRANTED  DENIED  GRANTED IN PART  OTHER
3. CHECK IF APPROPRIATE: .....  SETTLE ORDER  SUBMIT ORDER
- DO NOT POST  FIDUCIARY APPOINTMENT  REFERENCE

\* Formerly Part ~~57~~ 57, now Part 50.

50 (formerly  
part 57)

At IAS Part 57 of the Supreme Court  
of the State of New York, County of  
New York, at the Courthouse, 1160  
Centre Street, in the County, City  
and State of New York, on the March  
day of 9th, 2015.

PRESENT:

HON. PETER MOULTON, J.S.C.

In the Matter of

**FILED**

Index No.: 405446/07

the Rehabilitation of

MAR 10 2015

ORDER

LION INSURANCE COMPANY

COUNTY CLERK'S OFFICE  
NEW YORK

Benjamin M. Lawskey, Superintendent of Financial Services of the State of New York ("Superintendent"), having moved this Court by order to show cause for an order, *inter alia*: (i) converting the rehabilitation proceeding of Lion Insurance Company ("Lion") to a liquidation proceeding ("Liquidation Proceeding"); (ii) appointing the Superintendent, and his successors in office, as liquidator ("Liquidator") of Lion under Insurance Law Article 74; (iii) authorizing the Liquidator to distribute the entirety of Lion's assets to its parent corporation and sole remaining claimant, Eagle Insurance Company ("Eagle"), consistent with the priorities of Insurance Law Section 7434; and (iv) terminating and closing the Liquidation Proceeding upon distribution of Lion's assets to Eagle; and upon reading the petition of the Superintendent, duly verified on September 30, 2014 ("Verified Petition"), due proof of service thereof upon all parties interested in Lion, the affidavit of Gail Pierce-Siponen, sworn to on September 16, 2014, and all of the exhibits annexed thereto; all answering and reply papers; and all prior proceedings and papers in this proceeding, this Court finds that:

as evidenced by the Thomas affidavit sworn 12/2/14, the Galamb affidavit sworn 12/2/14, the Frilany news day affidavit of publication sworn 12/2/14 and the Tancer affidavit of posting sworn 12/2/14.

1. Lion was placed into rehabilitation and the Superintendent and his successors in office were appointed rehabilitator by order of the Supreme Court of the State of New York, County of New York, entered September 6, 2007;

2. Further efforts to rehabilitate Lion would be futile;

3. Lion is subject to the New York Insurance Law and, particularly, to Article 74 thereof; and

4. It is in the best interest of all persons concerned that, based upon Article 74 of the New York Insurance Law, the Superintendent should be appointed Liquidator of Lion and vested with title to all of Lion's property, contracts and rights of action and directed to liquidate its business and affairs;

NOW, on motion of the Honorable Eric T. Schneiderman, Attorney General of the State of New York, it is hereby

ORDERED, as follows:

ORDERED, that the relief requested in the Verified Petition is granted; and it is further

ORDERED, that the rehabilitation proceeding of Lion is converted to a Liquidation

Proceeding; and it is further

ORDERED, that the Superintendent and his successors in office are appointed Liquidator and are: (i) 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 (ii) vested with title to Lion's property, contracts and rights of action, as of the date of entry of this Order; and it is further

ORDERED, that the Liquidator may deal with the property of Lion in its name or the name of the Liquidator; and it is further

*to the extent provided in This order*

ORDERED, that all persons are permanently enjoined and restrained from wasting the assets of Lion, and are permanently enjoined and restrained, except as authorized by the Liquidator, from transacting Lion's business or disposing of Lion's property; and it is further

ORDERED, that all parties 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 Lion, its assets or any part thereof, and commencing or prosecuting any actions or proceedings against Lion, the Liquidator, or 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 Article 74 in relation thereto; and it is further

~~ORDERED, that judicial immunity is extended to the Superintendent in his capacity as Liquidator and his predecessors and successors in office and their agents and employees for any cause of action of any nature against them, individually or jointly, for any action or omission when acting in good faith, in accordance with this Order, or in the performance of their duties pursuant to Insurance Law Article 74; and it is further~~

ORDERED, that the Liquidator is granted the continued authority to pay administrative expenses, including such expenses pertaining to the closing of the Liquidation Proceeding; and it is further

ORDERED, that the Liquidator is authorized to distribute the entirety of Lion's assets to its parent corporation and sole remaining claimant, Eagle, consistent with the priorities of Insurance Law Section 7434; and it is further

ORDERED, that upon distribution of Lion's assets to Eagle, the Liquidation Proceeding is terminated and closed; and it is further

ORDERED, that the Liquidator is authorized, without further application to this Court, to continue, after the termination of the Liquidation Proceeding, to receive and disburse assets to Eagle pursuant to Insurance Law Article 74, and to pay administrative expenses incurred in connection with the collection and disbursement of such assets; and it is further

ORDERED, that the Liquidator, in his discretion, is authorized and directed to destroy or otherwise dispose of any and all of the books, files, records and other property of Lion without further order of this Court; and it is further

~~ORDERED, that the Liquidator, his predecessors and successors in office, and their agents, attorneys and employees, are released and discharged from any and all liability arising from their acts or omissions in connection with the Liquidation Proceeding upon the termination and closing of the Liquidation Proceeding.~~

ENTER



J.S.C

**LIONEL AREA LIQUIDATION**

**FILED**

MAR 10 2015

COUNTY CLERK'S OFFICE  
NEW YORK

