

Cause No. D-1-GV-13-001153

<p>THE STATE OF TEXAS,   <b>Plaintiff</b></p> <p>v.</p> <p>SAN ANTONIO INDEMNITY COMPANY,   <b>Defendant</b></p>	<p>§ § § § § § § § § §</p>	<p>IN THE DISTRICT COURT OF</p> <p>TRAVIS COUNTY, TEXAS</p> <p>201st JUDICIAL DISTRICT</p>
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**ORDER APPROVING APPLICATION TO APPROVE REPORT OF CLAIMS,  
MAKE FINAL DISTRIBUTION AND DESTROY RECORDS**

On this day the Court considered the *Application to Approve Report of Claims, Make Final Distribution, and Destroy Records (Application)* filed by Milford Consulting LLC as Special Deputy Receiver of San Antonio Indemnity Company (SAIC and SDR, 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 SDR to report claims, make a final distribution of the receivership estate’s assets, and dispose of or transfer any remaining records of SAIC. SDR 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 October 31, 2013 (*Order of Reference*), the *Application* was properly submitted to the Master appointed in this cause (Master). 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. The *Order of Reference* provides that motions filed pursuant to TEX. INS. CODE § 443.007, § 443.258, § 443.354 and are referred to the Master.

2. 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*.
3. The Texas Property and Casualty Insurance Guaranty Association filed its acknowledgement and waiver.
4. No objections to the *Application* were filed.
5. The Court has jurisdiction over the Application and the parties affected hereunder.
6. The SDR's 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** that:

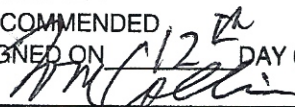
1. The *Application*, and all discretionary decisions of the SDR included in the *Application*, are approved in all respects;
2. The facts in the *Application*, verified and sworn to in Exhibit A, and Exhibits B through K are admitted into evidence and the facts contained in the *Application* and its exhibits are accepted into evidence as prima facie proof of the matters asserted;
3. This Court takes judicial notice of all matters contained in this Court's file pursuant to Tex. R. Civ. Evid. 201;
4. The final financial statements are accepted;
5. Approving the estimated closing expenses as reflected on Exhibit F;

6. Approving the SDR's actions on the POCs as indicated on Exhibit E under § 443.258;
7. The SDR is authorized to credit previous early access payments against a final distribution to TPCIGA's allowed Class 1 claims and part of TPCIGA's allowed Class 2 claim;
8. The SDR is authorized to distribute the cash assets of the receivership estate as described in the *Application* and shown in Exhibit G;
9. The SDR is authorized to transfer to the Commissioner any Residual Funds remaining after all distributions are made;
10. The SDR 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;
11. The SDR 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 and unliquidated defaulted securities;
12. The SDR is authorized to transfer to TPCIGA claims records for which it agrees to accept responsibility, and authorizing TPCIGA to retain or dispose of such records at its discretion;
13. The SDR is authorized to dispose of the records listed in Exhibit J and deliver any remaining records that are not transferred to TPCIGA to the Commissioner, and authorizing the Commissioner to maintain or dispose of such records at his or her discretion;

14. The SDR is authorized to transfer records to the Commissioner and the Commissioner is authorized to retain or dispose of such records at his discretion;
15. This Order constitutes a final disposition resolving all matters relating to the *Application*;
16. The SDR is authorized to execute any documents as necessary to effectuate purposes of the *Application* and this Order; and
17. Granting such further relief to which the SDR or Receiver may be entitled.

SIGNED this 13th day of November, 2020.

  
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TIM SULAK  
DISTRICT JUDGE PRESIDING

PROPER NOTICE GIVEN  
ACKNOWLEDGMENT OF NOTICE AND WAIVER  
OF OBJECTION PRESENTED  
SUBMITTED  
RECOMMENDED  
SIGNED ON 12<sup>th</sup> DAY OF Nov. 2020  
  
\_\_\_\_\_  
TOM COLLINS, RECEIVERSHIP SPECIAL MASTER

### Automated Certificate of eService

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Associated Case Party: STATE OF TEXAS

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