

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

PRESENT: _____
Justice

PART 13

Benjamin M. Fawsky
- v -
Willis Carnally Co.

INDEX NO. 450995/13
MOTION DATE _____
MOTION SEQ. NO. 001
MOTION CAL. NO. _____

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

Notice of Motion/ Order to Show Cause – Affidavits – Exhibits ...
Answering Affidavits – Exhibits _____
Replying Affidavits _____

PAPERS NUMBERED

Cross-Motion: Yes No

Upon the foregoing papers, it is ordered that this motion is granted
without opposition AS per ANNEXED
Order.

MANUEL J. MENDEZ
J.S.C.

Dated: 7/8/13

J.S.C.

Check one: FINAL DISPOSITION NON-FINAL DISPOSITION
Check if appropriate: DO NOT POST REFERENCE

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

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 8th day of JULY, 2013.

P R E S E N T :

HON. MANUEL J. MENDEZ, J.S.C.

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In the Matter of

Index No.: 450995/2013

the Application of

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

ORDER

ULLICO CASUALTY COMPANY.

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Benjamin M Lawsky, 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 appointing the Superintendent and his successors in office ancillary receiver (“Ancillary Receiver”) of Ullico Casualty Company (“Ullico”), and upon reading and filing the petition of the Superintendent, duly verified the 5th day of June, 2013, the Affidavit of Jean Marie Cho, sworn to on June 5, 2013, and the exhibits annexed thereto, this Court finds that:

- 1. Ullico is a property and casualty insurance company organized under the laws of the State of Delaware, with its headquarters located in Washington, D.C. and Silver Springs, Maryland;
- 2. Ullico’s principal New York office was located at 451 Park Avenue South, 5th Floor, New York, New York 10016;

3. Ullico is authorized in the State of New York to transact the kinds of insurance specified in New York Insurance Law (“Insurance Law”) Section 1113(a)(3) – (17), and (19) – (21);

4. On May 30, 2013, an order was signed by the Court of Chancery of the State of Delaware placing Ullico into liquidation, appointing the Insurance Commissioner of the State of Delaware as receiver (“Domiciliary Receiver”) to Liquidate Ullico and, among other things, imposing a bar date for the filing of claims against Ullico as of June 30, 2014 (the “Bar Date”);

5. Ullico is subject to the Insurance Law and, in particular, to Article 74 thereof;

6. Delaware is a reciprocal state within the meaning of Insurance Law Section 7408(b)(6);

7. The Domiciliary Receiver requested the appointment of the Superintendent as Ancillary Receiver of Ullico for the purpose of permitting payments to be made from the New York insurance security funds; and

8. It is in the best interests of all policyholders, claimants, creditors and other interested persons located in the State of New York that the Superintendent be appointed Ancillary Receiver of Ullico.

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 petition for an order of ancillary receivership (“Order”) is granted;
2. The Superintendent and his successors in office are appointed Ancillary Receiver of Ullico and with all the rights and obligations granted to and imposed upon him pursuant to Article 74 of the Insurance Law;

3. All persons are permanently enjoined and restrained from commencing or prosecuting any actions, lawsuits or proceedings against Ullico, and all persons are permanently enjoined and restrained from commencing or prosecuting any actions, lawsuits or proceedings against 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;
4. All persons are permanently enjoined and restrained 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;
5. 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, are enjoined and restrained 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 this Order;
6. 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;
7. The Bar Date shall also be effective in this ancillary receivership proceeding;
8. Immunity is extended 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;
9. The Ancillary Receiver shall serve a copy of this Order on the Domiciliary Receiver, 704 N. King Street, Suite 602, Wilmington, DE 19801, by certified mail;
10. The Ancillary Receiver shall provide notice of this Order to all creditors, claimants and interested persons located in the State of New York by: (i) publication of the notice of this Order in *Business Insurance*, or a publication of similar circulation, once a week for two consecutive publications, commencing within four weeks of entry of this Order in a form substantially similar to the one

attached hereto; and (ii) posting this Order on the Internet web page maintained by the Bureau at <http://www.nylb.org> within 15 days after the entry of this Order;

11. Such notice shall inform all creditors, claimants and other interested persons that this Order has been entered;
12. The notice prescribed in decretal paragraphs 9 and 10 hereof is sufficient notice to all persons interested in Ullico;
13. Ullico's license to do business in the State of New York is hereby revoked;
14. This court shall retain jurisdiction over this matter for all purposes;
15. 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

Ullico Casualty Company.
-----X

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

ENTER

MANUEL J. MENDEZ
J.S.C.



J.S.C.

NEW YORK LIQUIDATION BUREAU
110 WILLIAM STREET
NEW YORK, NEW YORK 10038
(212) 341-6755

To all persons or entities
interested in the affairs of
ULLICO CASUALTY COMPANY
Supreme Court of the State of New York, County of New York
Index No.: 450995/13.
Notice is Hereby Given:

I. Benjamin M. Lawsky, Superintendent of Financial Services of the State of New York, has been appointed by an order ("Order"), of the Supreme Court of the State of New York, New York County ("Court"), filed JULY 8, 2013, as the ancillary receiver ("Ancillary Receiver") of Ullico Casualty Company ("Ullico") and with all of the rights and obligations granted to and imposed upon him pursuant to Article 74 of the New York Insurance Law ("Insurance Law"). The Ancillary Receiver has, pursuant to Insurance Law Article 74, appointed Michael J. Casey, Acting Special Deputy Superintendent ("Acting Special Deputy") as his agent to carry out his duties as Ancillary Receiver. The Acting Special Deputy carries out his duties through the New York Liquidation Bureau, 110 William Street, New York, New York 10038.

II. All persons are permanently enjoined and restrained from commencing or prosecuting any actions, lawsuits or proceedings against Ullico, and all persons are permanently enjoined and restrained from commencing or prosecuting any actions, lawsuits or proceedings against 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;

III. All persons are permanently enjoined and restrained 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;

IV. 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, are enjoined and restrained 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 this Order;

V. 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;

VI. The bar date of June 30, 2014 established in the domiciliary liquidation proceeding shall also be effective in this ancillary receivership proceeding;

VII. Immunity is extended 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;

VIII. Ullico's license to do business in the State of New York is hereby revoked;

IX. The Ancillary Receiver may at any time make further application to the Court for such further and different relief as he sees fit.

X. All communications relating to ULLICO and to the Ancillary Receivership Proceeding thereof should be addressed to:

New York Liquidation Bureau
110 William Street, 15th Floor
New York, New York 10038
Attn:

BENJAMIN M. LAWSKY
Superintendent of Financial Services of
the State of New York as Ancillary Receiver
of Ullico Casualty Company

MICHAEL J. CASEY
Acting Special Deputy Superintendent
and Agent for the Superintendent as
Ancillary Receiver of Ullico Casualty Company