

At IAS Part 36 of the Supreme Court of the State of New York, County of New York, at the Courthouse, 71 Throuse Street, in the County, City and State of New York, on the 25 day of May, 2021.

PRESENT: **HON. VERNA L. SAUNDERS**
J.S.C. J.S.C.

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

MS# 001: 071ER

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In the Matter of

Index No.: 451540/21

the Application of

ORDER TO SHOW CAUSE

Linda A. Lacewell, Superintendent of Financial Services of the State of New York, for an Order of Appointment as Ancillary Receiver of

BEDIVERE INSURANCE COMPANY.
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Upon the reading and filing of the annexed verified petition ("Verified Petition") of Linda A. Lacewell, Superintendent of Financial Services of the State of New York ("Superintendent"), duly verified on the 18th day of May 2021, and the affidavit of Joan Riddell, Deputy Chief Insurance Examiner, Property Bureau, New York State Department of Financial Services, sworn to on the 27th day of April 2021;

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, Jessica K. Altman, Insurance Commissioner of the Commonwealth of Pennsylvania, as the duly-appointed Liquidator of Bedivere Insurance Company ("Bedivere") or any of her delegees and all creditors, claimants, and interested persons located in the State of

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THAN June 9,
2021.

New York show cause before this Court at IAS Part 36 Room 210, thereof, at the
Courthouse located at 71 Thomas Street in the County, City and State of New York, on the
16 day of June, 2021, at 9:30 o'clock in the A.m., or as soon thereafter as counsel
can be heard ("Return Date"), why an order, substantially in the form attached as Exhibit "1" to
the Verified Petition ("Order"), should not be made, pursuant to Article 74 of the New York
Insurance Law ("Insurance Law"), *inter alia*: (1) commencing a New York ancillary
receivership proceeding for Bedivere and appointing the Superintendent and her successors in
office ancillary receiver of Bedivere ("Ancillary Receiver"); (2) vesting the Ancillary Receiver
with all rights and obligations granted to and imposed upon her pursuant to Insurance Law
Article 74; (3) finding that the material provisions of the March 11, 2021, order of the
Commonwealth Court of Pennsylvania placing Bedivere into liquidation ("Liquidation Order")
including, but not limited to, the injunctions, restrictions, and directions set forth in paragraphs 7,
13, 14, and 15, apply to this ancillary receivership proceeding; (4) finding that in accordance
with Insurance Law § 7412(a) the claims bar date of December 31, 2021, established by the
procedures set forth in the Liquidation Order, applies to this ancillary receivership proceeding
and all New York claims under Bedivere policies, and evidence supporting such claims must be
submitted to the Ancillary Receiver by December 31, 2021, and if not submitted by that date
shall be barred; (5) permanently enjoining and restraining all persons from commencing or
prosecuting any actions, lawsuits, or proceedings in the State of New York against Bedivere, 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) enjoining and restraining all parties to actions,
lawsuits, and special or other proceedings against insureds of Bedivere or in which Bedivere is

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obligated to defend an insured or provide a defense to a party pursuant to an insurance policy from obtaining any judgment or 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 the Order; (7) enjoining and restraining all persons who have first party policyholder loss claims against Bedivere in the State of New York from presenting and filing claims with the Ancillary Receiver for a period of 90 days from the date the Ancillary Receivership Order is signed; (8) extending judicial immunity to the Superintendent in her capacity as Ancillary Receiver of Bedivere 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 and Article 6-A of the New York Workers' Compensation Law; and (9) 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, that service of this Order to Show Cause and its supporting papers shall be deemed good and proper service if served by: (i) overnight delivery to Laura Lyon Slaymaker, Deputy Insurance Commissioner, Office of Liquidations, Rehabilitations and Special Funds, representing Jessica K. Altman, Insurance Commissioner of the Commonwealth of Pennsylvania, in her capacity as Liquidator of Bedivere Insurance Company at 901 North 7th Street, Harrisburg, Pennsylvania, 17102 at least 3 days before the Return Date; and

(ii) posting on the Internet web page maintained by the New York Liquidation Bureau at <http://www.nylb.org> at least 15 days prior to the Return Date; and it is further

ORDERED, that any answering papers in support of or in opposition to this application ("Answering Papers") be served so as to be received by the Superintendent at least 7 days prior to the Return Date, and that such service shall be made at the following addresses:

Letitia James
Attorney General of the State of New York
28 Liberty Street
New York, NY 10005
Attention: Roderick Arz
Assistant Attorney General

New York Liquidation Bureau
180 Maiden Lane, 15th Floor
New York, New York 10038
Attention: General Counsel

and that the Answering Papers be filed with this Court on or before the Return Date; and it is further

ORDERED, that pursuant to Insurance Law § 7419(a), pending ^{a hearing} ~~the determination~~ of this application, Bedivere, 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 Bedivere's business or disposing of Bedivere's property located in the State of New York, and all persons are restrained from wasting any of Bedivere's assets located in the State of New York; and it is further

ORDERED, that pursuant to New York Insurance Law § 7419(b), pending a ^{hearing} ~~determination~~ on this application, Bedivere, 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

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or commencing or prosecuting any actions or proceedings within the jurisdiction of the courts of the State of New York against Bedivere; and it is further

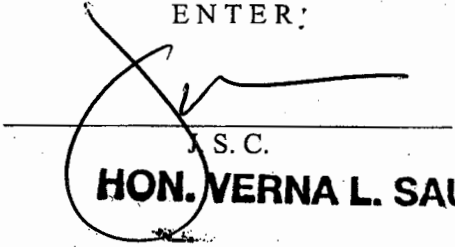
VS
J.S.C.

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

VS
J.S.C.

ENTER:



J. S. C.
HON. VERNA L. SAUNDERS
J.S.C.

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ORAL ARGUMENT
DIRECTED
VS

J.S.C.