



SEP 24 2018

At 10:30 AM.  
Velva L. Price, District Clerk

NO. D-1-GV-08-002766

THE STATE OF TEXAS	§	IN THE DISTRICT COURT OF
	§	
v.	§	
	§	
AUSTIN INDEMNITY LLOYDS	§	TRAVIS COUNTY, TEXAS
INSURANCE COMPANY and AUSTIN	§	
INDEMNITY MANAGEMENT	§	
COMPANY, LLC	§	353 <sup>rd</sup> JUDICIAL DISTRICT

**ORDER APPROVING FINAL ACCOUNTING AND  
APPLICATION TO TERMINATE RECEIVERSHIP,  
DISSOLVE CHARTER, AND  
DISCHARGE RECEIVER AND SPECIAL DEPUTY RECEIVER**

On this day the Court considered the *Final Accounting and Application to Terminate Receivership, Dissolve Charter, and Discharge Receiver and Special Deputy Receiver (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. §§ 443.153(e) and 443.352, dissolving AILIC's charter, terminating the receivership estate proceeding, and discharging the Receiver and Special Deputy Receiver 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) was made in accordance with the notice requirements of Tex. Ins. Code Ann. § 443.007 and the *Order of Reference*.

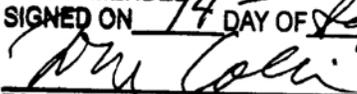
Having considered the pleadings, the evidence submitted, and the recommendation of the Master, the Court accepts the Master's report, and grants the *Application*.

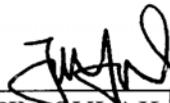
It is therefore **ORDERED, ADJUDGED and DECREED** that:

1. The *Application* is approved in all respects;
2. Exhibits B, C, and D are approved as the final financial statements for the receivership estate;
3. Exhibit F is approved as to transferring any unknown assets of the receivership estate to the Commissioner;
4. The following exhibits previously submitted under seal for *in camera* inspection are unsealed 30 days after entry of this Order:
  - a) Exhibit B, the *Contingency Fee Agreement*, submitted into evidence with the *Third Application for Approval of Fees and Expenses* filed in this case on March 25, 2013; and
  - b) Exhibit B, the *Contingency Fee Agreement*, submitted into evidence with the *Fourth Application for Approval of Fees and Expenses* filed in this case on July 18, 2016;
5. The charter of AILIC is dissolved;
6. The AILIC receivership estate proceeding is terminated;

7. Kent Sullivan as Receiver and Angenend & Augustine, P.C., as the Special Deputy Receiver of AILIC are discharged from their duties as such;
8. Exhibits A, B, C, D, E, and F are admitted into evidence;
9. The facts contained in the *Application* and Exhibits A-F are admitted into evidence as *prima facie* proof of the matters;
10. The Special Deputy Receiver's discretionary decisions detailed in the *Application* and verified in Exhibit A are reasonable and not an abuse of discretion;
11. This Order constitutes a final judgment resolving all matters relating to the *Application* and the delinquency proceeding;
12. The notice of the hearing was made to the certificate of service and was in accordance with the notice requirements in §§ 443.004(a)17) and 443.007, and the *Order of Reference*;
13. The notice of the hearing by email is appropriate; and
14. The Special Deputy Receiver is authorized to execute any documents as necessary to effectuate purposes of the *Application* and this Order.

SIGNED this 24<sup>th</sup> day of September, 2018.

PROPER NOTICE GIVEN  
 ACKNOWLEDGMENT OF NOTICE AND WAIVER  
 OF OBJECTION PRESENTED  
 HEARING HELD  
 RECOMMENDED  
 SIGNED ON 14<sup>th</sup> DAY OF Sept., 2018  
  
 TOM COLLINS, RECEIVERSHIP SPECIAL MASTER

  
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 TIM SULAK  
 DISTRICT JUDGE PRESIDING