

CAUSE NO. D-1-GN-06-002366

STATE OF TEXAS AND THE	§	IN THE DISTRICT COURT OF
TEXAS DEPARTMENT OF INSURANCE	§	
	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
VESTA FIRE INSURANCE CORPORATION,	§	
SHELBY CASUALTY INSURANCE	§	
COMPANY, THE SHELBY INSURANCE	§	
COMPANY, TEXAS SELECT LLOYDS	§	
INSURANCE COMPANY, and SELECT	§	
INSURANCE SERVICES, INC.	§	126 TH JUDICIAL DISTRICT

**ORDER APPROVING FINAL REPORT OF CLAIMS AND GRANTING
APPLICATION TO MAKE FINAL DISTRIBUTION FOR SHELBY CASUALTY
INSURANCE COMPANY**

On this date, the Court considered the *Final Report of Claims and Application to Make Final Distribution for Shelby Casualty Insurance Company* (Application) filed by Prime Tempus, Inc., Special Deputy Receiver (SDR) of Shelby Casualty Insurance Company (Shelby Casualty).

The Application was submitted to the Special Master appointed in this cause (Master) under the Supplemental Order of Reference to Master entered on November 8, 2006 (Order of Reference), which provides that motions filed under Texas Insurance Code §§ 443.258 and 443.352 are referred to the Master. The Master issued a report under Rule 171 of the Texas Rules of Civil Procedure, finding and recommending as follows:

1. Notice of the Application was provided under Texas Insurance Code § 443.007(d);
2. No objections to the Application were filed;
3. The Court has jurisdiction over the Application and the parties; 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 report, and grants the Application.

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

1. The Application is GRANTED in all respects, including but not limited to the closing budget, the interest rate plan proposed by the SDR, the distribution of assets to claimants and to Vesta Fire Insurance Corporation, the transfer of non-cash assets to Vesta Fire Insurance Corporation, the disallowance as *de minimus* of claims for less than \$20, and the handling of the remaining balance of Shelby Casualty's approved proof of claim against Vesta Fire Insurance Corporation. The Court admits into evidence the Affidavit of Craig A. Koenig and Exhibits A-1 through A-9 to that Affidavit;

2. The final financial statements are approved;

3. The estimated administrative expenses through the closing of the receivership under Texas Insurance Code § 443.015 are approved, including but not limited to the potential deduction of additional expenses from the distribution to Vesta Fire Insurance Corporation;

4. The SDR is authorized to take the steps and incur the reasonable expenses to distribute the cash assets of the receivership and the non-cash assets of the receivership as described in the Application;

5. The SDR may transfer to Vesta Fire Insurance Corporation all residual assets remaining after all distributions are made (including but not limited to Shelby Casualty's net remaining claim on its approved proof of claim against Vesta Fire) other than any funds required for closing expenses. The SDR may assign any future recoveries as to such assets to Vesta Fire Insurance Corporation;

6. The SDR is authorized to deliver all unclaimed funds to the Commissioner, and the Court finds that any distribution to a claimant for whom the Distribution Notice was returned as undeliverable, or for whom a W-9 was requested but not returned, will be deemed as unclaimed

for purposes of Texas Insurance Code § 443.304. The Court approves the use of a letter substantially similar to Exhibit A-8 to notify claimants;

7. The SDR is authorized to execute any documents for tax filings in connection with Shelby Casualty that the SDR deems necessary or appropriate;

8. The SDR's report of claims under Texas Insurance Code § 443.258 is approved. No further late claims shall be accepted because those late claims would prejudice the administration of the estate;

9. The SDR is authorized to deliver all records received or created during receivership to the SDR of Vesta Fire Insurance Corporation or to the Commissioner and to dispose of any records or copies of such records as are not needed by the Commissioner or the SDR of Vesta Fire Insurance Corporation;

10. This order constitutes a final judgment fully resolving all issues relating to the Application.

SIGNED: October 16, 2023.

Original signed by

JUDGE PRESIDING

PROPER NOTICE GIVEN.
NO OBJECTION FILED.
SUBMITTED

RECOMMENDED
SIGNED ON 11 DAY OF Oct. 2023
Original signed by

TOM COLLINS, RECEIVERSHIP SPECIAL MASTER