

SUPREME COURT OF THE STATE OF NEW YORK
NEW YORK COUNTY

PRESENT: HON. W. FRANC PERRY PART IAS MOTION 23EFM

Justice

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LINDA LACEWELL,

Petitioner,

- v -

NORTHWESTERN NATIONAL INSURANCE COMPANY
OF MILWAUKEE, WISCONSIN,

Respondent.

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INDEX NO. 450931/2019
MOTION DATE N/A
MOTION SEQ. NO. 001

**DECISION ON PETITION FOR
ANCILLARY RECEIVERSHIP**

The following e-filed documents, listed by NYSCEF document number (Motion 001) 7, 11, 12, 13, 14
were read on this motion to/for SPECIAL PROCEEDING / RECEIVERSHIP

Upon the foregoing documents, and as stated on the record at oral argument on August 8,
2019, it is hereby

ORDERED that the Petition is granted in accordance with the annexed Order Of
Ancillary Receivership, dated August 8, 2019; and it is further

ORDERED that the proceeding shall bear the following amended caption:

_____ X

In the matter of

the Ancillary Receivership of

NORTHWESTERN NATIONAL INSURANCE COMPANY
OF MILWAUKEE, WISCONSIN.

_____ X

And it is further

ORDERED that counsel for the moving party shall serve a copy of this order with notice
of entry upon the County Clerk (60 Centre Street, Room 141B) and the Clerk of the General

Clerk's Office (60 Centre Street, Room 119), who are directed to mark the court's records to reflect the changes to the caption; and it is further

ORDERED that such service upon the County Clerk and the Clerk of the General Clerk's Office shall be made in accordance with the procedures set forth in the Protocol on Courthouse and County Clerk Procedures for Electronically Filed Cases (accessible at the "E-Filing" page on the court's website at the address (ww.nycourts.gov/supctmanh)).

This constitutes the decision and order of the court.

8/8/2019
DATE


W. FRANC PERRY, J.S.C.

CHECK ONE:

CASE DISPOSED
 GRANTED DENIED

NON-FINAL DISPOSITION

GRANTED IN PART OTHER

APPLICATION:

SETTLE ORDER
 INCLUDES TRANSFER/REASSIGN

SUBMIT ORDER
 FIDUCIARY APPOINTMENT

REFERENCE

CHECK IF APPROPRIATE:

At IAS Part 23 of the Supreme Court of the State of New York, County of New York, at the Courthouse, 80 Centre Street, in the County, City and State of New York, on the 8th day of August, 2019.

P R E S E N T :

HON. W. FRANC PERRY, III J.S.C.

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

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In the Matter of

Index No.: 450931/2019

the Application of

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

**ORDER OF ANCILLARY
RECEIVERSHIP**

NORTHWESTERN NATIONAL INSURANCE COMPANY
OF MILWAUKEE, WISCONSIN.

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Linda A. Lacewell, 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 Northwestern National Insurance Company of Milwaukee, Wisconsin (“NNIC”), and upon reading and filing the petition of the Superintendent, duly verified on the 13th day of June, 2019 (“Verified Petition”), the Affidavit of Joan L. Riddell, Deputy Chief Insurance Examiner, Property Bureau, New York State Department of Financial Services, sworn to on the 13th day of May, 2019, and the exhibits annexed thereto, this Court finds that:

1. NNIC is a property and casualty insurer domiciled in the State of Wisconsin. The company was organized in 1869 by an act of the Wisconsin legislature, and maintained its

administrative office in West Chester, Ohio, and its principal place of business in Madison, Wisconsin;

2. NNIC was licensed in the State of New York to transact the kinds of insurance specified in New York Insurance Law § 1113(a)(3) – (17) and (19) – (21);

3. By order dated May 2, 2019, the Circuit Court, Dane County, Madison, Wisconsin issued an Order for Liquidation finding NNIC to be insolvent (“Liquidation Order”) and appointing Mark Afable, Wisconsin Commissioner of Insurance, Liquidator (“Wisconsin Liquidator”) of NNIC. The Liquidation Order also, among other things, established the date that is six months from the date of entry of the Liquidation Order, which is November 2, 2019, as the bar date for the filing of claims against NNIC (“Claims Bar Date”);

4. NNIC is subject to Article 74 of the New York Insurance Law (“Insurance Law”);

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

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

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

NOW, on the motion of the Honorable Letitia James, 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 is appointed Ancillary Receiver of NNIC and is vested with all rights and obligations granted to and imposed upon her pursuant to Article 74 of the Insurance Law;

3. The material provisions of the Liquidation Order as it pertains to this ancillary receivership proceeding, including injunctions, restrictions and directions set forth in paragraphs 11, 12, 13, 14, 16 and 23 apply to this ancillary receivership proceeding;
4. In accordance with Insurance Law § 7412(a), the Claims Bar Date of November 2, 2019, established in paragraph 23 of the Liquidation Order, applies to this ancillary receivership proceeding and all New York claims under NNIC policies and evidence supporting such claims must be submitted to the Ancillary Receiver by November 2, 2019, and if not submitted by that date shall be barred;
5. All persons are permanently enjoined and restrained from commencing or prosecuting any actions, lawsuits or proceedings in the State of New York against NNIC, and all persons are permanently enjoined and restrained from commencing or prosecuting any actions, lawsuits or proceedings in the State of New York against NNIC, 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. All parties to actions, lawsuits, and special or other proceedings against insureds of NNIC or in which NNIC is obligated to defend an insured or provide a defense to a party pursuant to an insurance policy are enjoined and restrained 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 this Order;
7. Judicial immunity is extended to the Superintendent in her capacities as Ancillary Receiver of NNIC 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;
8. The Ancillary Receiver shall serve a copy of this Order on the Wisconsin Liquidator by overnight delivery to Mark A. Able, Commissioner of Insurance for the State of Wisconsin, 125 South Webster Street, Madison, WI 53703-3474, and Amy J. Malm, Special Deputy Liquidator for NNIC at the same address;
9. 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 Daily News*, 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;

- 10. NNIC's license to do business in the State of New York is hereby revoked;
- 11. The caption for this proceeding is hereby amended as follows:

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

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In the matter of

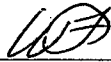
the Ancillary Receivership of

NORTHWESTERN NATIONAL INSURANCE COMPANY
OF MILWAUKEE, WISCONSIN.

-----X

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

ENTER



J.S.C.

HON. W. FRANC PERRY, III
J.S.C.