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At IAS Part 35 of the Supreme Court of the State of New York, at the courthouse located at 60 Centre, in the City, County and State of New York, on the 4th day of September, 2020.

Present: Hon. Carol R. Edmead  
Justice

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

In the Matter of  
  
the Application of  
  
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

Index No. 451834/2020  
**ORDER TO SHOW CAUSE**

ONETITLE NATIONAL GUARANTY COMPANY, INC.

Based on the August 31, 2020, verified petition (“Verified Petition”) of Linda A. Lacewell, Superintendent of Financial Services of the State of New York (“Superintendent”), the August 28, 2020 Affidavit of Marc Allen, Assistant Chief of the Property Bureau, New York State Department of Financial Services (the “Allen Aff.”), and the exhibits attached thereto, and it <sup>being alleged</sup> ~~appearing~~ that the relief sought should be granted;

NOW, on motion of Letitia James, Attorney General of the State of New York, attorney for the Superintendent, and after due deliberation having been had thereon;

LET OneTitle National Guaranty Company, Inc. (<sup>or its counsel</sup> “OneTitle”) show cause before this Court

at the ~~XX~~, on the Via Skype **5th** day of **October**, 2020, at **10** o'clock **a.**m., or as soon thereafter as counsel can be heard (“Return Date”), why an order substantially in the form of the order annexed as Exhibit “1” to the Verified Petition (the “Liquidation Order”) should not be made, pursuant to Article 74 of the New

York Insurance Law (“Insurance Law”), *inter alia*: (1) placing OneTitle into liquidation under Insurance Law Article 74; (2) appointing the Superintendent, and her successors in office, as liquidator of OneTitle (“Liquidator”); (3) directing the Liquidator to take possession of OneTitle’s property and to liquidate OneTitle’s business and affairs; (4) vesting title to all of OneTitle’s property, contracts, and rights of action and all of its books and records, wherever located, in the Liquidator and her successors; (5) permitting the Liquidator to deal with the property and business of OneTitle in OneTitle’s name or in the name of the Liquidator; (6) granting the injunctions provided for in Insurance Law § 7419(a), permanently enjoining and restraining all persons and entities from wasting the assets of OneTitle, and permanently enjoining and restraining all persons and entities, except as authorized by the Liquidator, from transacting OneTitle’s business or disposing of OneTitle’s property; (7) granting the injunctions provided for in Insurance Law § 7419(b), permanently enjoining and restraining all persons and entities from interfering with the Liquidator or this proceeding, obtaining any preferences, judgments, attachments, or other liens, or making any levy against OneTitle, its assets or any part thereof, and commencing or prosecuting any actions or proceedings against the Liquidator, OneTitle, 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) vesting all rights in OneTitle’s contracts and agreements, however described, in the Liquidator and permitting the Liquidator to, in her discretion, reject any contracts to which OneTitle 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) requiring that 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 OneTitle’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) requiring that all persons or entities, including, without limitation, OneTitle Holdings, LLC, 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 OneTitle, 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) authorizing, permitting, and allowing the Liquidator 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 OneTitle, and further authorizing the Liquidator 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) cancelling all existing insurance policies of OneTitle at 12:01 A.M. local time on the date that is 30 days from the date of entry of an order of liquidation of OneTitle; (13) establishing the date ("Bar Date") that is six (6) months from the date of entry of the Liquidation Order sought in this petition as the date by which all claims against OneTitle and all evidence supporting such claims must be submitted to the Liquidator, and providing that all claims submitted after the Bar Date are barred and discharged except for the Liquidator's claims for administrative expenses; (14) requiring that all claims

against OneTitle submitted for the first time after the issuance of the Liquidation Order, and all evidence supporting such claims, be filed using the electronic portal for the submission of claims located on the website [www.nylbpoc.org](http://www.nylbpoc.org) on or before the Bar Date; (15) authorizing the Liquidator, 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 OneTitle estate will have sufficient assets to pay claims of such class; (16) extending immunity to the Superintendent in her capacity as Liquidator of OneTitle, 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; and (17) granting such other and further relief as the Court may deem proper and just.

AND, sufficient cause having been <sup>alleged</sup> ~~shown~~ therefor, pursuant to Insurance Law § 7418(a)(1), <sup>IT IS ORDERED THAT</sup> ~~let~~ service of a copy of this order to show cause and its supporting papers be made (i) by overnight delivery within five (5) days after the entry of this Order to Show Cause upon B. Lance Sauerteig, Chairman of the Board of Directors, OneTitle National Guaranty Company, Inc. at 7060 Lions Head, Boca Raton, Florida, 33496; and (ii) by posting on the internet web page maintained by the New York Liquidation Bureau at <http://www.nylb.org> at least 5 days prior to the Return Date; and such service shall be deemed good and sufficient service; and it is hereby

ORDERED, that all answering papers and supporting documentation (“Answering Papers”) be served on the Superintendent so as to be received at least seven days prior to the Return Date, and that service on the Superintendent shall be made by first class mail or overnight carrier at the following addresses:

Office of the Attorney General  
28 Liberty Street  
New York, NY 10005  
Att’n: Roderick Arz  
Assistant Attorney General

with a copy to

New York Liquidation Bureau  
180 Maiden Lane, 15th Floor  
New York, New York 10038  
Att’n: General Counsel

and any such Answering Papers shall be e-filed with the Court on or before the Return Date; and it is further

ORDERED, that pursuant to Insurance Law § 7419(a), pending the <sup>hearing</sup>~~determination~~ of this application, OneTitle, its officers, directors, shareholders, members, trustees, agents, servants, employees, policyholders, attorneys, and managers, and all other persons, are hereby restrained, except as authorized by the Superintendent, from transacting OneTitle’s business or disposing of OneTitle’s property, and all persons are restrained from wasting any of OneTitle’s assets; and it is further

ORDERED, that pursuant to New York Insurance Law § 7419(b), pending a <sup>hearing</sup>~~determination~~ on this application, OneTitle, its officers, directors, shareholders, members, trustees, agents, servants, employees, attorneys, and managers, and all other persons are hereby restrained from obtaining preferences, judgments, attachments or other liens, or making any levy or commencing

*dear*  
HON. CAROL R. EDWARDS  
J.S.C.  
*JSE*

or prosecuting any actions or proceedings against OneTitle or its assets, and all actions or proceedings against OneTitle are stayed.

*deRelle.*  
HON. CAROL R. EDMÉAD  
J.S.C.  
*JSC*

ENTER

Oral Argument  
Directed

*deRelle.*  
HON. CAROL R. EDMÉAD  
J.S.C.

*deRelle.*  
HON. CAROL R. EDMÉAD  
J.S.C.

Dated: 9/4/2020

*Index No. 451834/2020*

**No reply allowed. Petitioner is required to forward the skype meeting invitation to all parties.**

*deRelle.*  
HON. CAROL R. EDMÉAD  
J.S.C.