

RECEIVED  
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PART 13

At IAS Part 13 of the Supreme  
Court of the State of New York,  
County of New York, at the  
Courthouse, 71 Thomas Street, in  
the County, City and State of New  
York, on the 7th day of  
June, 2013.

PRESENT: MANUEL J. MENDEZ  
J.S.C.  
HON. J.S.C.

In the Matter of  
the Application of

Benjamin M. Lawskey, Superintendent of  
Financial Services of the State of New York, for an  
Order of Appointment as Ancillary Receiver of

ULLICO CASUALTY COMPANY.

Index No.: 450995/2013

ORDER TO SHOW CAUSE

Upon the reading and filing of the annexed verified petition ("Verified Petition") of Benjamin M. Lawskey, Superintendent of Financial Services of the State of New York ("Superintendent"), duly verified on the 5<sup>th</sup> day of June, 2013, the affidavit of Jean Marie Cho, Deputy Superintendent for Property and Casualty Insurance, sworn to on the 5<sup>th</sup> day of June, 2013, and it appearing that the relief sought should be granted;

NOW, on motion of Eric T. Schneiderman, Attorney General of the State of New York, attorney for the Superintendent, and after due deliberation having been had thereon;

LET Karen Weldin, as the duly-appointed receiver ("Domiciliary Receiver") of Ullico Casualty Company ("Ullico") and all creditors, claimants and interested persons located in the State of New York show cause before this Court at IAS Part 13 Room 210, thereof, at the Courthouse located at 71 Thomas Street in the County of New York and State of New York,

on the 3<sup>rd</sup> day of July, 2013, at 9:30 o'clock in the A.m., or as soon thereafter as counsel can be heard ("Return Date"), why an order should not be made, pursuant to Article 74 of the New York Insurance Law ("Insurance Law"), *inter alia*: (1) appointing the Superintendent and his successors in office ancillary receiver of Ullico ("Ancillary Receiver") with all the rights and obligations granted to and imposed upon him pursuant to Insurance Law Article 74; (2) permanently enjoining and restraining all persons from commencing or prosecuting any actions, lawsuits or proceedings against Ullico, the Superintendent as Ancillary Receiver or the New York Liquidation Bureau, its employees, attorneys or agents, with respect to this proceeding or in the discharge of their duties under Insurance Law Article 74; (3) permanently enjoining and restraining all persons from obtaining preferences, judgments, attachments or other liens, or making any levy against Ullico's property located in the State of New York or any part thereof; (4) enjoining and restraining all parties to actions, lawsuits and special or other proceedings within the jurisdiction of the courts of the State of New York in which Ullico, its policyholders or insureds, are obligated to defend a party or to provide a defense of any matter against an insured pursuant to an insurance policy, bond, contract or otherwise, from proceeding with any discovery, court proceedings or other litigation tasks or procedures, including, but not limited to, conferences, trials, applications for judgment or proceedings on settlement or judgment, for a period of 180 days from the date of entry of such Order; (5) requiring all persons or entities having possession of information, such as, but without limitation, insurance policies, underwriting data, claims files (electronic or paper) and/or software programs owned by, belonging to or relating to Ullico that is necessary or desirable to permit the Ancillary Receiver to carry out his obligations, shall preserve such information, and immediately, upon the Ancillary Receiver's request and direction, provide and/or make such

information available to the Ancillary Receiver; (6) establishing that the bar of June 30, 2014, date for the submission of claims established in the domiciliary liquidation proceeding shall also be effective in the ancillary receivership proceeding; (7) extending immunity to the Superintendent in his capacity as Ancillary Receiver of Ullico, and his successors in office 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 (8) granting such other and further relief as the Court may deem just and proper;

AND sufficient cause having been shown therefor, it is hereby

ORDERED, insofar as the Domiciliary Receiver has requested the commencement of this proceeding and provided a written waiver of formal service of this order to show cause, that the notice of the Verified Petition and this order to show cause (the "Notice") shall be substantially in the form attached hereto and service shall be made by: (i) electronic mail to James J. Black, III, Esquire, Black & Gerngross, P.C. at [jblack@blackgern.com](mailto:jblack@blackgern.com); and (ii) posting on the Internet web page maintained by the New York Liquidation Bureau at <http://www.nylb.org> at least five days prior to the Return Date; and it is further

ORDERED, that the form and method of notice specified herein is hereby approved as in accordance with the law and as the best notice practicable and shall therefore constitute due and sufficient notice of this order to show cause and the Return Date herein and the Verified Petition and the relief sought therein to all persons and entities entitled to receive such notice; and it is further

ORDERED, that any answering papers and supporting documentation ("Answering Papers") be served by overnight mail or first class mail so as to be received by the

Superintendent at least two days prior to the Return Date, and that such service shall be made at the following addresses:

Eric T. Schneiderman  
Attorney General of the State of New York  
120 Broadway, 24th Floor  
New York, NY 10271  
Attention: David P. Holgado, Esq.  
Senior Enforcement Counsel

New York Liquidation Bureau  
110 William Street  
New York, New York 10038  
Attention: John Pearson Kelly, Esq.  
General Counsel

and by submitting copies of Answering Papers, with affidavits of service on the Superintendent as above, to this Court at oral argument ~~Street, New York, New York, at least two days before the~~

*on* Return Date; and it is further

ORDERED, that in the absence of Answering Papers filed in accordance with the previous paragraph on or prior to the date specified, the Court may enter relief without a hearing, on this motion, and no party shall be entitled to be heard thereon; and it is further

ORDERED, that any person or entity that fails to serve Answering Papers as provided herein shall be deemed to have waived any objections to the relief sought in the Verified Petition and shall be barred from raising objections in this or any other proceeding concerning the matters set forth herein; and it is further

ORDERED, that any person or entity that has served Answering Papers as provided herein shall be deemed to have waived any objections that are not set forth in such Answering Papers; and it is further

ORDERED, that pending the hearing or return date ~~and determination~~ of this motion, all

persons are hereby restrained from obtaining preferences, judgments, attachments or other liens,

*MANUEL J. MENDEZ*  
J.S.C.

or making any levy or commencing or prosecuting any actions or proceedings against Ullico or its assets located in the State of New York; and it is further

ORDERED, that pending the hearing ~~on return date and determination~~ on this motion, all actions or proceedings within the jurisdiction of the courts of the State of New York against Ullico or in which Ullico is obligated to defend a party are stayed.

ENTER

J. S. C.

MANUEL J. MENDEZ  
J.S.C.

MANUEL J. MENDEZ  
J.S.C.

ORAL ARGUMENT  
DIRECTED

J.S.C.

MANUEL J. MENDEZ  
J.S.C.