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NYSCEF DOC. NO. 11 RECEIVED NYSCEF: 07/25/2016

SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY

PRESENT: HAGLER
Justice

PART 17

VULLO, HENRI T.

INDEX NO. 450674/16

LEONARDI'S UNDERWRITING AGENCY

MOTION DATE _____

MOTION SEQ. NO. 01

The following papers, numbered 1 to _____, were read on this motion to/for _____
Notice of Motion/Order to Show Cause — Affidavits — Exhibits _____ [Note] _____
Answering Affidavits — Exhibits _____ [Note] _____
Replying Affidavits _____ [Note] _____

Upon the foregoing papers, it is ordered that this motion is granted with opposition
in accordance with the attached
Order of Ancillary Receivership.

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

Dated: 7/25/16

SHLOMO HAGLER
J.S.C. J.S.C.

- 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

At IAS Part 17 of the Supreme Court of the State of New York, County of New York, at the Courthouse, 60 Centre St in the County, City and State of New York, on the 25 day of July, 2016.

SHLOMO HAGLER
J.S.C.

P R E S E N T :

HON. _____, J.S.C.

-----X
In the Matter of

Index No.:

the Application of

Maria T. Vullo, Acting Superintendent of Financial Services of the State of New York, for an Order of Appointment as Ancillary Receiver of

ORDER OF
ANCILLARY
RECEIVERSHIP

LUMBERMEN'S UNDERWRITING ALLIANCE.
-----X

Maria T. Vullo, Acting Superintendent of Financial Services of the State of New York ("Superintendent"), having moved this Court for an order appointing the Superintendent and her successors in office as ancillary receiver ("Ancillary Receiver") of Lumbermen's Underwriting Alliance ("LUA"), and upon reading and filing the petition of the Superintendent, duly verified on the 31st day of May, 2016 ("Verified Petition"), the Affidavit of Marc Allen, Assistant Chief Examiner, Property Bureau, New York State Department of Financial Services, sworn to on the 31st day of May, 2016, and the exhibits annexed thereto, this Court finds that:

1. LUA is a reciprocal inter-insurance exchange¹ organized under the laws of the State of Missouri, with its main administrative office located in Boca Raton, Florida;
2. LUA was licensed in the State of New York to transact the kinds of insurance specified in New York Insurance Law §§ 1113(a)(4) – (10), (12) – (16), (19), and (20);

¹ A reciprocal inter-insurance exchange is a form of insurance company that is an unincorporated association of subscribing members who exchange contracts of indemnity with each other.

3. By order dated May 23, 2016, the Circuit Court of Cole County, Missouri found LUA to be insolvent and placed LUA into liquidation (the "Liquidation Order"). The Liquidation Order appointed John M. Huff, Director, Department of Insurance, Financial Institutions and Professional Registration of the State of Missouri as ("Liquidator") of LUA and Bruce E. Baty as the Liquidator's Special Deputy Receiver. The Liquidation Order also, among other things, established May 24, 2017 as the bar date for the filing of claims against LUA (the "Liquidation Bar Date");

4. LUA is subject to Article 74 of the New York Insurance Law ("Insurance Law");

5. Missouri is a reciprocal state within the meaning of Insurance Law § 7408(b)(6);

6. The Liquidator requested that the Superintendent commence an ancillary receivership proceeding for LUA; and

7. Insurance Law § 7410(a) mandates that the Superintendent be appointed Ancillary Receiver of LUA.

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

ORDERED as follows:

1. The relief requested in the Verified Petition seeking an order of ancillary receivership ("Order") is granted in its entirety;
2. The Superintendent and her successors in office are appointed Ancillary Receiver of LUA and are vested with all rights and obligations granted to and imposed upon her pursuant to Article 74 of the Insurance Law;
3. The injunctions, restrictions and directions set forth in paragraphs 8, 14, 15, 16, 30, 49, and 52 of the Liquidation Order apply to this ancillary receivership proceeding;
4. The Liquidation Bar Date of May 24, 2017 applies to this ancillary receivership proceeding and all New York claims under LUA policies;

5. All persons are permanently enjoined and restrained from commencing or prosecuting any actions, lawsuits or proceedings in the State of New York against LUA, and all persons are permanently enjoined and restrained from commencing or prosecuting any actions, lawsuits or proceedings in the State of New York against the Superintendent as Ancillary Receiver or as administrator of the New York security funds, the New York Liquidation Bureau, and their employees, attorneys, or agents, with respect to this proceeding or in the discharge of their duties;
6. Judicial immunity is extended to the Superintendent in her capacities as Ancillary Receiver of LUA and as administrator of the New York security funds, 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 Articles 74 and 76;
7. The Ancillary Receiver shall serve a copy of this Order on the Liquidator, John M. Huff, Director, Department of Insurance, Financial Institutions and Professional Registration of the State of Missouri, Truman State Office Building, Room 530, P.O. Box 690, Jefferson City, Missouri 65102 and Bruce E. Baty, Special Deputy Receiver, 4520 Main Street, Suite 1100, Kansas City, Missouri 64111, by overnight mail;
8. The Ancillary Receiver shall provide notice of this Order, substantially in the form attached hereto (the "Notice"), to all creditors, claimants, and interested persons located in the State of New York by: (i) publication of the Notice in *The New York Post*, or a publication of similar circulation, within 30 days of entry of this Order; and (ii) posting the Notice and the 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;
9. LUA's license to do business in the State of New York is hereby revoked;
10. The caption for this proceeding is hereby amended as follows:

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

-----X
 In the matter of

the Ancillary Receivership of

LUMBERMEN'S UNDERWRITING ALLIANCE.
 -----X

11. All further papers in this proceeding shall bear the above amended caption.

ENTER



A handwritten signature in black ink, appearing to read 'SHLOMO HAGLER', is written over a horizontal line. The signature starts below the line on the left and curves upwards and to the right, ending above the line.

J.S.C.

SHLOMO HAGLER
J.S.C.