

Cause No. D-1-GV-03-02700

THE STATE OF TEXAS	§	IN THE DISTRICT COURT
	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
GOOD SAMARITAN LIFE INSURANCE COMPANY	§	345th JUDICIAL DISTRICT

**NOTICE OF SUBMISSION OF APPLICATION TO TERMINATE RECEIVERSHIP
PROCEEDING AND DISCHARGE RECEIVER**

In accordance with the Amended Order of Reference to Master ("Order of Reference") entered in this cause, the Application to Terminate Receivership Proceeding and Discharge Receiver is set for submission before the Special Master, Tom Collins, ("Master") on Monday, October 28, 2024. Pursuant to TEX. INS. CODE § 443.007 (e) and TEX. R. CIV. P. 171, the Order of Reference has established the following rules:

1. The Master may consider the Application by written submission or oral hearing.
2. If no objection is filed in compliance with the Order of Reference, the Master may consider the Motion without a hearing, and the Court may enter the order recommended by the Master upon its submission to the Court. A party waives any right to object to the recommendation of the Master if the party does not file an objection in compliance with the Order of Reference.
3. Any objection must be filed with the Travis County District Clerk at least three (3) calendar days before the Submission Date in the above referenced case.
4. A copy of any objection must be sent by email to the following:
 - (a) The Master's Docket Clerk at SpecialMasterClerk@tdi.texas.gov.
 - (b) All parties listed on the Certificate of Service attached to the Application.
 - (c) The Applicant's counsel at Robert@wnrlaw.com
5. Any objection must specifically set out the reasons for the objection, with supporting references to and discussion of statutory and case authorities. Reasons not stated in writing will not be considered orally by the Master.
6. An objecting party must expeditiously coordinate with the Applicant's counsel and with the Master's docket clerk at (512) 676-6915 to request a hearing, unless the Master determines that a hearing is not necessary. If a hearing is granted, the objecting party must send a Notice of Oral Hearing to the Applicant's counsel and all parties listed on the Certificate of Service.

7. Any Acknowledgment of Notice and Waiver by a party in interest should be filed with the Court at least three (3) calendar days before the submission or hearing date.

/s/ Robert H. Nunnally, Jr.

Counsel for Applicant

<p>THE STATE OF TEXAS</p> <p>v.</p> <p>GOOD SAMARITAN LIFE INSURANCE COMPANY</p>	<p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p>	<p>IN THE DISTRICT COURT</p> <p>TRAVIS COUNTY, TEXAS</p> <p>345th JUDICIAL DISTRICT</p>
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**APPLICATION TO TERMINATE RECEIVERSHIP PROCEEDING
AND DISCHARGE RECEIVER**

TO THE HONORABLE JUDGE OF THIS COURT:

Comes now the Commissioner of Insurance (Commissioner), as Receiver (Receiver) of Good Samaritan Life Insurance Company, and files this Application to Terminate Receivership Proceeding and Discharge Receiver (Application), and in support thereof respectfully shows as follows:

I. RELIEF REQUESTED

1.1 This case is a no-asset receivership for a stipulated premium life insurance company. No reason exists to continue this proceeding. The Receiver requests that this Court enter an order to terminate this proceeding and discharge the Receiver.

II. AUTHORITY

2.1 This Application is filed pursuant to TEX. INS. CODE §443.352 (the Texas Insurance Code shall be referred to in this Application as the Code), which authorizes the Receiver to request an order discharging the Receiver and terminating the proceeding.

2.2 The subject matter of this Application has been referred to the Master appointed in this proceeding in accordance with Paragraph III of the *Order of Reference to Master* entered on November 4, 2005.

III. BACKGROUND

3.1 Good Samaritan was organized in 1975. Good Samaritan operated in Texas as a stipulated premium life insurance company.

3.2 Good Samaritan was placed in conservation on March 20, 2003, under TEX. INS. CODE art. 21.28-A. On or about March 28, 2003, an indictment was issued alleging that Good Samaritan policies were used in connection with a wire fraud and money laundering operation. In connection with this indictment, the FBI seized two bank accounts that represented virtually all Good Samaritan's assets, totaling 1.7 million dollars. On July 2, 2003, the State of Texas filed its petition in this cause, and this Court entered a *Temporary Restraining Order and Order Appointing Temporary Receiver*. On July 16, 2003, this Court entered a *Temporary Injunction* continuing the appointment of the Receiver, and an *Order of Reference to Master* appointing Tom Collins as Master in this proceeding.

3.3 On July 22, 2003, the Commissioner entered an order designating Good Samaritan as an "impaired insurer" pursuant to Article 21.28-D of the Code, now codified as Chapter 463. Consequently, the Texas Life, Accident, Health, and Hospital Service Insurance Guaranty Association, now designated as the Texas Life and Health Guaranty Association (Guaranty Association), became obligated to pay "contractual obligations" of Good Samaritan.

3.4 On August 26, 2003, this Court entered a *Permanent Injunction, Order of Liquidation, and Order Appointing Permanent Receiver* (Liquidation Order), appointing the Commissioner of Insurance (Commissioner) as Liquidator.

3.5 On November 11, 2005, this Court entered an *Amended Order of Reference to the Master* appointing Tom Collins as Master in this proceeding to comport with the enactment of TEX. INS. CODE Chapter 21A and superseded *Order of Reference* dated July 16, 2003.

3.6 Effective September 1, 2005, this proceeding became governed by the Insurer Receivership Act, enacted as Chapter 21A of the Code. The Insurer Receivership Act was codified as Chapter 443 of the Code effective September 1, 2007.

IV. ASSETS

4.1 Attached as Exhibit 1, and incorporated herein by reference, are the financial reports for Good Samaritan. All of Good Samaritan's accounts were seized by the FBI as described above. There are no funds remaining in the receivership estate.

V. CLAIMS

5.1 Upon the entry of the Commissioner order designating Good Samaritan as an impaired insurer, the Guaranty Association determined that there were 93 active and 81 pending policies. The Guaranty Association mailed notice of the liquidation to the owners of all the pending and active policies at their last known addresses. The Guaranty Association did not receive any claims under policies issued by Good Samaritan. Under §443.253(m) of the Code, the Receiver was not required to process policy claims that were fully covered by the Guaranty Association, and all policy claims were fully covered by the Guaranty Association. To the extent that any claims were not fully covered by the Guaranty Association, the Receiver was not required to process such claims under former § 21.28A or current §443.253 of the Code, as no assets are available for distribution to creditors.

VI. EXPENSES

6.1 The estimated final expenses of the receivership are shown on Exhibit 2. As there are no funds in the receivership, these expenses will be paid from funds derived from an advance from the Texas Department of Insurance Abandoned Property Fund. The unused portion of the advance, if any, will be returned or credited to the Abandoned Property Fund.

VII. CHARTERS

7.1 The Receiver has determined that the charter of Good Samaritan has no value. The Receiver requests that this Court dissolve its charter as provided in §443.153 of the Code.

VIII. TAX RETURNS

8.1 The Receiver previously filed a final income tax return with the IRS for Good Samaritan. No federal taxes are owed to the IRS. The Receiver also filed premium tax returns with the State of Texas. Premium taxes are owed to the State of Texas but there are no assets in the estate to pay the class 6 and class 7 claims.

IX. ASSIGNMENTS

9.1 The Receiver requests that this Court enter an order assigning all known and unknown non-cash assets of Good Samaritan to the Commissioner in accordance with §443.352 of the Code. The Receiver further requests that this Court enter an order authorizing the Commissioner that in the event any assigned asset is recovered in the future to use the amount remaining after the cost to collect and liquidate the assets to first repay the unpaid portion of the advance from the Abandoned Property Fund. If the remaining assets do not justify petitioning to reopen this proceeding under §443.353, the Commissioner requests authority to deposit any remaining amount in an account in accordance with §443.304(c) of the Code.

X. RECORDS

10.1. The Receiver has transferred to the Guaranty Association all policy records of Good Samaritan, and requests that this Court authorize the Guaranty Association to retain or dispose of such records at its discretion.

10.2 The Receiver requests that this Court authorize the Commissioner to dispose of the remaining records of Good Samaritan that will not be needed after this proceeding is terminated.

XI. TERMINATION AND DISCHARGE

11.1 The Receiver requests that this Court terminate this proceeding, approve the Receiver's accounting, and discharge the Commissioner as Receiver for Good Samaritan.

XII. NOTICE

12.1 The Receiver has provided notice of the submission of this Application to all persons who have requested notice and other parties as determined by the Receiver. As provided by the Liquidation Order, no notice is required to the former policyholders of Good Samaritan.

XIII. EVIDENCE

13.1 This Application is supported by the affidavit of Cassie Brown.

XIV. PRAYER

WHEREFORE, PREMISES CONSIDERED, the Receiver respectfully requests that this Court enter an Order:

1. Approving the Application and Receiver's accounting and admitting the affidavit of Cassie Brown and its exhibits into evidence;
2. Authorizing the Commissioner to take any action necessary to implement this Court's order;
3. Assigning all known and unknown non-cash assets of Good Samaritan to the Commissioner;
4. Authorizing the Commissioner in the event that any assigned asset is recovered in the future, to use the amount remaining after the cost to collect and liquidate the assets to first repay the unpaid portion of the advance from the Abandoned Property Fund. If the remaining assets do not justify petitioning to reopen this proceeding under §443.353, the Commissioner requests authority to deposit any remaining amount in an account in accordance with §443.304(c) of the Code;

5. Dissolving the charter of Good Samaritan; Discharging the Commissioner as Receiver of Good Samaritan; Terminating this proceeding; and Authorizing the Commissioner to dispose of or retain any records of Good Samaritan; and Granting such other and further relief to which the Receiver may be entitled.

Respectfully submitted,

WISENER NUNNALLY HIGGINS, LLP

/s/ Robert H. Nunnally, Jr. /s/

By: _____

Robert H. Nunnally, Jr.

Bar No. 15141600

Robert@wnrlaw.com

245 Cedar Sage Drive, Suite 240

Garland, Texas 75040

T: 972.530.2200

F: 972.530.7200

Attorneys for the Receiver

THE STATE OF TEXAS	§	IN THE DISTRICT COURT
	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
GOOD SAMARITAN LIFE	§	
INSURANCE COMPANY	§	345 th JUDICIAL DISTRICT

**AFFIDAVIT OF CASSIE BROWN IN SUPPORT OF
APPLICATION TO TERMINATE RECEIVERSHIP PROCEEDING
AND DISCHARGE RECEIVER**

State of Texas

County of Travis

Came before me, a Notary Public, Cassie Brown, who, being duly identified to me and duly sworn, did upon her oath attest:

1. My name is Cassie Brown, and I am the receiver of Good Samaritan Insurance Company. I am over the age of eighteen years and am not otherwise disqualified from making this affidavit. In making this affidavit, I rely upon documents and information maintained by the Rehabilitation and Liquidation Oversight office of the Texas Department of Insurance. The facts in this affidavit are true and correct.
2. Attached to this affidavit are two exhibits which are true and correct copies of records maintained by the receiver's office in connection with the delinquent insurer Good Samaritan Life Insurance Company.

3. I recommend the termination of this receivership and my discharge as receiver.

Signed by:

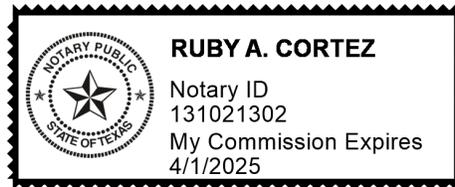
FAD8FE90D624402...
Cassie Brown

This instrument was acknowledged before me by means of an interactive two-way audio and video communication on 9/30/2024. This notarial act was an online notarization.

Given under my hand and seal of office this 30th day of September 2024.

DocuSigned by:

Notary Public in and for
the State of Texas



**Good Samaritan Life Insurance Co.
Statement of Net Assets**

As of
06/30/24

Line		06/30/24
Cash		
1	Cash - Unrestricted	0
Investments		
2	Short-Tem Investments	
3	Bonds, Preferred Stocks & Common Stocks	
4	Investments in Subsidiaries, Controlled or Affiliated Entities	
5	Mortgage Loans	
6	Real Estate	
7	Policy Loans	
8	Other Invested Assets	
Reinsurance		
9.1	Reinsurance Recoverables on Paid Losses & LAE	
9.1A	Allowance for Reinsurance on Paid Losses & LAE	
9.2	Reinsurance Recoverables on Unpaid Losses & LAE	
9.2A	Allowance for Reinsurance on Unpaid Losses & LAE	
9.3	Reinsurance Recoverables on UEP & Contingent Commissions	
Receivables		
10	Salvage & Subrogation Recoveries	
11	Premiums Due & Accrued from Agents & Policyholders	
12	Receivable from Parents, Subsidiaries & Affiliates	
13	Accrued Investment Income	
14	Receivable from Guaranty Associations - Early Access Payments	
Other Assets		
15.1	FF&E	0
15.2	Prepaid Expenses	
16	Other Assets	
Restricted Assets		
17.1	Restricted - Statutory Deposits	
17.2	Restricted - Funds held by or deposited with Reinsured Companies	
17.3	Restricted - Separate Accounts & Protected Cell Accounts	
17.4	Restricted - Other	
18	Total Unrestricted Assets	0
19	Total Restricted Assets	0
19A	Net Assets not Categorized	
20	Total Assets	0

Good Samaritan Life Insurance Co.
Statement of Net Liabilities

As of
06/30/24

Line	Class	06/30/24
1	Secured Claims	1
2	Special Deposit Claims	1
Administrative		
3	Administrative Claims - State/Receiver	
	Special Deputy Receiver, Subcontractors Fees & Expenses	1 4,040
	Liquidation Oversight & Special Master's Fees	1 0
	Unsecured Loans	1
4	Administrative Claims - Guaranty Assns	1
	Claims Paid	
	Reserves	
5	LAE - Guaranty Assns	1
	Claims Paid	
	Reserves	
Loss Claims		
6	Loss Claims - Guaranty Assns	2 0
	Loss Claims Paid	
	Reserves	
7	Loss Claims - Other	2
	Loss Claims Paid	
	Reserves	1,148,214
8	LAE - Other	2
9	Unearned & Advance Premium Claims (Non Assessable Policies) - GA	2
10	Unearned & Advance Premium Claims (Non Assessable Policies) - Other	2
18	Unearned Premium Claims (Assessable Policies) - GA	2
Other Creditors		
11	Federal Government Claims	3
12	Employee Claims	4
13	General Unsecured Creditor Claims (Other than Reinsurance Related)	5 52,842
14	Ceded Reinsurance Related Unsecured Claims	5
14.1	Assumed Reinsurance Related Unsecured Claims	5
15	State & Local Government Claims	
	State & Local Governments/Attorneys	6 8,685
	State & Local Governments - Penalties	7 872
16	Late Filed Claims - Unexcused	8
17	Surplus Notes	9
19	Unearned Premium Claims (Assessable Policies) - Other	9
20	Shareholder Claims	11
21	Other Liabilities	
	Interest	10 9,891
	Other	
22	Total Liabilities	1,224,544
23	Total Equity/(Deficit) Excess (Deficiency) of Assets over Liabilities	(1,224,544)
Total Liabilities & Equity		0

**GOOD SAMARITAN LIFE INSURANCE CO.
RECEIVERSHIP CLOSING EXPENSES
EXHIBIT 2**

Subcontractors Fees & Expenses

Legal Fees - Wisener*Nunnally*Higgins*LLP	\$1,500
Accounting and Tax - PCI	\$2,500
Comptroller Filing Fee	\$40
	<hr/>
Grand Total of All Expenses	\$4,040

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v.	§	TRAVIS COUNTY, TEXAS
	§	
GOOD SAMARITAN LIFE	§	
INSURANCE COMPANY	§	345 th JUDICIAL DISTRICT

**ORDER APPROVING APPLICATION TO TERMINATE RECEIVERSHIP
PROCEEDING AND DISCHARGE RECEIVER**

On this day the Court considered the *Application to Terminate Receivership Proceeding and Discharge Receiver* (Application) filed by the Commissioner of Insurance (Commissioner), as Receiver (Receiver) of Good Samaritan Life Insurance Company (Good Samaritan). In accordance with the *Amended Order of Reference to Master* entered on November 11, 2005 (Order of Reference), the Application was submitted to the Master appointed in this cause. The Master issued a recommendation pursuant to Rule 171 of the Texas Rules of Civil Procedure, which is incorporated herein, finding and recommending as follows:

1. Notice of the submission of the Application was provided to all persons requesting notice under TEX. INS. CODE § 443.007(d), as required by the Order of Reference;
2. No objections to the Application were filed;
3. Based on the pleadings and the evidence submitted, the Application should be approved; 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 recommendation and grants the Application.

It is therefore ORDERED, ADJUDGED and DECREED that:

1. The Affidavit of Cassie Brown and Exhibits 1 and 2 to her affidavit are admitted into evidence;
2. The Application and the Receiver's accounting are approved in all respects.

3. The Commissioner of Insurance is authorized to take any action necessary to implement this Court's order;
4. All known and unknown non-cash assets of Good Samaritan are assigned to the Commissioner;
5. In the event that any assigned asset is recovered in the future, the Commissioner is authorized to use the amount remaining after the cost to collect and liquidate the assets to first repay the unpaid portion of the loan from the Abandoned Property Fund. If the remaining assets do not justify petitioning to reopen this proceeding under §443.353, the Commissioner is authorized to deposit any remaining amount in an account in accordance with §443.304(c) of the Code.
6. The corporate charter of Good Samaritan is dissolved;
7. The Receiver is discharged;
8. The Commissioner of Insurance is authorized to dispose of or retain any records of Good Samaritan;
9. This proceeding is terminated;
10. This is a final order with respect to the relief requested in the Application.

SIGNED this _____ day of _____, 2024.

JUDGE PRESIDING

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served on all interested parties in accordance with the Texas Rules of Civil Procedure and TEX. INS. CODE ANN. §443.007(d) this 14th day of October, 2024 via the eFiling service:

Tom Collins, Receivership Master
c/o Special Master's Clerk RLO MC-FRD
1601 Congress Avenue
Austin, Texas 78701
Via eFiling: SpecialMasterClerk@tdi.texas.gov

Robert H. Nunnally, Jr.
Wisener*Nunnally*Higgins, LLP
245 Cedar Sage Suite 240
Garland, TX 75040
Via eFiling: robert@wnrlaw.com
Phone 972-530-2200
Facsimile: 972-530-7200

Braedon Jones
Wisener*Nunnally*Higgins, LLP
245 Cedar Sage Suite 240
Garland, TX 75040
Via eFiling: braedon@wnrlaw.com
Phone 972-530-2200
Facsimile: 972-530-7200

Zac Rhines,
Assistant Attorney General
General Litigation Division
P.O. Box 12548
Austin, TX 78711
Via eFiling: Zachary.rhines@oag.texas.gov

Jacqueline Rixen, Esq.
RixenLaw
P.O. Box 9879
Austin, Texas 78766
Via eFiling: jrixen@rixenlaw.com

Signed this 14th day of October, 2024

/s/ Robert H. Nunnally, Jr. /s/

Robert H. Nunnally, Jr.

Automated Certificate of eService

This automated certificate of service was created by the e filing system. The filer served this document via email generated by the e filing system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Robert Nunnally, Jr. on behalf of Robert Nunnally, Jr.

Bar No. 15141600

robert@wnrlaw.com

Envelope ID: 93130768

Filing Code Description: Motion (No Fee)

Filing Description: NOTICE OF SUBMISSION OF APPLICATION TO
TERMINATE RECEIVERSHIP PROCEEDING AND DISCHARGE
RECEIVER

Status as of 10/16/2024 9:09 AM CST

Case Contacts

Name	BarNumber	Email	TimestampSubmitted	Status
Robert HNunnally, Jr.		robert@wnrlaw.com	10/14/2024 2:04:30 PM	SENT
Jacqueline Rixen	16962550	jrixen@rixenlaw.com	10/14/2024 2:04:30 PM	SENT
Courtney Kretzler	24073707	courtney.williams@tdi.texas.gov	10/14/2024 2:04:30 PM	SENT
Braedon Jones		Braedon@wnrlaw.com	10/14/2024 2:04:30 PM	SENT
Zachary Rhines	24116957	zachary.rhines@oag.texas.gov	10/14/2024 2:04:30 PM	SENT
Tom Collins, Special Master		specialmasterclerk@tdi.texas.gov	10/14/2024 2:04:30 PM	SENT