

LM DEC 30 2011

At 8:34A M.
Amalia Rodriguez-Mendoza, Clerk

NO. D-1-GV-08-000050

STATE OF TEXAS,
Plaintiff

vs.

WEBB COUNTY TITLE
& ABSTRACT COMPANY, INC.,
Defendant

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IN THE DISTRICT COURT OF

TRAVIS COUNTY, TEXAS

201st JUDICIAL DISTRICT

**ORDER APPROVING SPECIAL DEPUTY RECEIVER'S FINAL REPORT AND
APPLICATION TO MAKE FINAL DISTRIBUTION**

On this day the Court heard the *Final Report and Application to Make Final Distribution* (the "Application") and the *Supplement to the Final Report and Application to Make Final Distribution* (the "Supplement") 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"). The SDR appeared by and through its counsel. Having considered the Application and the Supplement, 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* ("Order of Reference") entered by this Court on April 10, 2008 provides that the Application is referred to the Master;
2. The Application and the Supplement were submitted to the Master in accordance with the Order of Reference;
3. Notice of the Application and the Supplement was provided in accordance with TEX. INS. CODE §443.007 (d) and the Order of Reference;
4. No objections were filed to the Application or the Supplement;
5. The Master has issued a recommendation that the Application, as supplemented, 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, as supplemented, should be GRANTED in all respects.

IT IS ORDERED, ADJUDGED, AND DECREED that the Application, as supplemented, is GRANTED.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED as follows:

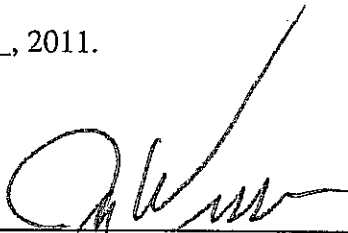
1. Exhibits 1 and 2, as supplemented, and 3 to the Application, are accepted and approved as final statements under TEX. INS. CODE § 443.016, subject to the final accounting.
2. Exhibit 4 to the Application, as supplemented, is approved.
3. The reserve for the estimated expenses to administer this proceeding through its termination, as set forth in Exhibit 5 to the Application, is approved
4. The SDR's Final Report of Claims, Exhibit 6, is approved.
5. The SDR shall file a final report of expenses with its final accounting. No further interim reports of expenses are required pursuant to TEX. INS. CODE § 443.015 (g).
6. The SDR is authorized to assign all of WCTA's causes of action and claims against former employee Edward Lee "Eddie" Hinojosa, including all community claims and claims against his successors and assigns, to the Texas Title Insurance Guaranty Association, as specified in the Application, as supplemented. TTIGA shall assert such claims if, in its sole discretion, it deems such pursuit to be in the best interests of TTIGA. The assignment by the SDR to TTIGA will not merge or otherwise affect the separate claims and causes of action, if any, held by TTIGA.
7. The SDR is authorized to assign WCTA's other unliquidated assets and any unknown assets to the Commissioner of Insurance.
8. The SDR is authorized to transfer title to WCTA's real estate closing files to the Fidelity National Title Company ("FNT"), as described in Exhibit 8 to the Application, and FNT is authorized to retain such records as required by law or

any other legal requirement to maintain such records. This order expressly does not modify, eliminate or waive any such legal requirements.


9. The SDR is authorized to transfer title to WCTA's files relating to WCTA's causes of action and claims against former employee Edward Lee "Eddie" Hinojosa, including all community claims and claims against his successors and assigns, to TTIGA, and TTIGA is authorized to retain such records as required by law or any other legal requirement to maintain such records.
10. The SDR is authorized to dispose of the records listed in Exhibit 9 to the Application in the manner described therein.
11. The SDR is authorized to transfer to the Commissioner all remaining records of WCTA in its possession that may be required after the termination of this proceeding pursuant to TEX. INS. CODE § 443.354 (b), and the reserve for the estimated expenses to maintain such records is approved. The Commissioner is authorized to maintain or dispose of such records at her discretion.
12. The SDR is authorized to execute and file a final tax return for WCTA, and any other tax forms as may be necessary.
13. The Notice of Final Distribution Application, Exhibit 10, is approved and the Court finds that notice and service of the Application was proper.
14. The SDR is authorized to, and by this Order does, abandon any remaining WCTA licenses.
15. The SDR is authorized to seek the dissolution of all WCTA charters in the application to approve its Final Report.
16. The SDR is authorized to enter into any agreements, execute any documents or take any other action necessary to implement this Order.

17. 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 Texas Insurance Code Annotated Chapter 443. This Order shall not affect, in any way, the Receiver's or the SDR's immunities from suit and shall not give rise to any right to sue or create any causes of action against the Receiver or the SDR. The automatic stay and the provisions of the *Agreed Order Appointing Liquidator and Permanent Injunction* remain in effect. This Order does not amend, modify, or in any manner change or affect the terms and provisions of the *Agreed Order Appointing Liquidator and Permanent Injunction*.

SIGNED this 30th day of Dec., 2011.



JUDGE PRESIDING

PROPER NOTICE GIVEN
NO OBJECTION FILED.
SUBMITTED
RECOMMENDED 27th DAY OF Dec. 2011
SIGNED ON 27th DAY OF Dec. 2011


TOM COLLINS, RECEIVERSHIP SPECIAL MASTER