

APR -2 2018

At 12:00 P.M.
Velva L. Price, District Clerk

NO. D-1-GV-08-002766

THE STATE OF TEXAS

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IN THE DISTRICT COURT OF

v.

AUSTIN INDEMNITY LLOYDS
INSURANCE COMPANY and AUSTIN
INDEMNITY MANAGEMENT
COMPANY, LLC

TRAVIS COUNTY, TEXAS

353rd JUDICIAL DISTRICT

**ORDER APPROVING
FINAL REPORT AND APPLICATION TO APPROVE REPORT OF CLAIMS,
MAKE FINAL DISTRIBUTION AND DESTROY RECORDS**

On this day the Court considered the *Final Report and Application to Approve Report of Claims, Make Final Distribution, and Destroy Records (Application)* filed by Angenend & Augustine, P.C., as Special Deputy Receiver of Austin Indemnity Lloyds Insurance Company and Austin Indemnity Management Company, LLC (AILIC and Special Deputy Receiver, respectively). The *Application* requests an order pursuant to Tex. Ins. Code Ann. §§ 443.253, 443.258, 443.301, 443.302, and 443.354 authorizing the Special Deputy Receiver to report claims, make a final distribution of the receivership estate's assets, and dispose of or transfer any remaining records of AILIC. The Special Deputy Receiver appeared by and through its counsel. The Texas Property and Casualty Insurance Guaranty Association also appeared through its counsel of record. Although duly and timely notified of the *Application*, no one else appeared on behalf of any other party in interest.

In accordance with the *Order of Reference to Master (Master)* entered on February 2, 2009 (*Order of Reference*), the *Application* was properly submitted to the Master appointed in this cause. The Master has issued a report pursuant to Rule 171 of the Texas Rules of Civil Procedure, which is incorporated herein, finding and recommending as follows:

1. Notice of the hearing by submission on the *Application* was (i) served on parties in interest as defined in § 443.004(a)(17) and was proper, and (ii) the notice of hearing, distribution notice, and notice of closing were all proper and made in accordance with the notice requirements of Tex. Ins. Code Ann. § 443.007 and the *Order of Reference*.

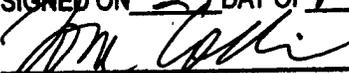
Having considered the pleadings, the evidence submitted, and the recommendation of the Master, the Court accepts the Master's report, and grants the *Application*.

It is therefore **ORDERED, ADJUDGED and DECREED** that:

1. The *Application* is approved in all respects;
2. Exhibits A, B, C, D, E, F, G, H, I, and J are admitted into evidence;
3. The facts contained in the *Application* and Exhibits A-J are admitted into evidence as *prima facie* proof of the matters asserted;
4. The Special Deputy Receiver's actions on TPCIGA's POC are approved;
5. The payment of the Class 1 administrative expenses to the Texas Commissioner of Insurance (Commissioner) in the amount of \$21,200.60 is approved;
6. The estimated closing expenses on Exhibit E are approved;
7. The Special Deputy Receiver is authorized to credit previous early access payments against a final distribution to TPCIGA's allowed Class 1 and Class 2 claims;
8. The Special Deputy Receiver is authorized to distribute the assets of the receivership estate as described in the *Application* and Exhibit F;
9. Any claim producing a distribution below \$25 is *de minimis*, and the Special Deputy Receiver is authorized not to distribute any *de minimis* distributions;

10. The Special Deputy Receiver is authorized to transfer to the Commissioner any Residual Funds remaining after all distributions are made;
11. The Special Deputy Receiver is authorized to deliver any unclaimed funds to the Commissioner, and any distribution to a claimant whose notice is returned as undeliverable is deemed unclaimed for purposes of § 443.304;
12. The Special Deputy Receiver is authorized to assign non-cash assets to the Commissioner, including but not limited to, assets and rights not known at the time of the termination of this proceeding;
13. The Special Deputy Receiver is authorized to dispose of records listed in Exhibit J;
14. The Special Deputy Receiver is authorized to transfer records to the Commissioner, and pay the Commissioner \$114 for retaining such records, and the Commissioner is authorized to retain or dispose of such records at his discretion;
15. This Order constitutes a final judgment resolving all matters relating to the *Application*; and
16. The Special Deputy Receiver is authorized to execute any documents as necessary to effectuate purposes of the *Application* and this Order.

SIGNED this 2ND day of April, 2018.

PROPER NOTICE GIVEN
ACKNOWLEDGMENT OF NOTICE AND WAIVER
OF OBJECTION PRESENTED
SUBMITTED
RECOMMENDED
SIGNED ON 27th DAY OF March 2018

TOM COLLINS, RECEIVERSHIP SPECIAL MASTER


TIM SULAK
DISTRICT JUDGE PRESIDING