

NO. D-1-GV-08-000050

<b>STATE OF TEXAS,</b>	§	<b>IN THE DISTRICT COURT OF</b>
<b>Plaintiff</b>	§	
	§	
vs.	§	<b>TRAVIS COUNTY, TEXAS</b>
	§	
<b>WEBB COUNTY TITLE</b>	§	
<b>&amp; ABSTRACT COMPANY, INC.,</b>	§	
<b>Defendant</b>	§	<b>201st JUDICIAL DISTRICT</b>

**FINAL ACCOUNTING AND APPLICATION TO TERMINATE LIQUIDATION  
PROCEEDING AND DISCHARGE RECEIVER AND SPECIAL DEPUTY RECEIVER**

TO THE HONORABLE JUDGE OF THIS COURT

CANTILO & BENNETT, L.L.P., solely in its capacity as Special Deputy Receiver (“SDR”) of Webb County Title & Abstract Company, Inc. (“WCTA”), files this *Final Accounting and Application to Terminate Liquidation Proceeding and Discharge Receiver and Special Deputy Receiver* (the “Application”), and in support respectfully shows the Court as follows:

**I. INTRODUCTION**

On December 30, 2011, this Court entered its *Order Approving Special Deputy Receiver’s Final Report and Application to Make Final Distribution* (“Order Approving Final Report”). The Order Approving Final Report authorized the SDR to disburse all remaining funds, assign remaining claims held by WCTA, transfer or destroy remaining records of WCTA, abandon WCTA’s license, and execute and file a final tax return. The order directed the SDR to file a final accounting and expense report upon its completion of these activities.

The SDR has completed the requirements of the Order Approving Final Report, and hereby submits its final accounting. The SDR requests that the Court terminate this proceeding, and discharge the Receiver and the SDR.

## II. AUTHORITY

### Statutory Authority

This Application is filed pursuant to TEX. INS. CODE § 443.352, which provides for the termination of the receivership proceeding. The SDR is authorized to file this Application pursuant to TEX. INS. CODE § 443.154 (a), which vests the SDR with the Receiver's authority. Unless otherwise indicated, all statutory references herein are to the Texas Insurance Code.

### Reference to Master

The subject matter of the Application has been referred to the Special Master appointed in this proceeding in accordance with the *Order to Reference to Master* entered on April 10, 2008.

## III. FINAL ACCOUNTING

### Expenses

The Order Approving Final Report approved a reserve of \$65,505.19 for the payment of estimated expenses through the termination of this proceeding. The actual expenses of the SDR and the Receiver through March 16, 2012 were \$69,000.50. Attached as Exhibit A is the Final Statement of Expenses submitted pursuant to § 443.015.

### APF Loan

As WCTA's general assets were insufficient to pay the expenses of the receivership, loans totaling \$621,590.00 were provided to the receivership by the Abandoned Property Fund in accordance with former art. 21.28 §8(j) (the "APF Loan").

### Disbursal of Funds

WCTA's general assets, totaling \$1,140,967, were expended to pay the expenses of the receivership. No general assets were available for distribution to creditors. The unexpended portion of the APF Loan totaling \$187,609 was returned to the Commissioner of Insurance ("Commissioner") for deposit in the Abandoned Property Fund.

### Final Financial Statements

Attached hereto are the following final financial statements, which are incorporated by reference:

- a) Statement of Net Assets and Statement of Net Liabilities (Exhibits B-1 and B-2, respectively); and
- b) Sources and Uses of Cash (Exhibit C).

## **IV. ASSIGNMENTS**

### Assignments to Commissioner and TTIGA

In accordance with the Order Approving Final Report, the SDR executed assignments of all of WCTA's remaining rights. Certain causes of action were assigned to the Texas Title Insurance Guaranty Association ("TTIGA"), and WCTA's other rights were assigned to the Commissioner. Copies of the assignments are attached as Exhibits D and E.

### Liquidation and Disposition of Assigned Assets

Any expenses incurred to collect any assigned assets will be paid from the amount of the recovery. The net recovery will be distributed to TTIGA for its Class 1 claim for expenses incurred in the WCTA receivership, and to the Commissioner for the Class 1 APF Loan, in accordance with § 443.301. Any net recovery in excess of the Class 1 claims will be distributed to TTIGA up to the amount of its Class 2 claim. If the net recovery exceeds the Class 2 claim, the remainder will be transferred to the Commissioner for disposition under § 443.353.

## **V. RECORDS**

### Transfer of Records

In accordance with the Order Approving Final Report, the SDR has transferred title to certain records of WCTA to Fidelity National Title Company, TTIGA and the Commissioner.

### Disposal of Records

The SDR has disposed of WCTA's records that were not transferred to Fidelity National Title Company, TTIGA and the Commissioner, as authorized by the Order Approving Final Report.

## **VI. FEDERAL INCOME TAX RETURNS**

The SDR has filed a final federal tax return for WCTA. No federal taxes are owed by the receivership estate.

## **VII. LICENSE AND CHARTER**

### Abandonment of License

The license of WCTA has no value to the receivership estate. Pursuant to § 443.154 (y)(3), the SDR requests authority to abandon WCTA's license, and surrender it to the Texas Department of Insurance in accordance with § 2651.201 (a).

### Dissolution of Charter

The SDR requests this Court to dissolve WCTA's charter pursuant to § 443.153 (e).

## **VIII. AUTOMATIC STAY**

### Expiration of Stay

In accordance with § 443.008 (f), the stay of actions against WCTA provided under § 443.008 (c) continues until the termination of this proceeding. Upon the entry of a final order terminating this proceeding, the stay of actions against WCTA will expire by operation of law.

### Exclusions

Pursuant to § 443.001 (b), the stay and the injunctions entered by this Court shall not be construed as a limitation of the Commissioner's powers regarding WCTA, including but not limited to actions against any licenses issued to WCTA, or those acting on its behalf.

## Immunity

Section 443.014 grants immunity to the Receiver, the SDR and other assistants and contractors, both present and former. The termination of this proceeding and the automatic stay does not terminate the immunity available under this provision.

## **IX. DISCHARGE AND TERMINATION**

The SDR requests this Court to issue an order pursuant to § 443.352 terminating this proceeding, discharging the Receiver and SDR.

## **X. OFFER OF PROOF**

Attached hereto is a certificate submitted under § 443.017, authenticating the exhibits submitted herewith, which are incorporated herein by reference.

## **XI. NOTICE**

In accordance with § 443.007(d) and the *Order of Reference to Master*, this Application has been served on parties that have filed an appearance in this proceeding and other parties as determined by the SDR as shown on the Certificate of Service 14 days prior to the submission date of the Application. Pursuant to the *Order Granting SDR's Application to Use Electronic Service of Pleadings and Notices*, all pleadings filed in response to this Application or in regards to this estate shall be served by electronic mail on the undersigned counsel and all parties shown in the attached Certificate of Service.

WHEREFORE, PREMISES CONSIDERED, the SDR prays that this Court grant this Application and enter an order:

1. Accepting in all respects the SDR's Final Accounting;
2. Approving in all respects the SDR's *Application to Terminate Liquidation Proceeding and Discharge Receiver and Special Deputy Receiver*;
3. Discharging the Receiver and the SDR from their duties;

4. Terminating this proceeding; and,
5. Granting the Receiver and the SDR such other and further relief to which they may be entitled.

Respectfully submitted,

By: Christopher Fuller  
Christopher Fuller

Texas Bar No. 07515500  
4612 Ridge Oak Drive  
Austin, Texas 78731  
Tel. (512) 470-9544  
Fax. (512) 374-0957  
[cfuller@fullerlaw.org](mailto:cfuller@fullerlaw.org)

Attorney for CANTILO & BENNETT, L.L.P., solely in  
its capacity as Special Deputy Receiver of Webb  
County Title & Abstract Company, Inc., in  
Liquidation

**CERTIFICATE OF SERVICE**

I certify that on March 31, 2012, a true and correct copy of this Application was served pursuant to the provisions of the *Order of Reference*, the *Order Granting SDR's Application to Use Electronic Service of Pleadings and Notices*, the Texas Rules of Civil Procedure and TEX. INS. CODE §443.007(d) on the following by electronic mail, except as specifically noted.

Christopher Fuller  
Christopher Fuller

Tom Collins, Special Master  
c/o Ms. Jean Sustaita  
P.O. Box 149104  
Mail Code 305-1D  
Austin, TX 78701  
Jean.Sustaita@tdi.state.tx.us

Kurt L. Lyn  
Attorney for Xerox  
Lam, Lyn, Robinson & Philip, P.C.  
3555 Timmons Lane, Ste. 790  
Houston, TX 77027  
Fax: 713-772-7085  
klyn@llrplaw.com

H.C. Hall III  
Attorney for Riverol claimants  
Hall, Quintanilla & Alarcon  
P.O. Box 207  
Laredo, TX 78042  
Fax: 956-723-8168  
Tel: 956-723-5527  
hchall@sbcglobal.net

Albert F. Muller, III  
Attorney for A. F. Muller Company & La Bota Development Co, Inc.  
6911 Chevy Chase Drive  
Sugarland, TX 77479  
Fax: 281-602-4079  
albertmuller@comcast.net

Mr. John Villarreal  
International Bank of Commerce  
P.O. Drawer 1359

Laredo, TX 78042-1359  
[john\\_villarreal@iboc.com](mailto:john_villarreal@iboc.com)

Jon D. Lowe  
Michael Colvard  
Attorney for IBC Bank  
Martin & Drought, P.C.  
300 Convent St., 25th Floor  
San Antonio, TX 78205  
[jlowe@mdtlaw.com](mailto:jlowe@mdtlaw.com)  
mcolvard@mdtlaw.com

D. Ronald Reneker  
Attorney for Fidelity National Title Insurance Company  
Munsch, Hardt, Kopf & Harr, P.C.  
3800 Lincoln Plaza  
500 N Akard Street  
Dallas, TX 75201-6659  
Fax: 214-978-4384  
rreneker@munsch.com

Ricardo de Anda  
Attorney for City of Laredo  
Plaza de San Agustin  
212 Flores Ave.  
Laredo, TX 78040  
Fax: 956-726-0030  
arceliap@gmail.com

R. Christopher Clark  
Glast, Phillips & Murray, P.C.  
219 E. Houston Street, Suite 400  
San Antonio, TX 78205  
Fax: 210-244-4199  
ccclark@gpm-law.com

Carl Barto  
Attorney for Raquel Gonzalez  
Law Offices of Carl M. Barto  
611 Hidalgo  
Laredo, TX 78040  
Fax: 956-722-6739  
cmblaw@netscorp.net

Javier Montemayor  
1814 Victoria Street  
Laredo, TX 78040  
lawjm@sbcglobal.net

Burnie Burner  
Texas Title Insurance Guaranty Association  
Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.  
P.O. Box 2212  
106 E. Sixth Street, Suite 300  
Austin, TX 78768-2212  
bburner@mws gw.com

CNA Surety/ Western Surety Company  
Leann Niebuhr  
P.O. Box 5077  
Sioux Falls, SD 57117-5077  
lea.niebuhr@cna surety.com

Jenny Jackson  
Assistant Attorney General  
Financial Litigation Division  
P.O. Box 12548  
Austin, TX 78711-2548  
jennifer.jackson@oag.state.tx.us

Alamo Title Insurance  
ATTN: Betsy Thompson  
10010 San Pedro, Suite 440  
San Antonio, TX 78216  
Tel: 800-292-5320  
betsy.thompson@fnf.com

United General Title Insurance Company  
ATTN: Sally Vettters  
13750 San Pedro, Suite 715  
San Antonio, TX 78232  
Fax: 800 -204-6614  
svettters@ugtic.com

Laredo FBI Field Office  
ATTN: Aaron Ackland  
109 Shiloh Drive, Suite 430  
Laredo, TX 78045  
aaron.ackland@ic.fbi.gov

Webb County District Attorney  
ATTN: Veronica Molina  
110 Victoria St. Suite 401  
Laredo, TX 78040  
Tel: 956-523-4900

Roy Ibanez  
Attorney for Patricia Garcia  
Law Firm of Roy Ibanez  
1410 Dove  
McAllen, TX 78504  
ribanez@ribanez.com

Ilyse Lerner  
Attorney for Continental Homes of Texas, LP  
Armbrust & Brown, LLP  
100 Congress Avenue, Suite 1300  
Austin, TX 78701  
ilerner@abaustin.com

Daniel Meyers  
1776 Powder Mill Road  
Silver Spring, MD 20903  
Fax: 301-434-0157  
danielmeyers@verizon.net

Internal Revenue Service  
P.O. Box 145595, MC 8420G  
Cincinnati, OH 45250-5595

James Lee, Jr.  
Attorney for General Electric  
919 Congress, Suite 1300  
Austin, TX 78701  
info@mcginnislaw.com

Kenneth A. Valls  
Wilson, Trevino, Freed, Valls & Trevino, L.L.P.  
600 San Bernardo, Suite 800  
Laredo, TX 78040  
kennyvalls@wtfcv.com

Richard Haynes  
Wilson, Trevino, Freed, Valls & Trevino, L.L.P.  
600 San Bernardo, Suite 800  
Laredo, TX 78040  
dickyhaynes@wtfcv.com

Anthony C. McGettric  
Assistant City Attorney  
City of Laredo  
1110 Houston  
Laredo, TX 78040  
Tel: 956-791-7318

Fax: 956-791-7494  
amcgettric@ci.laredo.tx.us

Webb County Tax Collector  
1110 Victoria St., Suite 107  
P.O. Box 420128  
Laredo, TX 78042

L.I.S.D. Tax Office  
820 Main Ave.  
Laredo, TX 78040

Texas Workforce Commission  
Regulatory Enforcement Division  
101 E. 15<sup>th</sup> Street  
Austin, TX 78778-0001

Angel Garrett  
Texas Department of Insurance  
Financial/Rehabilitation & Liquidation Oversight Division  
333 Guadalupe, Mail Code 305-1D  
Austin, TX 78701  
[Angel.Garrett@tdi.state.tx.us](mailto:Angel.Garrett@tdi.state.tx.us)

James Kennedy  
Texas Department of Insurance  
Financial/Rehabilitation & Liquidation Oversight Division  
333 Guadalupe Mail, Code 305-1D  
Austin, TX 78701  
[James.Kennedy@tdi.state.tx.us](mailto:James.Kennedy@tdi.state.tx.us)

Leanne Layne  
Texas Department of Insurance  
Financial/Rehabilitation & Liquidation Oversight Division  
333 Guadalupe, Mail Code 305-1D  
Austin, TX 78701  
[Leanne.Layne@tdi.state.tx.us](mailto:Leanne.Layne@tdi.state.tx.us)

John Walker  
Texas Department of Insurance  
Financial/Rehabilitation & Liquidation Oversight Division  
333 Guadalupe, Mail Code 305-1D  
Austin, TX 78701  
[John.Walker@tdi.state.tx.us](mailto:John.Walker@tdi.state.tx.us)

Susan E.Salch  
Cantilo & Bennett, L.L.P.

Special Deputy Receiver  
11401 Century Oaks Terrace, Ste. 300  
Austin, TX 78758  
[sesalch@cb-firm.com](mailto:sesalch@cb-firm.com)

Jo Ann Howard  
Jo Ann Howard & Associates, P.C.  
P.O. Box 160130  
Austin, TX 78716  
[iamanrd3@aol.com](mailto:iamanrd3@aol.com)

## SPECIAL DEPUTY RECEIVER'S NOTICE OF SUBMISSION

Pursuant to the terms of the Amended Order of Reference to Master entered by the District Court in this cause, the *Final Accounting and Application to Terminate Liquidation Proceeding and Discharge Receiver and Special Deputy Receiver* is hereby set for written submission before the Special Master, Tom Collins, on April 23, 2012.

The Special Master has asked that the following rules be provided you:

1. Any objection must be filed with the Travis County District Clerk at least three (3) calendar days before the submission date.
2. A copy of any objection shall be served by email by such date on:
  - (a) The Special Master's Docket Clerk, Ms. Jean Sustaita, at [Jean.Sustaita@tdi.state.tx.us](mailto:Jean.Sustaita@tdi.state.tx.us).
  - (b) All interested parties by email, including the undersigned counsel, Christopher Fuller at [cfuller@fullerlaw.org](mailto:cfuller@fullerlaw.org) and those listed on the Applicant's Certificate of Service.
3. The objecting party shall coordinate with opposing counsel and the Docket Clerk at (512) 463-6450 to obtain an oral hearing setting for argument on the Application and Objection, and complete and attach an "Objecting Party's Notice of Oral Hearing" to the objection.
4. The written objection must specifically list all reasons for objection with supporting references to and discussion of statutory and case authorities. Reasons not stated in writing will not be considered orally.
5. Failure to file timely a written objection before the Special Master constitutes a waiver of the right to object to the Special Master's recommendation to the District Court.
6. Any Acknowledgment of Notice and Waiver to be filed by the Guaranty Association or other interested party should be filed at least (3) calendar days before the submission or hearing date.

Christopher Fuller  
Christopher Fuller

**R-536 Webb County Title & Abstract Company, Inc.  
Final Statement of Expenses**

	<b>Actual November</b>	<b>Actual December</b>	<b>Actual January</b>	<b>Actual February</b>	<b>Actual March</b>	<b>Actual Total</b>
SDR	10,428.00	5,610.00	3,210.00	4,680.00	3,510.00	27,438.00
SDR Expenses	3.28	5.04	6.52	11.80	134.61	161.25
Legal	1,907.50	2,845.50	1,086.50	875.00	1,347.50	8,062.00
Legal Expenses		12.62	37.50	125.00		175.12
Accounting	2,523.72	1,080.00	363.00	246.00	1,353.00	5,565.72
Accounting Expenses		12.33	8.18	9.49	11.35	41.35
Tax Accounting			1250			1,250.00
Claims/Records	5,633.00	64.00	90.00	231.50		6,018.50
IT	78.71					78.71
TDI Allocation Billing	19,188.85	87.00				19,275.85
TSL Record Storage						0.00
Record Storage		218.00	110.50	110.50	50.00	489.00
Record Disposal					445.00	445.00
Ship GFs to LTUSA						0.00
Purchase Closing Boxes						0.00
<b>Total By Month:</b>	<b>39,763.06</b>	<b>9,934.49</b>	<b>6,162.20</b>	<b>6,289.29</b>	<b>6,851.46</b>	<b>69,000.50</b>

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**WEBB COUNTY TITLE & ABSTRACT CO.,INC**  
**Statement of Net Assets**

**Final Accounting**

**ASSETS**

**Current Assets**

**Checking/Savings**

**1000 · CASH ASSETS - RECEIVERSHIP**

**1010 · SDR OPERATING ACCT - FROST 3745** -

**1015 · TREASY SAFEKP'G ACCT - APF 2885** -

**1040 · TREASURY ACCT 3003** -

**Total 1000 · CASH ASSETS - RECEIVERSHIP** -

**TOTAL ASSETS** -

**NOTES**

Ref No.

R-536

WEBB COUNTY TITLE & ABSTRACT CO.,INC  
Statement of Net Liabilities

Final Accounting

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

1900 · CLASS I ADMIN CLAIMS PAYABLES	
1905 · SDR FEES AND EXPENSES	-
1910 · SDR LEGAL SUBCONTRACTORS	-
1925 · SDR CLAIMS SUBCONTRACTOR	-
1930 · SDR ACCOUNTING SUBCONTRACTOR	-
1940 · SDR IT CONSULTING SUBCONTRACTOR	-
Total 1900 · CLASS I ADMIN CLAIMS PAYABLES	<u>-</u>

2000 · CLASS I PAYABLES - OTHER

2010 · TDI RECEIVER'S FEES	-
2030 · Administrative Claims - TTIGA	401,388

Total 2000 · CLASS I PAYABLES - OTHER	<u>401,388</u>
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Total Accounts Payable	401,388
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Other Current Liabilities

2100 · CLASS I ADMIN CLAIMS UNSECURED	
2110 · ADMIN CLAIMS - ABAN PROP FUND	433,986
Total 2100 · CLASS I ADMIN CLAIMS UNSECURED	<u>433,986</u>

2300 · Loss Claims-Guar Assoc CI II

2302 · Loss Reserves	-
2301 · Loss Claims Paid	377,795

Total 2300 · Loss Claims-Guar Assoc CI II	<u>377,795</u>
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2500 · CLASS III PAYABLES

2510 · FEDERAL GOVT CLAIMS	
2511 · PAYROLL LIABILITIES IN ARREARS	
2512 · PAYROLL LIAB - TAXES	156,638
2513 · PAYROLL LIAB - PENALTIES	82,390
2514 · PAYROLL LIAB - INTEREST	35,374

Total 2511 · PAYROLL LIABILITIES IN ARREARS	<u>274,402</u>
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Total 2510 · FEDERAL GOVT CLAIMS	274,402
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2520 · PAYROLLTAXES PAYABLE	
2521 · FICA/MEDICARE PAYABLE	1,735

Total 2520 · PAYROLLTAXES PAYABLE	<u>1,735</u>
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Total 2500 · CLASS III PAYABLES	276,137
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2600 · CLASS V PAYABLES

2610 · GENERAL CREDITORS	297,743
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2630 · CITY & STATE TAXES PAYABLE	
2631 · COUNTY TAXES PAYABLE	33,022
2632 · CITY TAXES PAYABLE	28,474
2633 · CITY TAXES PAYABLE (OTHER ISD)	66,660

Total 2630 · CITY & STATE TAXES PAYABLE	<u>128,156</u>
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Total 2600 · CLASS V PAYABLES	<u>425,899</u>
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Total Liabilities	<u>1,915,205</u>
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Equity

3800 · Unassigned Funds	(1,915,205)
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Total Equity	<u>(1,915,205)</u>
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TOTAL LIABILITIES & EQUITY	<u><u>0</u></u>
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R-536

## WEBB COUNTY TITLE &amp; ABSTRACT CO, INC- INRECEIVERSHIP

## Sources &amp; Uses of Cash

## From Inception to Closing of Receivership

Total  
Sources  
& Uses

Line		Total Sources & Uses
<b>Income</b>		
1	Settlements	50,889
2	Proceeds from Sale of Real Property or Personal Property	1,228,235
3	Other Receipts	
	Abandoned Property Fund Loan Proceeds	621,590
	Surety Bond Receipts	168,080
	Rental Income	128,325
	Escrow Receipts	5,441
	Insurance Refund-Water Damage	11,504
	Insurance Refund-Other	2,596
	Unclaimed Property Fund Reimb	3,269
	File Storage Reimbursement	4,074
	Miscellaneous Other	3,247
4	<b>Total Operational Receipts</b>	<b>2,227,250</b>
5	Interest & Dividend Receipts	827
6	<b>Total Cash Receipts from Investment Activities</b>	<b>827</b>
7	<b>Total Cash Receipts</b>	<b>2,228,077</b>
<b>Operational Expenses</b>		
8	Deputy Receiver & Consulting Fees & Expenses	617,410
9	Employee Salaries, P/R Taxes & Employee Benefits	113,468
10	Rent, Office & Other Facility Expenses	176,238
11	Legal Fees & Expenses	165,004
12	Accounting & Auditing Fees & Expenses	111,961
13	SGA - Administration Expenses other than LAE	30,310
14	Ancillary Administration Expenses	74,173
15	Less: TTIGA Cost Sharing Reimbursements	(147,597)
16	<b>Total Operational Disbursements</b>	<b>1,140,967</b>
<b>Repayment of APF Loan</b>		
17	Repayment of APF Loan	187,609
18	<b>Total Repayment of APF Loan</b>	<b>187,609</b>
<b>Secured Claims Paid</b>		
19	Secured Claims Paid	902,500
20	<b>Total Secured Claims Paid</b>	<b>902,500</b>
21	<b>Total Cash Disbursements</b>	<b>2,231,076</b>
22	<b>Net Increase(Decrease) in Cash</b>	<b>(2,999)</b>
23	<b>Cash at Beginning of Period-1/11/2008</b>	<b>2,999</b>
24	<b>Cash at End of Period-3/16/2012</b>	<b>0</b>

## ASSIGNMENT

STATE OF TEXAS           §  
   §  
 COUNTY OF TRAVIS       §

CANTILO & BENNETT, L.L.P., solely in its capacity as Special Deputy Receiver of Webb County Title & Abstract Company, Inc., in Liquidation (the “SDR” and “WCTA,” respectively), for value received, the sufficiency and validity of which is hereby acknowledged, by means of this instrument grants and conveys to the Texas Title Insurance Guaranty Association (“TTIGA”) all of WCTA’s claims and causes of action against Edward Lee “Eddie” Hinojosa (“Hinojosa”), including all community claims, and claims against his successors and assigns, and including but not limited to any claims for conversion or fraud. This Assignment (the “Assignment”) specifically includes all rights, title and interest in all claims, potential claims, suits, demands, causes of action, charges or grievances of any kind or character, regardless of the nature or extent, held by WCTA, whether arising in tort, contract, by statute or otherwise, and including claims for breach of fiduciary duty. The parties agree that TTIGA shall have no duty to prosecute any of the claims assigned hereunder, and that TTIGA shall proceed with respect to such claims only as TTIGA, in its sole discretion, deems appropriate. The parties further agree that any money recovered by TTIGA as a result of this Assignment shall be apportioned as follows:

1. First, to pay for any expenses, including attorney’s fees, incurred by TTIGA in collecting such sums of money;
2. Second, once such expenses are satisfied, to reimburse TTIGA for its Class 1 claim for expenses incurred in the WTCA receivership, and the Commissioner of Insurance for the Class 1 claim for the loan by the Abandoned Property Fund to the WTCA receivership, in proportion to such Class 1 claims; and
3. Finally, to pay TTIGA’s Class 2 claim for payments of escrow claims against the WCTA estate. If the net recovery exceeds TTIGA’s Class 2 claim, the remainder will be transferred to the Commissioner of Insurance for disposition under TEX. INS. CODE § 443.353.

This Assignment is made subject to the following terms:

1. **NO WARRANTY OR GUARANTY.** The SDR makes this assignment without any warranty, express, implied, or statutory, and without any guarantees.
2. **NO SETTLEMENT BY ASSIGNOR.** The SDR has not settled, and will not settle or compromise, any of its claims against Hinojosa, or give Hinojosa any release or discharge of liability, without the express written consent of TTIGA.
3. **NO LIABILITIES TO THIRD PARTIES.** TTIGA accepts no liabilities to third parties under this Assignment. The SDR accepts no liabilities to third parties under this Assignment

4. **NO INDEMNIFICATION.** TTIGA does not indemnify or hold harmless the SDR for any liabilities whatsoever as a result of this Assignment. The SDR does not indemnify or hold harmless TTIGA for any liabilities whatsoever as a result of this Assignment.

5. **BINDING EFFECT.** This Agreement, and all of its terms and conditions, is binding on the SDR and its successors and assigns, and on TTIGA and its successors and assigns.

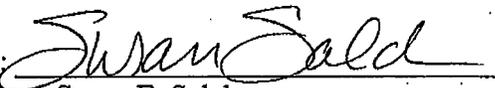
6. **COOPERATION.** The Parties further agree to perform any further acts and execute any documents that may be reasonably necessary to carry out this Assignment, including, specifically, but not limited to, any additional filing required to be made in the Receivership Court.

7. **SDR'S IMMUNITIES.** Nothing in this Assignment or any related proceeding or filing shall affect, in any way, the SDR's immunities from suit and shall not give rise to any right to sue or create any causes of action against the SDR other than a cause of action by TTIGA to enforce the terms of this Agreement.

8. **JURISDICTION AND VENUE.** This Assignment is made and entered into in the State of Texas, and shall in all respects be interpreted, enforced and governed under the laws of the State of Texas. The Parties hereto agree that sole and exclusive venue and jurisdiction for any disputes relating to or arising out of this Assignment will be solely in the Receivership Court, the 201st District Court of Travis County, Texas.

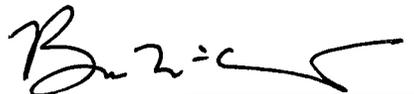
EXECUTED ON THIS 23<sup>rd</sup> DAY OF FEBRUARY, 2012.

**SPECIAL DEPUTY RECEIVER OF WEBB  
COUNTY TITLE & ABSTRACT COMPANY, INC.**

By: 

Susan E. Salch  
CANTILO & BENNETT, L.L.P.  
Solely in its capacity as Special Deputy Receiver of  
Webb County Title & Abstract Company, Inc.  
11401 Century Oaks Terrace, Suite 300  
Austin, Texas 78758

**TEXAS TITLE INSURANCE GUARANTY ASSOCIATION**

By: 

Bruce McCandless III  
Attorney for TTIGA  
Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.  
106 East Sixth Street, Suite 300  
Austin, Texas 78701

**ASSIGNMENT**

This Assignment is made by CANTILO & BENNETT, L.L.P., solely in its capacity as Special Deputy Receiver ("SDR") of Webb County Title & Abstract Company, Inc., in Liquidation ("WCTA") to Eleanor Kitzman, the Commissioner of Insurance for the State of Texas (hereinafter referred to as the "Commissioner").

Whereas, WCTA was placed into permanent receivership under the Insurer Receivership Act, TEX. INS. CODE Chapter 443 on January 11, 2008, and CANTILO & BENNETT, L.L.P., was appointed as Special Deputy Receiver through a Notice of Designation of Special Deputy Receiver filed on May 2, 2008;

Whereas, the SDR has filed its Final Report and Application to Make Final Distribution (the "Application") and its Supplement to Final Report and Application to Make Final Distribution (the "Supplement") which was approved by the Receivership Court on December 30, 2011;

Whereas the SDR does not believe it is in the best interests of the creditors and the estate to keep the estate open to attempt to liquidate any remaining assets, including those which had been written off the estate's Statement of Assets;

Whereas, the Texas Title Insurance Guaranty Association ("TTIGA") offered to accept the assignment of all claims and causes of action against Edward Lee "Eddie" Hinojosa, including all community claims and claims against his successors and assigns, and said assignment was approved by the Receivership Court's order dated December 30, 2011, an assignment of those claims and causes of action was executed by and between the SDR and TTIGA on February 23, 2012;

Whereas, the SDR desires to assign to the Commissioner any and all remaining assets, whether known or unknown, whether written off the estate's Statement of Assets or not; and whether or not specifically identified in this Assignment.

In consideration for good and valuable consideration, the receipt and validity of which is hereby acknowledged, the SDR agrees to and hereby does convey all of its right, title, and interest in any and all remaining assets, whether known or unknown, to the Commissioner and further assigns to the Commissioner all right, title, and interest in all claims, potential claims, suits, demands, causes of action, charges, or grievances of any kind or character, regardless of the nature or extent held by the SDR whether arising in tort, contract, by statute or otherwise, and including claims for breach of fiduciary duty. With the exception of the claims and causes of action against Edward Hinojosa assigned to TTIGA as described herein, it is the intent of the parties to this Assignment to convey all legal and equitable rights held by the SDR, whether or not specifically identified herein, to the Commissioner.

This Assignment shall not waive, release, or otherwise affect any liabilities or obligations either party has to the other party. This Assignment shall not be effective until it is approved by the Receivership Court.

This Assignment constitutes the entire agreement of the parties, and the parties expressly agree that the terms of this Assignment supersedes any other contract, agreement, or understanding between them with respect to the subject matter of this Assignment.

The laws of the State of Texas govern this Assignment. Venue and jurisdiction for any actions to enforce this Assignment shall be in Travis County, Texas.

By:   
Susan Salch, Partner on behalf of  
CANTILO & BENNETT, L.L.P., solely in its  
capacity as the Special Deputy Receiver of  
Webb County Title & Abstract Company, Inc.

3-6-2012

**SPECIAL DEPUTY RECEIVER'S CERTIFICATION  
PURSUANT TO TEXAS INSURANCE CODE ANNOTATED §443.017(b)  
AFFIDAVIT OF SUSAN E. SALCH**

State of Texas

County of Travis

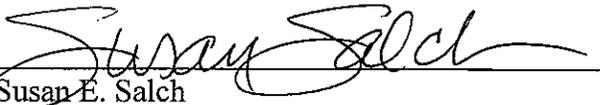
BEFORE ME, the undersigned authority appeared Susan Salch, who after being by me duly sworn, stated the following under oath:

1. My name is Susan E. Salch. I am competent to make this affidavit. The statements of fact set forth herein are true and correct, and are within my personal knowledge.

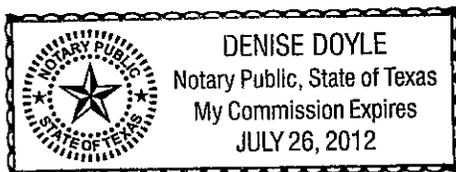
2. I am a partner in CANTILO & BENNETT, L.L.P., the Special Deputy Receiver of Webb County Title & Abstract Company, Inc. I am duly authorized to make this Certification and Affidavit on behalf of the SDR.

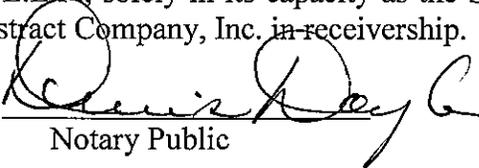
3. I certify that the exhibits, books, accounts, records, papers, correspondence, and/or other records and documents attached hereto were produced pursuant to TEX. INS. CODE ANN. §443.017(b), are true and correct copies of records created by and filed with the Receiver's office in connection with the receivership of this delinquent insurer, and are held by the Special Deputy Receiver in its official capacity.

4. Further affiant sayeth not.

By:   
Susan E. Salch

**SUBSCRIBED AND SWORN TO BEFORE ME** on March 22, 2012, by Susan E. Salch, on behalf of CANTILO & BENNETT, L.L.P., solely in its capacity as the Special Deputy Receiver of Webb County Title & Abstract Company, Inc. in receivership.



  
Notary Public

**NO. D-1-GV-08-000050**

**STATE OF TEXAS,  
Plaintiff**

vs.

**WEBB COUNTY TITLE  
& ABSTRACT COMPANY, INC.,  
Defendant**

§  
§  
§  
§  
§  
§  
§

**IN THE DISTRICT COURT OF**

**TRAVIS COUNTY, TEXAS**

**201st JUDICIAL DISTRICT**

**ORDER APPROVING FINAL ACCOUNTING AND APPLICATION TO TERMINATE  
WEBB COUNTY TITLE & ABSTRACT COMPANY, INC., PROCEEDING  
AND DISCHARGE RECEIVER AND SPECIAL DEPUTY RECEIVER**

On the undersigned day, the Court considered the *Final Accounting and Application to Terminate Webb County Title & Abstract Company, Inc., Proceeding and Discharge Receiver and Special Deputy Receiver* (the “Application”) filed by CANTILO & BENNETT, L.L.P., solely in its capacity as the Special Deputy Receiver (“SDR”) of Webb County Title & Abstract Company, Inc. (“WCTA”), After considering the Application, the evidence submitted, and the recommendation of the Special Master appointed in this proceeding (the “Master”), the Court finds as follows:

1. The *Order of Reference to Master* (the “Order of Reference”) provides that the Application is referred to the Master;
2. The Application was submitted to the Master in accordance with the Order of Reference;
3. The Texas Title Insurance Guaranty Association (“TTIGA”) filed its Acknowledgment and Waiver to the Application;
4. Notice of the Application was provided in accordance with TEX. INS. CODE §443.007 (d) and the Order of Reference, and no objections to the Application were filed;
5. The Master has issued a recommendation that the Application should be granted pursuant to Rule 171 of the Texas Rules of Civil Procedure;

6. The Court has jurisdiction over the Application and the parties in interest; and
7. The Application should be GRANTED in all respects.

IT IS THEREFORE ORDERED ADJUDGED AND DECREED that:

1. The Application is GRANTED in all respects.
2. The SDR's Final Accounting is accepted in all respects.
3. The Commissioner of Insurance is discharged as Receiver of WCTA, and is released from any further obligations.
4. CANTILO & BENNETT, L.L.P., is discharged as Special Deputy Receiver of WCTA, and is released from any further obligations in connection with the WCTA receivership.
5. The WCTA delinquency proceeding is terminated.
6. The WCTA Charter is dissolved and deemed cancelled as a matter of law without further action pursuant to TEX. INS. CODE § 443.153 (e).
7. Pursuant to TEX. INS. CODE § 443.008 (f), the stay of actions against WCTA under TEX. INS. CODE § 443.008 (c) expires by operation of law upon the entry of this order.
8. The Receiver and the SDR are authorized to take any actions and execute any documents as may be necessary to effectuate this Order.
9. The termination of this proceeding does not terminate the immunities available to the Receiver, the SDR, and their assistants and contractors under TEX. INS. CODE § 443.014 (b).
10. This Order is not intended to and shall not create any third party beneficiaries.
11. This Order constitutes a final judgment fully resolving all issues relating to the Application, provided that this Court shall retain jurisdiction to issue further orders pursuant to TEX. INS. CODE Chapter 443.

12. This Court retains exclusive jurisdiction to enforce the provisions of this Order and the rights and duties of the parties hereunder or any issues relating to this Order.

Signed the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

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PRESIDING JUDGE