

STATE OF TEXAS AND THE	§	IN THE DISTRICT COURT OF
TEXAS DEPARTMENT OF INSURANCE	§	
	§	
v.	§	
	§	
VESTA FIRE INSURANCE CORPORATION,	§	TRAVIS COUNTY, TEXAS
SHELBY CASUALTY INSURANCE	§	
COMPANY, THE SHELBY INSURANCE	§	
COMPANY, TEXAS SELECT LLOYDS	§	
INSURANCE COMPANY, and SELECT	§	
INSURANCE SERVICES, INC.	§	126 TH JUDICIAL DISTRICT

ORDER APPROVING FINAL REPORT OF CLAIMS AND GRANTING APPLICATION TO MAKE FINAL DISTRIBUTION FOR THE SHELBY INSURANCE COMPANY

On this date, the Court considered the *Final Report of Claims and Application to Make Final Distribution as to The Shelby Insurance Company* (Application) filed by Prime Tempus, Inc., Special Deputy Receiver (SDR) of The Shelby Insurance Company (Shelby Insurance).

The Application was submitted to the Special Master appointed in this cause (Master) under the Supplemental Order of Reference to Master entered on November 8, 2006. (Order of Reference), which provides that motions filed under Texas Insurance Code §§ 443.258 and 443.352 are referred to the Master (The Texas Insurance Code shall be referred to as the Code in this order). The Master issued a report under Rule 171 of the Texas Rules of Civil Procedure, finding and recommending as follows:

1. Notice of the Application was provided under § 443.007(d) of the Code;
2. No objections to the Application were filed;
3. The Court has jurisdiction over the Application and the parties; and
4. The Application should be granted in all respects.

Having considered the pleadings, the evidence submitted, and the recommendation of the Master, the Court accepts the Master's report, and grants the Application.

IT IS, THEREFORE, ORDERED, ADJUDGED AND DECREED as follows:

1. The Application is GRANTED in all respects, including but not limited to the distributions and set-offs in the Application, the closing budget, the disallowance as de minimus of claims for less than \$20, the interest rate plan proposed by the SDR, the distribution of assets to claimants and to Vesta Fire Insurance Corporation, the transfer of non-cash assets to Vesta Fire Insurance Corporation, and the handling of Shelby Insurance's approved proof of claim against Vesta Fire Insurance Corporation. The Court admits into evidence the Affidavit of Craig A. Koenig and Exhibits A-1 through A-9 to that affidavit.

2. The final financial statements are approved;

3. The estimated expenses through the closing of the receivership under § 443.015 of the Code are approved;

4. The SDR is authorized to take the steps and incur the reasonable expenses to distribute the cash assets of the receivership and transfers as described in the Application and to make the set-offs and distributions of non-cash assets in the Application;

5. The SDR is authorized to transfer to Vesta Fire Insurance Corporation any residual funds remaining after all distributions are made, except for any funds required for closing expenses.

6. The SDR is authorized to deliver all unclaimed funds to the Commissioner. The Court finds that any distribution to a claimant for whom the Distribution Notice was returned as undeliverable, as well as the interest portion of a distribution of a claimant for whom a W-9 was requested but not returned, be deemed as unclaimed for purposes of § 443.304 of the Code;

7. The SDR is authorized to execute the transfer of assets remaining after the final distribution, including non-cash assets and records, to Vesta Fire Insurance Corporation;

8. The SDR is authorized to execute any documents for tax filings in connection with Shelby Insurance that the SDR deems necessary or appropriate.

9. The SDR's report of claims under § 443.258 of the Code is approved. No further late claims shall be accepted because those late claims would prejudice the administration of the estate;

10. The SDR may transfer any remaining records of Shelby Insurance to Vesta Fire Insurance Corporation, except such records that the Commissioner may notify the SDR that the Commissioner seeks to retain after the termination of this proceeding. Records that may be required by the Commissioner after the termination of this proceeding will be delivered to the Commissioner under § 443.354(b) of the Code. The Court authorizes the Commissioner to retain or dispose of these records at the Commissioner's discretion.

11. This order constitutes a final judgment fully resolving all issues relating to the Application.

SIGNED: _____, 2023.

JUDGE PRESIDING