

NO. D1-GN-06-002366

STATE OF TEXAS	§	IN THE DISTRICT COURT OF
	§	
v.	§	
	§	TRAVIS COUNTY, TEXAS
VESTA FIRE INSURANCE CORPORATION,	§	
VESTA INSURANCE CORPORATION,	§	
SHELBY CASUALTY INSURANCE	§	
COMPANY, THE SHELBY	§	
INSURANCE COMPANY,	§	
TEXAS SELECT LLOYDS	§	
INSURANCE COMPANY, SELECT	§	
INSURANCE SERVICES, INC., and	§	
AMERICAN FOUNDERS FINANCIAL	§	
CORPORATION	§	
<i>Defendants</i>	§	126th JUDICIAL DISTRICT

**ORDER GRANTING APPLICATION TO APPROVE FINAL REPORT OF CLAIMS
AND MAKE FINAL DISTRIBUTION AS TO AMERICAN FOUNDERS FINANCIAL
CORPORATION ONLY**

On this day the Court considered the *Application to Approve Final Report of Claims and to Make Final Distribution as to American Founders Financial Corporation Only* (Application) filed by Prime Tempus, Special Deputy Receiver (SDR) of American Founders Financial Corporation (AFFC). The Application was submitted to the Special Master appointed in this case (Master) under the Order of Reference to Master entered on June 28, 2006 (Order of Reference). The Master issued a report under Texas Rules of Civil Procedure Rule 171, which is incorporated, finding and recommending as follows:

1. The Court has jurisdiction over the subject matter of this Application under Tex. Ins. Code Chapter 443;
2. The Order of Reference provides that the subject matter of this Application is referred to the Master;
3. The Application was submitted to the Master under the Order of Reference;

4. Notice of the Application was provided under the Order of Reference;
5. The Application should be GRANTED in all respects;
6. The Court should accept the Final Report of Claims;
7. The Court should authorize the SDR to make the final distribution in the Application to increase the Class 5 approved claimants' distribution percentage from 15% to 26.914% and to incur the expenses reasonably necessary to that distribution;
8. The Court should admit into evidence the Affidavit of Craig A. Koenig supporting the Application into evidence, as well as its supporting exhibits;
9. The Court, should note that the SDR has previously entered into an agreement with the United States as to federal super-priority claims;
10. The Court should approve the form and use of the Assignment of Assets to the Insurance Commissioner (Commissioner);
11. The Court should approve the Closing Budget submitted with the Application, and authorizes the SDR to take the steps it deems appropriate to implement this Order.

IT IS THEREFORE ORDERED, ADJUSTED AND DECREED THAT:

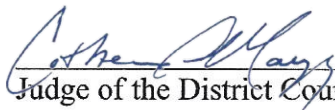
1. The Court GRANTS the Application in all respects;
2. The Court accepts the Final Report of Claims;
3. The Court authorizes the SDR to make the final distribution in the Application to increase the approved Class Five claimants' distribution percentage from 15% to 26.914% and to incur the expenses reasonably necessary to that distribution;
4. The Court approves of the assignment of AFFC assets to the Commissioner made an exhibit to the Application upon the closing of the AFFC estate. Should the Commissioner after closing receive assets sufficient to permit a further distribution to approved claimants after consideration of the cost of distribution, the Commissioner

may make such a distribution without further order of this Court, after deducting from the funds the reasonable costs of administration and expense as to each such distribution, under Tex. Ins. Code §§ 443.008 and 443.352. The Commissioner may also in the alternative seek to re-open the AFFC estate for the purpose of making distributions under Tex. Ins. Code § 443.353. If any amount so collected cannot be distributed economically, then any such funds may be deposited in accordance with Tex. Ins. Code § 443.304(c).

5. The Court admits into evidence the Affidavit of Craig A. Koenig supporting the Application, as well as its supporting exhibits. The Court approves the Closing Budget submitted with the Application and authorizes the SDR to take the steps it deems appropriate to implement this Order.

SO ORDERED.

Signed this 25th day of April, 2022.



Judge of the District Court


PROPER NOTICE GIVEN.

NO OBJECTION FILED.

SUBMITTED

RECOMMENDED

SIGNED ON 22nd DAY OF April 2022



TOM COLLINS, RECEIVERSHIP SPECIAL MASTER

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Associated Case Party: SPECIAL DEPUTY RECEIVER PRIME TEMPU INC

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