

NO. D-1-GN-06-002366

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| THE STATE OF TEXAS AND THE | § | IN THE DISTRICT COURT OF |
| TEXAS DEPARTMENT OF INSURANCE | § | |
| | § | |
| VS. | § | TRAVIS COUNTY, TEXAS |
| | § | |
| VESTA FIRE INSURANCE CORP., ET AL | § | 126th JUDICIAL DISTRICT |

APPLICATION FOR FINAL DISPOSITION OF DISPUTED CLAIM
(Global Reinsurance Corporation)

COMES NOW Prime Tempus, Inc., Special Deputy Receiver of Vesta Fire Insurance Corporation, and makes this *Application for Final Disposition of Disputed Claim (Global Reinsurance Corporation)* (Application) and in support respectfully shows the Court as follows:

I. INTRODUCTION

1.1 Global Reinsurance Corporation (Global Re) timely filed a proof of claim with the Special Deputy Receiver for balances it alleged to be due from Vesta Fire Insurance Corporation (Vesta Fire) as its reinsurer under various reinsurance agreements. The Special Deputy Receiver allowed Global Re’s proof of claim as a Class 5 claim in the amount of \$1,548,157.00.

1.2 Global Re objected to the Special Deputy Receiver’s allowed value and asserts that its proof of claim should be allowed in the amount of \$3,614,557.00.

1.3 The Special Deputy Receiver has not altered its determination of the value of the claim and requests a hearing by this Court for a final disposition of the disputed claim.

II. AUTHORITY

2.1 On June 28, 2006, this Court entered its *Agreed Order Appointing Rehabilitator and Permanent Injunction* placing Vesta Fire in receivership and appointing the Commissioner of Insurance for the State of Texas the Rehabilitator.

2.2 On July 11, 2006, the Rehabilitator designated Prime Tempus, Inc. as the Special Deputy Receiver.

2.3 On August 1, 2006, this Court entered its *Order Appointing Liquidator and Permanent Injunction* placing Vesta Fire in liquidation and appointing the Commissioner of Insurance for the State of Texas the Liquidator (Receiver).

2.4 On November 3, 2010, this Court entered its *Order Approving Plan to Finalize Contingent Claims of Reinsureds of Vesta Fire Insurance Corporation* (Contingent Claim Order) setting January 1, 2011 as the date by which all contingent or unliquidated claims of cedents of Vesta Fire became final. The order also set March 31, 2011 as the date by which cedents of Vesta Fire had to file with the Special Deputy Receiver an update to their proof of claim with a final amount based on paid claims and reserves including reserves for incurred but not reported (IBNR) claims as of December 31, 2010.

2.5 The Special Deputy Receiver is authorized to file this Application pursuant to TEX. INS. CODE ANN. § 443.257 (a).

2.6 This Court has original jurisdiction for all matters arising under TEX. INS. CODE ANN. Chapter 443 or arising or related to this proceeding as the court in which these proceedings are pending pursuant to TEX. INS. CODE ANN. § 443.005 (c).

2.7 Venue in Travis County, Texas is mandatory pursuant to TEX. INS. CODE ANN. §443.005 (g).

2.8 On November 8, 2006, this Court entered its *Supplemental Order of Reference to Master* (Order of Reference). The Order of Reference refers the subject matter of this Application to the Master.

III. DETERMINATION IN DISPUTE

3.1 On November 28, 2007, Global Re filed Proof of Claim No. 526-642 (POC). The POC states that the claim is for “retro recoverable, paid loss, outstanding reserves, expense reserves and IBNR” under multiple reinsurance treaties in the total amount of \$6,354,806.00. A copy of the POC without attachments is attached hereto as Exhibit A.

3.2 Pursuant to the Contingent Claim Order, the Special Deputy Receiver sent written notice to Global Re notifying it of the March 31, 2011 deadline to update its claim and the December 31, 2010 valuation date. The notice requested that insured but not reported (IBNR) claims be calculated to a “reasonable actuarial certainty” or by another accepted method of valuing claims. The notice also requested that the evidence provided in support of the IBNR claim be in detail and quality sufficient for an actuary to recalculate the claim. A copy of the Special Deputy Receiver’s notice to Global Re is attached hereto as Exhibit B.

3.3 Prior to March 11, 2011, Global Re updated its POC to claim a total of \$3,614,557.00 consisting of \$1,884,289.00 of paid losses, \$302,642.00 of case reserves and \$1,427,626.00 of IBNR.

3.4 Global Re’s claim relates to three facultative casualty excess of loss treaties and one surplus share facultative casualty treaty covering policy years from the 1970’s. Vesta Fire did not initially participate as a reinsurer under the three facultative casualty excess of loss treaties for the years 1971 through 1975. Vesta Fire did assume liability for these treaty years from the original participating reinsurer; however, the original participating reinsurer’s liability to Global Re for the 1971 through 1975 treaty years was not novated. Vesta Fire does acknowledge liability to Global Re on the remaining applicable treaty years on the three facultative casualty excess loss treaties and for all applicable years on the surplus share facultative casualty treaty.

3.5 Pursuant to the Special Deputy Receiver's authority granted by TEX. INS. CODE ANN. § 443.253 (a) and in accordance with TEX. INS. CODE ANN. § 443.253 (b), the Special Deputy Receiver classified Global Re's claim as a Class 5 claim and allowed it in the amount of \$1,548,157.00. The allowed amount included paid losses in the amount of \$978,993.00, case reserves in the amount of \$169,164.00 and IBNR in the amount of \$400,000.00. The paid loss and case reserve figures are supported by the work of the Special Deputy Receiver's reinsurance staff and Vesta Fire receivership employees. The IBNR figure is supported by the analysis and recommendations of Merlinos & Associates (Merlinos), the actuarial firm retained by the Special Deputy Receiver to review evidence submitted by claimants in support of their IBNR claims. Merlinos is an independent actuarial consulting firm providing property and casualty actuarial services to a wide range of domestic and international clients, including primary insurers, reinsurers, municipalities, state insurance departments, law firms, examination firms, audit firms, agencies, self-insured entities and groups, captives, and risk retention groups.

3.6 The Special Deputy Receiver notified Global Re of its determination by letter dated November 22, 2013. A copy of the Special Deputy Receiver's notice of determination is attached hereto as Exhibit C.

3.7 Following receipt of the determination notice and at Global Re's request, the Special Deputy Receiver's reinsurance staff provided Global Re information regarding the original participating reinsurer on the three facultative casualty excess of loss treaties for the years 1971 through 1975 and an extension of the deadline to object to the Special Deputy Receiver's determination.

3.8 The Special Deputy Receiver notified Global Re by letter dated March 18, 2016 that the Special Deputy Receiver would file an application requesting the receivership court to

make a final disposition of Global Re's claim. A copy of the notice and the affidavit of Brian E. Riewe confirming the mailing of the notice are attached hereto as Exhibit D.

IV. REQUEST FOR DISPOSITION

4.1 TEX. INS. CODE ANN. § 443.257 (a) provides that when a claimant objects to the determination of a claim, and the Special Deputy Receiver does not alter the determination, the Special Deputy Receiver shall request a hearing for the court to review the Special Deputy Receiver's determination and to make a final disposition of the disputed claim. In accordance with TEX. INS. CODE ANN. § 443.007 and the Order of Reference, this matter may be heard by the Master by submission. TEX. INS. CODE ANN. § 443.007 (e) places the burden of proof on the objecting party to show why the receivership court should not accept the Special Deputy Receiver's proposed determination.

V. NOTICE

5.1 The Special Deputy Receiver provided notice of the filing of this Application to Global Re at the address shown on the POC, and all other persons who have requested notice in the receivership estate in accordance with TEX. INS. CODE ANN. § 443.007 and the Order of Reference. The Special Deputy Receiver also noticed all parties in interest as that term is defined in TEX. INS. CODE ANN. § 443.004 (a) (17) and as shown on the certificate of service.

VI. OFFER OF PROOF

6.1 This Application is supported by the affidavit of Craig A. Koenig attached hereto and incorporated herein by reference as Exhibit E verifying the statements in this Application and authenticating the attached Exhibits A, B and C pursuant to TEX. INS. CODE ANN. §443.017(b).

WHEREFORE, PREMISES CONSIDERED, the Special Deputy Receiver prays that the Court set this matter for a hearing, and that upon hearing, the court enter an order as follows:

1. Approving this Application in all respects;
2. Accepting into evidence Exhibits A, B, C, D and E incorporated into this Application by reference as if fully set out;
3. Making final the classification of the Global Re POC as a Class 5 claim and the allowance of the claim in the amount of \$1,548,157.00;
4. Authorizing the Special Deputy Receiver to execute any documents necessary to effectuate the purposes of this Application; and
5. Granting such other and further relief, for which the Special Deputy Receiver shows itself entitled.

Respectfully submitted,

BRIAN E. RIEWE, P.C.
P.O. Box 776
Smithville, Texas 78957
Telephone: 512/236-9955
Facsimile: 512/236-9966

Brian E. Riewe
State Bar No. 16915600
briewe@riewelaw.com

By: /s/ Brian E. Riewe

Attorneys for the Special Deputy Receiver

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 15th day of April, 2016.

Mr. Tom Collins, Special Master
Texas Department of Insurance
333 Guadalupe, Tower III, 5th Fl., MC-305-1D
Austin, Texas 78701
Email: specialmasterclerk@tdi.texas.gov

Mr. Vicente Aguillon
Ms. Kathy Gartner
Mr. James Kennedy
Texas Department of Insurance
P.O. Box 149104
Austin, Texas 78714
Email: vicente.aguillon@tdi.texas.gov
Email: kathy.gartner@tdi.texas.gov
Email: james.kennedy@tdi.texas.gov

Ms. Cynthia Morales, Asst. Attorney General
Attorney General's Office
P.O. Box 12548
Austin, Texas 78711-2548
Via Email: Cynthia.Morales@texasattorneygeneral.gov

Ms. Sharon Williams
United States Department of Justice
P.O. Box 875, Ben Franklin Station
Washington, DC 20044-0875
Via Email: sharon.williams@usdoj.gov

Ms. Maxine Froemling, Chief Financial Examiner
Alaska Division of Insurance
P.O. Box 110805
Juneau, AK 99811-0805
Via Email: maxine.froemling @alaska.gov

Ms. Denise Azar, Chief Receiver
Alabama Department of Insurance
P.O. Box 303353
Montgomery, AL 36130-3353
Email: Denise.Azar@insurance.alabama.gov

Mr. Steve Uhrynowycz, Deputy Receiver
Arkansas Insurance Department
Arkansas Property & Casualty Guaranty Fund
1023 West Capitol Avenue
Little Rock, AR 72201
Email: Steve.Uhrynowycz@arkansas.gov

Ms. Shelby Cuevas, Deputy Receiver
Arizona Department of Insurance
2910 N. 44th St. Suite 210
Phoenix, AZ 85018-7269
Email: scuevas@azinsurance.gov

Mr. Willard Roberts, Conservation & Liquidation
California Department of Insurance
P.O. Box 26894
San Francisco, CA 94126-0894
Email: RobertsW@caclo.org

Mr. Scott Lloyd
Colorado Division of Insurance
1560 Broadway, Suite 850
Denver, CO 80202
Email: scott.lloyd@dora.state.co.us

Mr. Jon E. Arsenault, General Counsel
Connecticut Dept. of Insurance
P.O. Box 816
Hartford CT 06142-0816
Email: Jon.Arsenault@ct.gov

Ms. Michelle Mathis
District of Columbia Dept. of Ins.
810 First Street, NE, Suite 701
Washington, DC 20002
Email: michelle.mathis@dc.gov

Mr. Dave Lonchar
Ms. Rylynn Brown
Mr. Charles Santana
Delaware Insurance Department
841 Silver Lake Blvd
Dover, DE 19904
Via Email: dave.lonchar@state.de.us
Via Email: rylynn.brown@state.de.us
Via Email: charles.santana@state.de.us

Ms. Sha'Ron James, Director
Mr. Tim Newhall, Chief Attorney
Division of Rehabilitation & Liquidation
Florida Department of Financial Services
2020 Capital Circle SE, Alexander Bldg Ste 340
Tallahassee, FL 32301-0110
Email: ShaRon.James@myfloridacfo.com
Email: tim.newhall@myfloridacfo.com

Mr. Mark Ossi, Deputy Division Director
Georgia Insurance Department
2 Martin Luther King, Jr. Dr., Ste 610
Atlanta, GA 30334
Email: mossi@oci.ga.gov

Mr. Gordon Ito, Insurance Commissioner
Hawaii Insurance Division
P.O. Box 3614
Honolulu, HI 96811-3614
Email: Gordon.I.Ito@dcca.hawaii.gov

Mr. Jim Armstrong
Iowa Insurance Division
330 Maple St.
Des Moines, IA 50319-0065
Email: Jim.Armstrong@iid.iowa.gov

Ms. Georgia Siehl, Bureau Chief/Chief Examiner
Idaho Department of Insurance
P.O. Box 83720
Boise, ID 83720-0043
Email: georgia.siehl@doi.idaho.gov

Mr. Paul Miller, Office of the SDR
Illinois Department of Insurance
222 Merchandise Mart Plaza, Ste 960
Chicago, Illinois 60654
Email: pmiller@osdchi.com

Ms. Elizabeth Lovette
Indiana Department of Insurance
311 West Washington St.
Indianapolis, IN 46204-2787
Email: Liz@in-solv.com

Mr. Ken Abitz, Dir-Financial Surveillance Div
Kansas Department of Insurance
420 SW 9th Street
Topeka, Kansas 66612-1678
Via Email: kabitz@ksinsurance.org

Mr. Allan Pursnell, Deputy Commissioner
Mr. Barry Karns, Receiver
Louisiana Department of Insurance
P.O. Box 94214
Baton Rouge, LA 70802
Email: apurnnell@ldi.state.la.us
Email: barryk@ldi.state.la.us

Mr. Christopher M. Joyce, Counsel to Commissioner
Massachusetts Division of Insurance
One South Station
Boston, MA 02110-2208
Email: christopher.m.joyce@state.ma.us

Ms. Lynn Beckner, Chief Financial Analyst
Maryland Insurance Administration
200 St. Paul Place, Suite 2700
Baltimore, MD 21202
Email: lynn.beckner@maryland.gov

Ms. Vanessa Leon, Director of Financial Analysis
Maine Bureau of Insurance
#34 State House Station
Augusta, ME 04333
Email: vanessa.j.leon@maine.gov

Mr. James E. Gerber
Michigan Office of Financial & Insurance Services
P.O. Box 30220
Lansing, MI 48909-7720
Email: gerberj@michigan.gov

Ms. Jill Kimes
Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101
Email: jill.kimes@state.mn.us

Ms. Donna Whitley
Mississippi Department of Insurance
501 North West St
Jackson, MS 39201
Email: donna.whitley@mid.state.ms.us

Ms. Diane Garber
Missouri Department of Insurance
PO Box 690
Jefferson City, MO 65102-0690
Email: receivership@insurance.mo.gov

Mr. Steve Matthews, Insurance Division
Montana State Auditor's Office
840 Helena Ave.
Helena, MT 59601
Email: smatthews@mt.gov

Mr. Raymond Martinez, Sr. Deputy Commissioner
Mr. Rick Kilpatrick, Sr. Regulatory Specialist
North Carolina Department of Insurance
401 Glenwood Avenue
Raleigh, NC 27603
Via Email: ray.martinez@ncdoi.gov
Via Email: rick.kilpatrick@ncdoi.gov

Mr. Edward Moody
North Dakota Insurance Department
1701 South 12th Street
Bismarck, ND 58504
Email: emoody@nd.gov

Ms. Peggy Jasa
Nebraska Department of Insurance
941 "O" Street, Suite 400
Lincoln, NE 68508-3639
Email: peg.jasa@nebraska.gov

Mr. Douglas Bartlett, Director of Financial Regulation
New Hampshire Insurance Department
21 South Fruit Street, Suite 14
Concord, NH 03301
Email: douglas.bartlett@ins.nh.gov

Ms. Maryann Kralik
Mr. Tanveer Ahmed
NJ Dept of Banking & Insurance
P. O. Box 325
Trenton, New Jersey 08625-0325
Via Email: maryann.kralik@dobi.nj.gov
Via Email: tanveer.ahmed@dobi.nj.gov

Mr. Mickey VanCuren
New Mexico Insurance Division
P.O. Box 1269
Santa Fe, NM 87504-1269
Email: mickey.vancuren@state.nm.us

Ms. Peggy Willard-Ross, Chief Ins Examiner
Nevada Division of Insurance
788 Fairview Drive, Suite 300
Carson City, Nevada 89701
Email: pwillard@doi.state.nv.us

Ms. Gail Pierce Siponen, Asst. Sp. Deputy Superint.
NY State Insurance Dept-Liquidation Bureau
123 William Street, 2nd Floor
New York, NY 10038
Email: gpsiponen@nylb.org

Ms. Julie Meaders, Deputy General Counsel
Oklahoma Department of Insurance
2401 N.W. 23rd, Suite 28
Oklahoma City, OK 73152-3408
Via Email: julie.meaders@oid.ok.gov

Ms. Crystal McDonald, Liquidations Project Dir.
Pennsylvania Department of Insurance
901 North 7th Street
Harrisburg, PA 17102
Email: c-cmcdonal@pa.gov

Ms. Elizabeth K. Dwyer
Rhode Island Division of Insurance
233 Richmond Street
Providence, RI 02903
Email: elizabeth.dwyer@dbr.ri.gov

Mr. Lee Hill, Chief Financial Analyst
South Carolina Department of Insurance
1201 Main Street, Suite 1000
Columbia, SC 29201
Via Email: lhill@doi.sc.gov

Ms. Johanna Nickelson
South Dakota Division of Insurance
445 East Capitol Avenue
Pierre, SD 57501
Email: johanna.nickelson@state.sd.us

Mr. Mark Jaquish, Insurance Division
Tennessee Dept. of Commerce & Insurance
500 James Robertson Pkwy., 4th Fl.
Nashville, TN 37243
Email: mark.jaquish@tn.gov

Mr. Todd Kiser, Commissioner
Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114-6901
Email: toddkiser@utah.gov

Mr. Greg Yeatts
Virginia Bureau of Insurance
P.O. Box 1157
Richmond, Virginia 23218
Email: Gregory.Yeatts@scc.virginia.gov

Ms. Susan Donegan, Deputy Commissioner
Vermont Insurance Division
89 Main St. Drawer 20
Montpelier, VT 05620-3101
Email: susan.donegan@state.vt.us

Mr. James T. Odiorne, Deputy Commissioner
Washington Office-Ins Commissioner
5000 Capitol Boulevard
Tumwater, WA 98501
Email: jimo@oic.wa.gov

Ms. Mary Sue Gilardi
Wisconsin Office – Insurance Commissioner
P.O. Box 7873
Madison, WI 53707-7873
Email: marysue.gilardi@wisconsin.gov

Ms. Leah Cooper
West Virginia Insurance Commission
P.O. Box 50540
Charleston, WV 25305-0540
Email: leah.j.cooper@wv.gov

Mr. Jeff Rude, Deputy Ins Commissioner
Wyoming Insurance Department
106 E. 6th Avenue
Cheyenne, WY 82002
Email: jeff.rude@wyo.gov

Mr. Mark Steckbeck, Asst. General Counsel
The Nat'l Conference of Insurance Guaranty Funds
300 North Meridian St., Suite 1020
Indianapolis, IN 46204
Via Email: msteckbeck@ncigf.org

Mr. Paul M. Gulko
Guaranty Fund Management Services
One Bowdoin Square
Boston, MA 02114-2916
Email: pgulko@gfms.org

Mr. David C. Edwards
Western Guaranty Fund Services
1720 South Bellaire Street, Suite 408
Denver, CO 80222
Email: dedwards@wgfs.org

Ms. Andrea Lentine, Executive Director
Alabama Insurance Guaranty Association
2020 Canyon Road, Suite 200
Birmingham, AL 35216
Email: aiga01@bellsouth.net

Ms. Susan R. Daniels, Fund Administrator
Alaska Insurance Guaranty Association
c/o Northern Adjusters, Inc.
1401 Rudakof Circle, Suite 100
Anchorage, AK 99508
Via Email: sdaniels@nadj.com

Mr. Michael E. Surguine, Executive Director
Arizona Insurance Guaranty Funds
1110 West Washington, Suite 270
Phoenix, AZ 85007
Email: msurguine@azinsurance.gov

Mr. Wayne Wilson, Executive Director
California Insurance Guarantee Association
P.O. Box 29066
Glendale, CA 91209-9066
Email: wilsonw@caiga.org

Mr. Barry Miller, Executive Director
Delaware Insurance Guaranty Association
220 Continental Drive, Suite 309
Newark, DE 19713
Email: bmiller@deiga.com

Ms. Sandra J. Robinson
American Guaranty Fund Group
Florida WC Insurance Guaranty Association
Florida Insurance Guaranty Association
P.O. Box 15159
Tallahassee, FL 32317-5159
Email: srobinson@agfgroup.org

Mr. Michael C. Marchman, Executive Director
Georgia Insurers Insolvency Pool
2177 Flintstone Drive, Suite R
Tucker, GA 30084
Email: mmarchman@gaiga.org

Mr. Blake J. Obata, Administrator
Hawaii Insurance Guaranty Association
P.O. Box 4660
Honolulu, HI 96812-4660
Email: bobata@hawaiigf.com

Mr. Tim Schotke, Executive Director
Illinois Insurance Guaranty Fund
120 South LaSalle Street, Suite 1910
Chicago, IL 60603
Email: tschotke@IIGF.org

Ms. Janis B. Funk, Executive Director
Indiana Insurance Guaranty Association
251 East Ohio Street, Suite 1070
Indianapolis, IN 46204-2143
Email: jfunk@quadassoc.org

Mr. Steven Augspurger, General Counsel
Iowa Insurance Guaranty Association
801 Grand Avenue, Suite 3700
Des Moines, IA 50309-8004
Email: augspurger.steven@bradshawlaw.com

Mr. A. Scott Webster, Executive Director
Kentucky Insurance Guaranty Association
10605 Shelbyville Road, Suite 101
Louisville, KY 40223
Email: scott.webster@kyinsuranceguaranty.com

Mr. John Wells, Director of Operations & Logistics
Louisiana Insurance Guaranty Association
2142 Quail Run Drive
Baton Rouge, LA 70808-4126
Email: jwells@laiga.org

Mr. John Spielberger, President
MD Property & Casualty Ins. Guaranty Corp.
305 Washington Avenue, Suite 600
Towson, MD 21204-4715
Email: jspiel@pcigc.com

Ms. Beth Hoffman, Director
Maryland Life & Health Insurance Guaranty Corp
P.O. Box 671
Owings Mills, MD 21117-0671
Email: beth.hoffman@mdlifega.org

Mr. Thomas R. Kujawa, Executive Director
MI Property & Casualty Guaranty Assoc.
P.O. Box 531266
Livonia, MI 48153-1266
Email: tkujawa@mpcga.org

Mr. Paul Steffen, Executive Director
Minnesota Insurance Guaranty Association
7600 Parklawn Avenue, Suite 460
Edina, MN 55435
Email: paul@mniga.com

Mr. Arthur Russell, Executive Director
Ms. Rhonda Powell
Mississippi Insurance Guaranty Assn.
713 South Pear Orchard Road, Suite 401
Ridgeland, MS 39157-5004
Via Email: arussell@msiga.net
Via Email: rpowell@msiga.net

Mr. Charles F. Renn, Executive Director
Missouri Property & Casualty Ins Guaranty Assoc
Missouri Life & Health Insurance Guaranty Assoc
994 Diamond Ridge, Suite 102
Jefferson City, MO 65109
Email: crenn@mo-iga.org

Mr. L. Dean Fletcher, Administrator
Nebraska Property & Liability Ins Guaranty Assoc
P.O. Box 57006, Station C
Lincoln, NE 68505
Email: ldf3436p@aol.com

Mr. Bruce W. Gilbert, Executive Director
Nevada Insurance Guaranty Association
3821 West Charleston Boulevard, Suite 100
Las Vegas, NV 89102-1859
Email: bgilbert@niga-pc.org

Mr. Joseph L. DellaFera, Executive Director
New Jersey Property-Liability Ins Guaranty Assoc
233 Mount Airy Road, Suite 100
Basking Ridge, NJ 07920
Email: jdellafera@njguaranty.org

Ms. Becky Tafoya, Executive Director
Ms. Vanessa Ramirez
New Mexico Insurance Guaranty Association
Integrion Group, P.O. Box 27815
Albuquerque, NM 87125
Email: beekyt@integriongroup.com
Email: vanessar@integriongroup.com

Mr. Jeffrey J. Cahill, Managing Secretary
North Dakota Insurance Guaranty Association
P.O. Box 2634
Bismarck, ND 58502-2634
Email: jsc46@bis.midco.net

Mr. Raymond F. Evans, Managing Secretary
Mr. Mike Newton
North Carolina Insurance Guaranty Association
P.O. Box 176010
Raleigh, NC 27619-6010
Email: rfe@ncrb.org
Email: rmn@ncrb.org

Mr. Steve Durish
Ohio/West Virginia Guaranty Funds
1840 Mackenzie Drive
Columbus, OH 43220
Email: sdurish@ohioga.org

Ms. June Edge, V.P. of Claims
Ohio Life & Health Insurance Guaranty Association
1840 Mackenzie Drive
Columbus, OH 43220
Email: june.edge@ohioga.org

Ms. Amanda Barbera, General Manager
OK Property & Casualty Ins. Guaranty Assoc.
2601 Northwest Expressway, Suite 330E
Oklahoma City, OK 73112
Email: abarbera@opciga.org

Mr. David C. Johnson, Administrator
Oregon Insurance Guaranty Association
10700 Southwest Beaverton Hwy, Suite 426
Beaverton, OR 97005
Email: djohnson.oiga@frontier.com

Mr. Stephen Perrone, Executive Director
PA Property & Casualty Ins Guaranty Assoc
1617 John F. Kennedy Blvd., Suite 1850
Philadelphia, PA 19103
Email: sperrone@ppciga.org

Ms. Laura S. Keller, Claims Manager
Pennsylvania WC Security Fund
Pennsylvania Ins Dept Bureau of Special Funds
901 North 7th Street
Harrisburg, PA 17102
Email: lakeller@state.pa.us

Mr. Joseph J. Horvath, Executive Director
Pennsylvania Life & Health Ins Guaranty Assoc
Radnor Station Building No. 2, Suite 218
290 King of Prussia Road, Bldg. 2, Suite 218
Radnor, PA 19087
Email: jhorvath5@verizon.net

Mr. Jose E. Camacho Postigo, Exec. Director
Puerto Rico P & C Ins. Guaranty Assoc.
P.O. Box 364967
San Juan, PR 00936-4967
Email: priga74@gmail.com

Mr. J. Smith Harrison, Exec. Director/Secretary
SC Property & Casualty Ins Guaranty Assoc
P.O. Box 407
Columbia, SC 29202
Email: smitty@scwind.com

Mr. Edwin E. Evans, Managing Secretary
SD Property & Casualty Ins Guaranty Assoc
Evans Haigh Hinton, LLP
P.O. Box 2790
Sioux Falls, SD 57101
Email: eevans@ehhlawyers.com

Mr. David Broemel, Executive Secretary
Ms. Jane Murphy
Tennessee Insurance Guaranty Association
3100 West End Avenue., Suite 670
Nashville, TN 37203
Email: dbroemel@bakerdonelson.com
Email: jmurphy@tiga.net

Ms. Linda Meltzer
Ms. Sara Lang
Texas Property & Casualty Ins Guaranty Assoc
9120 Burnet Road
Austin, TX 78758
Email: lmeltzer@tpciga.org
Email: slang@tpciga.org

Mr. Allen Muhlestein, Executive Director
Utah Property & Casualty Ins. Guaranty Assoc.
P.O. Box 1626
Sandy, UT 84091-1626
Email: allenm@utgf.org

Ms. Peggy Parker, Executive Director
Virginia Life, Accident, & Sickness Ins Guaranty Assoc
c/o APM Management Services, Inc.
1503 Santa Rosa Rd., Suite 101
Henrico, VA 23229
Email: APMparker@aol.com

Ms. Mauna Dailey, Administrator
West Virginia Life & Health Ins Guaranty Assoc
P.O. Box 816
Huntington, WV 25712
Email: wvlhga@frontier.com

Mr. Allan Patek, Executive Director
Wisconsin Insurance Security Fund
2820 Walton Commons West, Suite 135
Madison, WI 53718-6797
Email: allan@wisf-madison.org

Mr. Todd Meyers (Atty-VIG Trustee, L.T. Whitaker)
Mr. Colin Bernardino
Kilpatrick Stockton, LLP
1100 Peachtree Street, N.E., Suite 2800
Atlanta, GA 30309-4530
Email: cbernardino@kilpatrickstockton.com
Email: tmeyers@kilpatrickstockton.com

Mr. Lloyd T. Whitaker
Vesta Plan Trustee
Newleaf Corporation
2400 Herodian Way, Suite 135, North Wing
Smyrna, GA 30080
Email: ltwhitaker@newleaf.ws

Mr. T. Charles Fry, Jr. (Atty-JGG Plan Trustee)
Johnston Barton Proctor & Rose, LLP
1901 Sixth Avenue North, Suite 2900
Birmingham, AL 35203-2618
Email: cfry@johnstonbarton.com

Mr. Rodney D. Bucker
Thompson Coe
700 North Pearl St., 25th Floor
Dallas, Texas 75201-2832
Email: rbucker@thompsoncoe.com

Mr. Peter McLauchlan (Atty-Transatlantic Re)
Gardere Wynne Sewell LLP
1000 Louisiana, Suite 3400
Houston, Texas 77002-5011
Email: pmclauchlan@gardere.com

Ms. Kimberly A. Yelkin (Atty-Transatlantic Re)
Gardere Wynne Sewell LLP
600 Congress Avenue, Suite 3000
Austin, Texas 78701-2978
Email: kyelkin@gardere.com

Ms. L'Erin Barnes, Riverdale City Attorney
L'Erin Barnes, LLC
P.O. Box 250464
Atlanta, GA, 30325
Email: lerinbarnes@yahoo.com

Mr. Chris Oh
1 University Plaza, Suite 312
Hackensack, NJ 07012
Email: coh@liquiditysolutions.com

Mr. Mike McClure, CEO
Affirmative Insurance Holdings, Inc.
4450 Sojourn Dr., Suite 500
Addison, Texas 75001
Email: mmcclure@affirmative.com

Ms. Clarisse Hermann Marrero
Millers Insurance Co.
6933 Mammoth Avenue
Van Nuys, CA 91405
Email: clarissemarrero@yahoo.com

Mr. Stephen Coutts
102 Taylor Ln.
Seneca, MO 64865
Email: superoldman9@gmail.com

Mrs. E. Bailey
Email: xxeb@live.com

Mr. Paul S. Francis
Baker & Hostetler LLP
1000 Louisiana Suite 2000
Houston, TX 77002
Email: PFrancis@Bakerlaw.com

Mr. Scott Krochek, Vice President
Argo Partners
12 West 37th Street 9th Floor
New York, NY 10018
Email: scott@ArgoPartners.net

Mr. Michael Beckelman, Atty for Montpelier Re
Wilson, Elser, Moskowitz, Edelman & Dicker
5847 San Felipe, Suite 2300
Houston, Texas 77057
Email: michael.beckelman@wilsonelser.com

Ms. Vicki Palm
Reliance Insurance Company (in Liquidation)
Three Parkway, 5th Floor
Philadelphia, PA 19102-1376
Email: vicki.palm@relianceinsurance.com

Mr. Paul Prettyman
PA Assigned Claims Plan
1835 Market St., Ste. 700
Philadelphia, PA 19103
Email: pprettyman@pfracp.org

Mr. Franklin Ciaccio (Atty-US Bank Nat'l Assoc)
Dorsey & Whitney LLP
51 West 52nd Street
New York, NY 10019
Email: ciaccio.frank@dorsey.com

Via Regular & Certified Mail/RRR

Livia Bales
Global Reinsurance Corporation
125 Broad Street
New York, NY 10004

/s/ Brian E. Riewe

Brian E. Riewe
Email: briewe@riewelaw.com

POC #526-642

OF CLAIM

THE DEADLINE FOR FILING YOUR PROOF OF CLAIM IS 11:59P.M. C.S.T., NOVEMBER 30, 2007

- VESTA FIRE INSURANCE CORPORATION IN RECEIVERSHIP
 - SHELBY CASUALTY INSURANCE COMPANY IN RECEIVERSHIP
 - THE SHELBY INSURANCE COMPANY IN RECEIVERSHIP
 - TEXAS SELECT LLOYDS INSURANCE COMPANY IN RECEIVERSHIP
 - SELECT INSURANCE SERVICES, INC. IN RECEIVERSHIP
- (Collectively referred to as the "Vesta Receiverships")

PLEASE PRINT

Claimant's Name: Global Reinsurance Corporation - US Branch

(If represented by an attorney, please complete this section)

Street Address: 7 Times Square, 37th Floor

Name of Attorney: _____

New York, New York 10036

Name of Law Firm: _____

City State Zip

Attorney File No.: _____

Phone: 212-754-7518 Fax: 212-821-0459

Street Address: _____

E-Mail Address: livia_bales@ggrca.com DOB: _____

City State Zip

Social Security No. or Tax ID No.: 13-6107326

E-Mail Address: _____

Provide us with the name, address and phone number of someone who will always know how to contact you:
Name: Robert Cameron

Phone: _____ Fax: _____

7 Times Square, 37th Floor, New York, New York 10036

Tax ID No.: _____

Address City State Zip

POLICY NO. Various

Phone Number: 212-754-7590 E-Mail: robert_cameron@ggrca.com

CLAIM NO. Various

Note: Attach a Copy of Power of Attorney

You must notify us of any change in the above addresses or phone numbers.

Claim is for (check the appropriate box below):

Claim Amount:

| | | |
|--|---|-------------------------------|
| <input type="checkbox"/> | Payments made or expenses incurred by a Guaranty Association in paying covered claims..... | \$ _____ |
| <input type="checkbox"/> | Claim, cost of defense, or expense under a policy of insurance not covered by a Guaranty Association | \$ _____ |
| <input type="checkbox"/> | Return of premium under a policy of insurance not covered by a Guaranty Association..... | \$ _____ |
| <input type="checkbox"/> | Unpaid pre-receivership policy costs such as fees to attorney or other professional services..... | \$ _____ |
| <input type="checkbox"/> | Unpaid fees for goods and services to vendors | \$ _____ |
| <input type="checkbox"/> | Unpaid commissions or invoices to agents or brokers..... | \$ _____ |
| <input type="checkbox"/> | Reinsurance (Facultative <input type="checkbox"/> Assumed <input type="checkbox"/> Ceded <input type="checkbox"/> Premium <input type="checkbox"/> ...check one)..... | \$ _____ |
| | Broker: _____ Type of Business: _____ Underwriting Years: _____ | |
| <input type="checkbox"/> | Insurance company claim for subrogation <input type="checkbox"/> contributions <input type="checkbox"/> indemnity <input type="checkbox"/> | \$ _____ |
| <input type="checkbox"/> | Amounts due a governmental entity (city <input type="checkbox"/> county <input type="checkbox"/> state <input type="checkbox"/> Federal <input type="checkbox"/>)..... | \$ _____ |
| <input checked="" type="checkbox"/> | Other claim..... | \$ <u>6,354,805.77</u> |
| TOTAL AMOUNT OF CLAIM (If the amount is unknown insert the word unstated")..... | | \$ <u>6,354,805.77</u> |

Describe the nature of your claim: Retro recoverable paid loss, outstanding reserves, expense reserves and IBNR

Date of loss: Various Residency at time of loss: _____

If you have an assignment of benefits, provide assignors name and address below and attach copy of the assignment:

If you have assigned any part of your right of recovery, provide assignee's name and address below and attach copy of the assignment:

If you hold or exercise any control over any cash, securities, trust funds, letters of credit or other assets of the Vesta Receiverships provide description and location of asset: _____

POC NO.: _____
(To Be Completed by SDR)

DATE RECEIVED: _____
(To Be Completed by SDR)

If you received any payments on your claim, provide the name of who paid you and the amount of payment:

Is there any other insurance available to cover your claim? Yes No

If the Answer is "yes", what is the name of the insurance company? _____
Contact Person: _____ Phone No.: _____

NOTE: ATTACH DOCUMENTATION TO SUPPORT YOUR CLAIM

AFFIRMATION OF CLAIMANT

I, Burt Henry affirm that I have read the foregoing Proof of Claim and understand the contents thereof, that this claim of \$ 6,354,805.77 against the Vesta Receiverships is justly owing to me, that I alone am entitled to file this claim, except as stated above, that there is no setoff to the claim thereto, except as stated above, that the matters set forth above and any accompanying statements and documents are true to my own knowledge, and that no payment of or on account of the aforesaid claim has been made, except as stated.

By signing this Proof of Claim form claimant understands that all or some of the information on this form will be used in approving the Proof of Claim and obtaining court approval. Claimant hereby authorizes the Vesta Receiverships, its affiliates or representatives or agents to disclose, discuss, and/or release, orally or in writing, information contained in this Proof of Claim form. Claimant agrees to cooperate in signing additional release forms, if any.

CLAIMANT UNDERSTANDS THAT BY FILING THIS CLAIM IN THE ESTATE OF THE INSURER CLAIMANT IS WAIVING ANY RIGHT TO PURSUE THE PERSONAL ASSETS OF THE INSURED TO THE EXTENT THAT THERE ARE POLICY LIMITS OR COVERAGE PROVIDED BY THE VESTA RECEIVERSHIPS

11/27/07 *Burt Henry*
DATE SIGNED SIGNATURE OF PERSON MAKING CLAIM
Chief Financial Officer Burt Henry
TITLE (IF APPLICABLE) PRINTED NAME

If someone other than the person making the claim has completed this form, please provide the following information:

Date: 11/27/07 Name: Livia Nicholls-Bales
Address: 7 Times Square, 37th Floor, New York, NY 10036 Relationship to Claimant: Employee
212-754-7518 *Livia Nicholls-Bales*
Phone Number Signature of Person Completing the Form for the Claimant

IMPORTANT NOTICE
RETURN THE COMPLETED POC AND REQUESTED DOCUMENTATION TO:
VESTA RECEIVERSHIPS
P.O. Box 1133, DRIPPING SPRINGS, TEXAS 78620-1133
CONTACT NUMBER: 1-888-313-5685
www.sdrtxpoc.com
THE DEADLINE FOR FILING YOUR PROOF OF CLAIM IS 11:59P.M. C.S.T., NOVEMBER 30, 2007

PLEASE DIRECT THIS NOTICE TO YOUR REINSURANCE DEPARTMENT

**IMPORTANT NOTICE REGARDING CONTINGENT CLAIM DEADLINE
FOR VESTA FIRE INSURANCE CORPORATION IN RECEIVERSHIP**

TO: REINSUREDS of Vesta Fire Insurance Corporation (“Vesta Fire”) who have filed a Proof of Claim in the Vesta Fire receivership and persons who have not filed a Proof of Claim but may have a claim as a reinsured of Vesta Fire:

Vesta Fire is in liquidation pursuant to orders issued in the case styled: *State of Texas and Texas Department of Insurance v. Vesta Fire Insurance Corporation, et al*; Cause No. D-1-GN-06-002366; In the 126th Judicial District Court, Travis County, Texas.

You were previously sent notice that the Special Deputy Receiver for Vesta Fire had filed an *Application for Approval of Plan to Finalize Contingent Claims of Reinsureds of Vesta Fire Insurance Corporation* (“Application”). The Application has been approved and the receivership court has set **January 1, 2011** as the **Contingent Claim Date**. You are now required to update your Proof of Claim with a final amount based on paid claims and reserves, including incurred but not reported (“IBNR”) claims as of December 31, 2010. The updated information must include the information described on the reverse side of this notice. **All updated information must be postmarked or otherwise delivered to the Special Deputy Receiver on or before March 31, 2011 at 11:59 p.m. C.S.T.**

The Special Deputy Receiver sent notice dated on or about June 2, 2009 to all Reinsureds who had filed a Proof of Claim at that time requesting the information as of December 31, 2009 described on the reverse side of this notice. It is not necessary to provide all of the information requested if you have already done so. Rather, you should report changes in the information and support for these changes as of December 31, 2010. The previous notice also informed you that a specific POC no. and Key No. had been assigned to your Proof of Claim. Please be sure to refer to these numbers when providing the requested update information. You may send updated information, including information downloaded to a disc or other memory device, by mail or electronically to a secure website. If by mail, please send the updated information to:

Prime Tempus, Inc.
Attn: Diane Perkins, Reinsurance Specialist
P.O. Box 1133
Dripping Springs, Texas 78620-1133.

Alternatively, you may upload updated information electronically to a secure website utilizing the assigned POC No. and Key No. The website is www.sdrtxpoc.com. There you will be able to click on a link that will provide instructions for uploading electronically. The Special Deputy Receiver prefers to receive information electronically.

If you have not filed a Proof of Claim already, you may still file a claim. The Proof of Claim form and instructions may be obtained by downloading them from the “Download” section of the Special Deputy Receiver’s website www.sdrtxpoc.com; by calling (512) 894-3705; or by writing to Diane Perkins at the address listed above.

Please contact Diane Perkins at (512) 894-3705 or by email at dmp Perkins@austin.rr.com if you have any questions about this notice or your Proof of Claim. Please note that the Special Deputy Receiver has sent notice of the Contingent Claim Date to Reinsurers of Vesta Fire. If you are also a Reinsurer of Vesta Fire, you will receive notice in that capacity also.


Craig A. Koenig
President, Prime Tempus, Inc.
Special Deputy Receiver

SEE ADDITIONAL INFORMATION ON REVERSE SIDE

EXHIBIT B

UPDATED INFORMATION REQUEST

Please provide the following information current as of December 31, 2010:

1. The amount and description of the claim, including a copy of the reinsurance agreement under which the claim is made;
2. The total inception-to-date incurred losses, including the losses reflected in the update, separately for each reinsurance agreement;
3. All losses and related loss adjustment expense including for defense and cost containment and adjusting and other expenses which were actually paid or satisfied by the reinsured, for any portion of which such reinsured asserts Vesta Fire is obligated to reimburse it, but which has not been paid, in whole or in part, as of December 31, 2010;
4. The amount and description of any set-off the reinsured has applied, is applying or intends to apply against Vesta Fire's share of those paid losses and related loss adjustment expenses described in 3 above as of December 31, 2010;
5. The amount of security held by, in favor or for the benefit of the reinsured which such reinsured has applied, is applying or intends to apply against those unreimbursed paid losses and related loss adjustment expenses described in 3 above as of December 31, 2010;
6. The amount and a description of the source of any salvage or subrogation collected by the reinsured or to which the reinsured is or may be entitled, to all or a part of which Vesta Fire is or may be entitled as of December 31, 2010;
7. The amount and a description of all unpaid reported loss, incurred but not reported loss and all related loss adjustment expense reserves, including for defense and cost containment and adjusting and other expenses, established upon the books and records of the reinsured on or before December 31, 2010, which such reinsured reasonably believes will result in a claim against Vesta Fire, and a description of each such claim;
8. The amount and description of all unpaid reported loss, incurred but not reported loss, and all related loss adjustment expense reserves described in 3 above previously reported which the reinsured has adjusted by increase or decrease upon its books or records on or before December 31, 2010; and
9. Reasonable support of all incurred but not reported losses reported, including a detailed explanation of how amounts were calculated as of December 31, 2010, including but not limited to, work papers or other materials and information demonstrating that any assertion of incurred but not reported losses are calculated either with reasonable actuarial certainty or upon another accepted method of valuing claims with reasonable certainty. The support provided must be of such quality and detail that an actuary can recalculate the incurred but not reported losses as of December 31, 2010. If you included in Schedule F of your last filed Statutory Annual Statement a specific incurred but not reported loss amount for Vesta Fire, provide a copy of that page along with the update.

VESTA FIRE INSURANCE CORPORATION IN RECEIVERSHIP

27310 Ranch Road 12

Dripping Springs, Texas 78620

Phone: (512) 894-3705 Facsimile: (512) 894-3725

Prime TEMPUS, Inc.

Special Deputy Receiver

NOTICE OF ALLOWANCE OF CLAIM

November 22, 2013

LIVIA BALES

GLOBAL REINSURANCE CORPORATION - US BRANCH

7 TIMES SQUARE, 37TH FLOOR

NEW YORK, NY 10036

Re: Cause No. D-1-GN-06-002366; *The State of Texas and the Texas Department of Insurance v. Vesta Fire Insurance Corporation, Vesta Insurance Corporation, Shelby Casualty Insurance Company, The Shelby Insurance Company, Texas Select Lloyds Insurance Company, Select Insurance Services, Inc. and American Founders Financial Corp.*; In the 126th Judicial District Court of Travis County, Texas.

Subject: Proof of Claim No. 5260642

Dear LIVIA BALES:

The Special Deputy Receiver for Vesta Fire Insurance Corp. ("Vesta Fire") has reviewed Proof of Claim No. 5260642, the information provided with Proof of Claim No. 5260642 and the books and records of Vesta Fire. A copy of the original Proof of Claim No. 5260642 is enclosed for your reference.

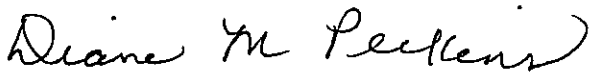
Proof of Claim No. 5260642 is classified as a Class 5 claim against Vesta Fire as defined TEX. INS. CODE ANN. § 443.301 (e) and is allowed in the amount of \$1,548,157.00, which includes \$978,993.00 paid loss, \$169,164.00 case reserves and \$400,000.00 IBNR.

Class 5 claims may not be paid until all claims of higher classes are paid in full or adequate funds have been retained for their payment. The Special Deputy Receiver anticipates that funds will be available to pay Class 5 claims at a future date not yet determined but anticipates there will not be sufficient funds to pay all Class 5 claims in full. When there are not sufficient funds to pay all claims of a class in full, all allowed claims are paid in substantially the same percentage of the amount of the claim pursuant to TEX. INS. CODE ANN. § 443.301. You will be notified in writing when a distribution on Class 5 claims is made.

EXHIBIT C

If you do not agree with this determination, you must submit your objections in writing to the Special Deputy Receiver at the above referenced address not later than 45 days from the date of this letter. If the Special Deputy Receiver changes its determination, you will receive written notice of the changed determination. If the Special Deputy Receiver does not alter the determination of the claim or if the determination is changed but you do not agree with the new determination, the Special Deputy Receiver will request a hearing before the receivership court. If no objection is timely filed, the Special Deputy Receiver's determination is final.

Sincerely,

A handwritten signature in cursive script that reads "Diane M. Perkins".

Diane M. Perkins
Reinsurance Specialist
Prime Tempus, Inc.

Enclosures

POC #526-642

OF CLAIM

THE DEADLINE FOR FILING YOUR PROOF OF CLAIM IS 11:59P.M. C.S.T., NOVEMBER 30, 2007

- VESTA FIRE INSURANCE CORPORATION IN RECEIVERSHIP
 - SHELBY CASUALTY INSURANCE COMPANY IN RECEIVERSHIP
 - THE SHELBY INSURANCE COMPANY IN RECEIVERSHIP
 - TEXAS SELECT LLOYDS INSURANCE COMPANY IN RECEIVERSHIP
 - SELECT INSURANCE SERVICES, INC. IN RECEIVERSHIP
- (Collectively referred to as the "Vesta Receiverships")

PLEASE PRINT

Claimant's Name: Global Reinsurance Corporation - US Branch

(If represented by an attorney, please complete this section)

Street Address: 7 Times Square, 37th Floor

Name of Attorney: _____

New York, New York 10036

Name of Law Firm: _____

City State Zip

Attorney File No.: _____

Phone: 212-754-7518 Fax: 212-821-0459

Street Address: _____

E-Mail Address: livia_bales@ggrca.com DOB: _____

City State Zip

Social Security No. or Tax ID No.: 13-6107326

E-Mail Address: _____

Provide us with the name, address and phone number of someone who will always know how to contact you:

Phone: _____ Fax: _____

Name: Robert Cameron

Tax ID No.: _____

7 Times Square, 37th Floor, New York, New York 10036

POLICY NO. Various

Address City State Zip

CLAIM NO. Various

Phone Number: 212-754-7590 E-Mail: robert_cameron@ggrca.com

Note: Attach a Copy of Power of Attorney

You must notify us of any change in the above addresses or phone numbers.

Claim is for (check the appropriate box below):

Claim Amount:

| | | |
|---|---|-------------------------------|
| <input type="checkbox"/> | Payments made or expenses incurred by a Guaranty Association in paying covered claims..... | \$ _____ |
| <input type="checkbox"/> | Claim, cost of defense, or expense under a policy of insurance not covered by a Guaranty Association | \$ _____ |
| <input type="checkbox"/> | Return of premium under a policy of insurance not covered by a Guaranty Association..... | \$ _____ |
| <input type="checkbox"/> | Unpaid pre-receivership policy costs such as fees to attorney or other professional services..... | \$ _____ |
| <input type="checkbox"/> | Unpaid fees for goods and services to vendors | \$ _____ |
| <input type="checkbox"/> | Unpaid commissions or invoices to agents or brokers..... | \$ _____ |
| <input type="checkbox"/> | Reinsurance (Facultative <input type="checkbox"/> Assumed <input type="checkbox"/> Ceded <input type="checkbox"/> Premium <input type="checkbox"/> ...check one)..... | \$ _____ |
| | Broker: _____ Type of Business: _____ Underwriting Years: _____ | |
| <input type="checkbox"/> | Insurance company claim for subrogation <input type="checkbox"/> contributions <input type="checkbox"/> indemnity <input type="checkbox"/> | \$ _____ |
| <input type="checkbox"/> | Amounts due a governmental entity (city <input type="checkbox"/> county <input type="checkbox"/> state <input type="checkbox"/> Federal <input type="checkbox"/>)..... | \$ _____ |
| <input checked="" type="checkbox"/> | Other claim..... | \$ <u>6,354,805.77</u> |
| TOTAL AMOUNT OF CLAIM (If the amount is unknown insert the word unstated)..... | | \$ <u>6,354,805.77</u> |

Describe the nature of your claim: Retro recoverable paid loss, outstanding reserves, expense reserves and IBNR

Date of loss: Various Residency at time of loss: _____

If you have an assignment of benefits, provide assignors name and address below and attach copy of the assignment:

If you have assigned any part of your right of recovery, provide assignee's name and address below and attach copy of the assignment:

If you hold or exercise any control over any cash, securities, trust funds, letters of credit or other assets of the Vesta Receiverships provide description and location of asset: _____

POC NO.: _____
(To Be Completed by SDR)

DATE RECEIVED: _____
(To Be Completed by SDR)

If you received any payments on your claim, provide the name of who paid you and the amount of payment:

Is there any other insurance available to cover your claim? Yes No

If the Answer is "yes", what is the name of the insurance company? _____
Contact Person: _____ Phone No.: _____

NOTE: ATTACH DOCUMENTATION TO SUPPORT YOUR CLAIM

AFFIRMATION OF CLAIMANT

I, Burt Henry affirm that I have read the foregoing Proof of Claim and understand the contents thereof, that this claim of \$ 6,354,805.77 against the Vesta Receiverships is justly owing to me, that I alone am entitled to file this claim, except as stated above, that there is no setoff to the claim thereto, except as stated above, that the matters set forth above and any accompanying statements and documents are true to my own knowledge, and that no payment of or on account of the aforesaid claim has been made, except as stated.

By signing this Proof of Claim form claimant understands that all or some of the information on this form will be used in approving the Proof of Claim and obtaining court approval. Claimant hereby authorizes the Vesta Receiverships, its affiliates or representatives or agents to disclose, discuss, and/or release, orally or in writing, information contained in this Proof of Claim form. Claimant agrees to cooperate in signing additional release forms, if any.

CLAIMANT UNDERSTANDS THAT BY FILING THIS CLAIM IN THE ESTATE OF THE INSURER CLAIMANT IS WAIVING ANY RIGHT TO PURSUE THE PERSONAL ASSETS OF THE INSURED TO THE EXTENT THAT THERE ARE POLICY LIMITS OR COVERAGE PROVIDED BY THE VESTA RECEIVERSHIPS

11/27/07 Burt Henry
DATE SIGNED SIGNATURE OF PERSON MAKING CLAIM
Chief Financial Officer Burt Henry
TITLE (IF APPLICABLE) PRINTED NAME

If someone other than the person making the claim has completed this form, please provide the following information:

Date: 11/27/07 Name: Livia Nicholls-Bales
Address: 7 Times Square, 37th Floor, New York, NY 10036 Relationship to Claimant: Employee
212-754-7518 Livia Nicholls-Bales
Phone Number Signature of Person Completing the Form for the Claimant

IMPORTANT NOTICE
RETURN THE COMPLETED POC AND REQUESTED DOCUMENTATION TO:
VESTA RECEIVERSHIPS
P.O. Box 1133, DRIPPING SPRINGS, TEXAS 78620-1133
CONTACT NUMBER: 1-888-313-5685
www.sdrtxpoc.com
THE DEADLINE FOR FILING YOUR PROOF OF CLAIM IS 11:59P.M. C.S.T., NOVEMBER 30, 2007

CLAIMS SECTIONS FROM CHAPTER 443 OF TEXAS INSURANCE CODE:

Sec. 443.253. ALLOWANCE OF CLAIMS. (a) Except as provided in Subsections (i) and (l), the liquidator shall review all claims duly filed in the liquidation proceeding and shall further investigate as the liquidator considers necessary. Consistent with the provisions of this chapter, the liquidator may allow, disallow, or compromise the amount for which claims will be recommended to the receivership court, unless the liquidator is required by law to accept claims as settled by a person or organization, including a guaranty association, subject to any statutory or contractual rights of the affected reinsurers to participate in the claims allowance process. No claim under a policy of insurance may be allowed for an amount in excess of the applicable policy limits.

(b) Pursuant to the review, the liquidator shall provide written notice of the claim determination by any means authorized by Section 443.007 to the claimant or the claimant's attorney and may provide notice to any reinsurer that is or may be liable in respect of the claim. The notice must set forth the amount of the claim allowed by the liquidator, if any, and the priority class of the claim as established in Section 443.301.

(c) Not later than the 45th day after the mailing of the notice as set forth in Subsection (b), those noticed may submit written objections to the liquidator. Any submitted objections must clearly set out all facts and the legal basis, if any, for the objections and the reasons why the claim should be allowed at a different amount or in a different priority class. If no timely objection is filed, the determination is final.

(d) A claim that has not become mature as of the coverage termination date established under Section 443.201 because payment on the claim is not yet due may be allowed as if it were mature. A claim that is allowed under this subsection may be discounted to present value based upon a reasonable estimated date of the payment, if the liquidator determines that the present value of the payment is materially less than the amount of the payment.

(e) A judgment or order against an insured or the insurer entered after the date of the initial filing of a successful petition for receivership, or within 120 days before the initial filing of the petition, and a judgment or order against an insured or the insurer entered at any time by default or by collusion need not be considered as evidence of liability or of the amount of damages.

(f) Claims under employment contracts by directors, officers, or persons in fact performing similar functions or having similar powers are limited to payment for services rendered prior to any order of receivership, unless explicitly approved in writing by:

- (1) the commissioner prior to an order of receivership;
- (2) the rehabilitator before the entry of an order of liquidation; or
- (3) the liquidator after the entry of an order of liquidation.

(g) The total liability of the insurer to all claimants arising out of the same act or policy may not be greater than the insurer's total liability would have been were the insurer not in liquidation.

(h) The liquidator shall disallow claims for de minimis amounts as determined by the receivership court as being reasonable and necessary for administrative convenience.

(i) A claim that does not contain all the applicable information required by Section 443.252 need not be further reviewed or adjudicated, and may be denied or disallowed by the liquidator subject to the notice and objection procedures in this section.

(j) The liquidator may reconsider a claim on the basis of additional information and amend the recommendation to the receivership court. The claimant must be afforded the same notice and opportunity to be heard on all changes in the recommendation as in its initial determination. The receivership court may amend its allowance or disallowance as appropriate.

(k) The liquidator is not required to process claims for any class until it appears reasonably likely that property will be available for a distribution to that class. If there are insufficient assets to justify processing all claims for any class listed in Section 443.301, the liquidator shall report the facts to the receivership court and make such recommendations as may be appropriate for handling the remainder of the claims.

(l) Any claim by a lessor for damages resulting from the termination of a lease of real property shall be disallowed to the extent that the claim exceeds:

(1) the rent reserved by the lease, without acceleration, for the longer of one year or 15 percent of the remaining term of the lease, not to exceed three years, following the earlier of:

(A) the date of the filing of the petition; or

(B) the date on which the lessor repossessed or the lessee surrendered the leased property; and

(2) any unpaid rent due under the lease, without acceleration, on the earlier of the dates described by Subdivision (1).

(m) If a claim is fully covered by a guaranty association, the liquidator has no obligation to process the claim in accordance with this section and may refuse to process the claim in accordance with this section.

Sec. 443.257. DISPUTED CLAIMS. (a) When objections to the liquidator's proposed treatment of a claim are filed and the liquidator does not alter the determination of the claim as a result of the objections, the liquidator shall ask the receivership court for a hearing pursuant to Section 443.007.

(b) The provisions of this section are not applicable to disputes with respect to coverage determinations by a guaranty association as part of the association's statutory obligations.

(c) The final disposition by the receivership court of a disputed claim is deemed a final judgment for purposes of appeal.

Sec. 443.258. LIQUIDATOR'S RECOMMENDATIONS TO RECEIVERSHIP COURT.

The liquidator shall present to the receivership court, for approval, reports of claims settled or determined by the liquidator under Section 443.253. The reports must be presented from time to time as determined by the liquidator and must include information identifying the claim and the amount and priority class of the claim.

TEXAS INSURANCE CODE

TEXAS INSURER RECEIVERSHIP ACT, CHAPTER 443

**Sec. 443.007. NOTICE, HEARING, AND APPEAL ON MATTERS
SUBMITTED BY RECEIVER FOR RECEIVERSHIP COURT APPROVAL.**

(a) Upon written request to the receiver, a person must be placed on the service list to receive notice of matters filed by the receiver. It is the responsibility of the person requesting notice to inform the receiver in writing of any changes in the person's address or to request that the person's name be deleted from the service list. The receiver may require that the persons on the service list provide confirmation that they wish to remain on the service list. Any person who fails to confirm the person's intent to remain on the service list may be purged from the service list. Inclusion on the service list does not confer standing in the delinquency proceeding to raise, appear, or be heard on any issue.

(b) Except as otherwise provided by this chapter, notice and hearing of any matter submitted by the receiver to the receivership court for approval under this chapter must be conducted in accordance with Subsections (c)-(g).

(c) The receiver shall file an application explaining the proposed action and the basis of the proposed action. The receiver may include any evidence in support of the application. If the receiver determines that any documents supporting the application are confidential, the receiver may submit them to the receivership court under seal for in camera inspection.

(d) The receiver shall provide notice of the application to all persons on the service list and any other parties as determined by the receiver. Notice may be provided by first class mail postage paid, electronic mail, or facsimile transmission, at the receiver's discretion. For purposes of this section, notice is deemed to be given on the date that it is deposited with the U.S. Postmaster or transmitted, as applicable, to the last known address as shown on the service list.

(e) Any party in interest objecting to the application must file an objection specifying the grounds for the objection not later than the 20th day after the date of the notice of the filing of the application or within another period as the receivership court may set, and must serve copies on the receiver and any other persons served with the application within the same period. An objecting party has the burden of showing why the receivership court should not authorize the proposed action.

(f) If no objection to the application is timely filed, the receivership court may enter an order approving the application without a hearing, or hold a hearing to determine if the receiver's application should be approved. The receiver may request that the receivership court enter an order or hold a hearing on an expedited basis.

(g) If an objection is timely filed, the receivership court may hold a hearing. If the receivership court approves the application and, upon a motion by the receiver, determines that the objection was frivolous or filed merely for delay or for another improper purpose, the receivership court shall order the objecting party to pay the receiver's reasonable costs and fees of defending the action.

| | | |
|-----------------------------------|---|--------------------------|
| THE STATE OF TEXAS AND THE | § | IN THE DISTRICT COURT OF |
| TEXAS DEPARTMENT OF INSURANCE | § | |
| | § | |
| VS. | § | TRAVIS COUNTY, TEXAS |
| | § | |
| VESTA FIRE INSURANCE CORP., ET AL | § | 126th JUDICIAL DISTRICT |

AFFIDAVIT OF BRIAN E. RIEWE

Before me, the undersigned notary, on this day personally appeared Brian E. Riewe, the affiant, a person whose identity is known to me. After I administered an oath to affiant, affiant testified:

1. "My name is Brian E. Riewe. I am over 18 years of age, of sound mind, and capable of making this affidavit. The facts stated in this affidavit are within my personal knowledge and are true and correct.

2. I am an attorney licensed to practice in Texas.

3. I am the attorney for Prime Tempus, Inc., Special Deputy Receiver of Vesta Fire Insurance Corporation in this matter. I have personal knowledge of the facts in this affidavit.

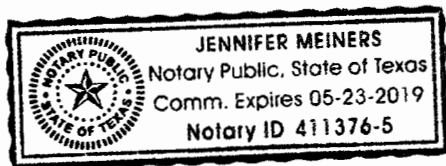
4. On March 18, 2016, I prepared a letter to Global Reinsurance Corporation. The letter was returned as undeliverable. On March 31, 2016, I mailed the same letter to Global Reinsurance Corporation to a new address. According to the return card, Global Reinsurance Corporation received the letter on April 7, 2016."

Further the affiant sayeth not.

Brian E. Riewe
Brian E. Riewe

SUBSCRIBED AND SWORN to before me by Brian E. Riewe on this the 15th day of April, 2016 to certify which witness my hand and seal of office.

Jennifer Meiners
Notary - State of Texas



BRIAN E. RIEWE, P.C.

ATTORNEYS & COUNSELORS AT LAW

Brian E. Riewe
briewe@riewelaw.com

March 18, 2016

***Via Email armando_chan@ggrca.com
And Certified Mail/RRR***

Mr. Armando Chan
Assistant Vice President
Ceded Reinsurance Accounting
Global Reinsurance Corporation – U.S. Branch
7 Times Square, 37th Floor
New York, New York 10036

Re: Vesta Fire Insurance Corporation, in Receivership

Subject: Final Determination of Proof of Claim No. 526-0642

Dear Mr. Chan:

This firm represents the Special Deputy Receiver of Vesta Fire Insurance Corporation in Receivership (Vesta Fire).

The Special Deputy Receiver previously notified you that Global Reinsurance Corporation's (Global Re) claim was classified as a Class 5 claim and allowed in the amount of \$1,548,157.00. You objected to this determination. A copy of the determination notice is enclosed.

Following receipt of the determination notice, initially Livia Bales and then you, corresponded with Diane Perkins of the Special Deputy Receiver's reinsurance staff requesting information regarding the original participating reinsurer on three facultative casualty excess of loss treaties for the years 1971 through 1975 and an extension of the deadline to object to the Special Deputy Receiver's determination. The Special Deputy Receiver has reviewed this matter further and has not altered its determination.

The Special Deputy Receiver will file an Application for Final Disposition of Disputed Claim (Application) with the Receivership Court and request that the court make the Special Deputy Receiver's determination of Global Re's claim final. The purpose of this letter is to explain the process for submitting the Special Deputy Receiver's determination of Global Re's claim and Global Re's objection to the Receivership Court.

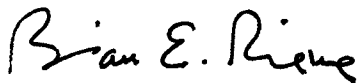
404 Main Street, Smithville, Texas 78957
P.O. Box 776 Smithville, Texas 78957 (Mailing Address)
512/236-9955

EXHIBIT 1 to
EXHIBIT D

The Receivership Court has appointed a Master to make recommendations to the Receivership Court regarding certain matters in the receivership, including claim determinations. The Master may consider a claim determination by oral hearing or by written submission. The Master reports his recommendation to the Receivership Court, which issues an order regarding the claim determination. The Application will include a Notice of Submission, with the date on which the Master can review the Application based on a written submission. The Notice of Submission will contain information about the procedures for Global Re to file written objections to the Application, and requesting an oral hearing before the Master. *Please note that if Global Re does not file a written objection as described in the Notice of Submission, the Master may consider the Application without a hearing.*

You may consult an attorney of your choice to discuss Global Re's right in this matter. Do not hesitate to call me if you have any questions about this process.

Sincerely,



Brian E. Riewe,
Attorney for the Special Deputy Receiver

Enclosure
4006-30\

VESTA FIRE INSURANCE CORPORATION IN RECEIVERSHIP

27310 Ranch Road 12

Dripping Springs, Texas 78620

Phone: (512) 894-3705 Facsimile: (512) 894-3725

Prime TEMPUS, Inc.
Special Deputy Receiver

NOTICE OF ALLOWANCE OF CLAIM

November 22, 2013

LIVIA BALES
GLOBAL REINSURANCE CORPORATION - US BRANCH
7 TIMES SQUARE, 37TH FLOOR
NEW YORK, NY 10036

Re: Cause No. D-1-GN-06-002366; *The State of Texas and the Texas Department of Insurance v. Vesta Fire Insurance Corporation, Vesta Insurance Corporation, Shelby Casualty Insurance Company, The Shelby Insurance Company, Texas Select Lloyds Insurance Company, Select Insurance Services, Inc. and American Founders Financial Corp.*; In the 126th Judicial District Court of Travis County, Texas.

Subject: Proof of Claim No. 5260642

Dear LIVIA BALES:

The Special Deputy Receiver for Vesta Fire Insurance Corp. ("Vesta Fire") has reviewed Proof of Claim No. 5260642, the information provided with Proof of Claim No. 5260642 and the books and records of Vesta Fire. A copy of the original Proof of Claim No. 5260642 is enclosed for your reference.

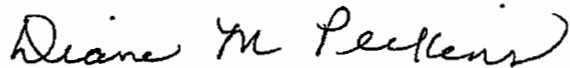
Proof of Claim No. 5260642 is classified as a Class 5 claim against Vesta Fire as defined TEX. INS. CODE ANN. § 443.301 (e) and is allowed in the amount of \$1,548,157.00, which includes \$978,993.00 paid loss, \$169,164.00 case reserves and \$400,000.00 IBNR.

Class 5 claims may not be paid until all claims of higher classes are paid in full or adequate funds have been retained for their payment. The Special Deputy Receiver anticipates that funds will be available to pay Class 5 claims at a future date not yet determined but anticipates there will not be sufficient funds to pay all Class 5 claims in full. When there are not sufficient funds to pay all claims of a class in full, all allowed claims are paid in substantially the same percentage of the amount of the claim pursuant to TEX. INS. CODE ANN. § 443.301. You will be notified in writing when a distribution on Class 5 claims is made.

EXHIBIT 1 to
EXHIBIT D

If you do not agree with this determination, you must submit your objections in writing to the Special Deputy Receiver at the above referenced address not later than 45 days from the date of this letter. If the Special Deputy Receiver changes its determination, you will receive written notice of the changed determination. If the Special Deputy Receiver does not alter the determination of the claim or if the determination is changed but you do not agree with the new determination, the Special Deputy Receiver will request a hearing before the receivership court. If no objection is timely filed, the Special Deputy Receiver's determination is final.

Sincerely,

A handwritten signature in cursive script that reads "Diane M. Perkins".

Diane M. Perkins
Reinsurance Specialist
Prime Tempus, Inc.

Enclosures

DATE RECEIVED: NOV 28 2007
(To Be Completed by SDR)

POC #526-642

OF CLAIM

THE DEADLINE FOR FILING YOUR PROOF OF CLAIM IS 11:59P.M. C.S.T., NOVEMBER 30, 2007

- VESTA FIRE INSURANCE CORPORATION IN RECEIVERSHIP
- SHELBY CASUALTY INSURANCE COMPANY IN RECEIVERSHIP
- THE SHELBY INSURANCE COMPANY IN RECEIVERSHIP
- TEXAS SELECT LLOYDS INSURANCE COMPANY IN RECEIVERSHIP
- SELECT INSURANCE SERVICES, INC. IN RECEIVERSHIP

(Collectively referred to as the "Vesta Receiverships")

PLEASE PRINT

Claimant's Name: Global Reinsurance Corporation - US Branch

(If represented by an attorney, please complete this section)

Street Address: 7 Times Square, 37th Floor

Name of Attorney: _____

New York, New York 10036
City State Zip

Name of Law Firm: _____

Phone: 212-754-7518 Fax: 212-821-0459

Attorney File No.: _____

Street Address: _____

E-Mail Address: livia_bales@ggrca.com DOB: _____

City State Zip

Social Security No. or Tax ID No.: 13-6107326

E-Mail Address: _____

Provide us with the name, address and phone number of someone who will always know how to contact you:

Phone: _____ Fax: _____

Name: Robert Cameron

Tax ID No.: _____

7 Times Square, 37th Floor, New York, New York 10036

POLICY NO. Various

Address City State Zip

CLAIM NO. Various

Phone Number: 212-754-7590 E-Mail: robert_cameron@ggrca.com

Note: Attach a Copy of Power of Attorney

You must notify us of any change in the above addresses or phone numbers.

Claim is for (check the appropriate box below):

Claim Amount:

| | | |
|---|---|-------------------------------|
| <input type="checkbox"/> | Payments made or expenses incurred by a Guaranty Association in paying covered claims..... | \$ _____ |
| <input type="checkbox"/> | Claim, cost of defense, or expense under a policy of insurance not covered by a Guaranty Association | \$ _____ |
| <input type="checkbox"/> | Return of premium under a policy of insurance not covered by a Guaranty Association..... | \$ _____ |
| <input type="checkbox"/> | Unpaid pre-receivership policy costs such as fees to attorney or other professional services..... | \$ _____ |
| <input type="checkbox"/> | Unpaid fees for goods and services to vendors | \$ _____ |
| <input type="checkbox"/> | Unpaid commissions or invoices to agents or brokers..... | \$ _____ |
| <input type="checkbox"/> | Reinsurance (Facultative <input type="checkbox"/> Assumed <input type="checkbox"/> Ceded <input type="checkbox"/> Premium <input type="checkbox"/> ...check one)..... | \$ _____ |
| | Broker: _____ Type of Business: _____ Underwriting Years: _____ | |
| <input type="checkbox"/> | Insurance company claim for subrogation <input type="checkbox"/> contributions <input type="checkbox"/> indemnity <input type="checkbox"/> | \$ _____ |
| <input type="checkbox"/> | Amounts due a governmental entity (city <input type="checkbox"/> county <input type="checkbox"/> state <input type="checkbox"/> Federal <input type="checkbox"/>)..... | \$ _____ |
| <input checked="" type="checkbox"/> | Other claim..... | \$ <u>6,354,805.77</u> |
| TOTAL AMOUNT OF CLAIM (If the amount is unknown insert the word unstated)..... | | \$ <u>6,354,805.77</u> |

Describe the nature of your claim: Retro recoverable paid loss, outstanding reserves, expense reserves and IBNR

Date of loss: Various Residency at time of loss: _____

If you have an assignment of benefits, provide assignors name and address below and attach copy of the assignment:

If you have assigned any part of your right of recovery, provide assignee's name and address below and attach copy of the assignment:

If you hold or exercise any control over any cash, securities, trust funds, letters of credit or other assets of the Vesta Receiverships provide description and location of asset: _____

POC NO.: _____
(To Be Completed by SDR)

DATE RECEIVED: _____
(To Be Completed by SDR)

If you received any payments on your claim, provide the name of who paid you and the amount of payment:

Is there any other insurance available to cover your claim? Yes No

If the Answer is "yes", what is the name of the insurance company? _____
Contact Person: _____ Phone No.: _____

NOTE: ATTACH DOCUMENTATION TO SUPPORT YOUR CLAIM

AFFIRMATION OF CLAIMANT

I, Burt Henry affirm that I have read the foregoing Proof of Claim and understand the contents thereof, that this claim of \$ 6,354,805.77 against the Vesta Receiverships is justly owing to me, that I alone am entitled to file this claim, except as stated above, that there is no setoff to the claim thereto, except as stated above, that the matters set forth above and any accompanying statements and documents are true to my own knowledge, and that no payment of or on account of the aforesaid claim has been made, except as stated.

By signing this Proof of Claim form claimant understands that all or some of the information on this form will be used in approving the Proof of Claim and obtaining court approval. Claimant hereby authorizes the Vesta Receiverships, its affiliates or representatives or agents to disclose, discuss, and/or release, orally or in writing, information contained in this Proof of Claim form. Claimant agrees to cooperate in signing additional release forms, if any.

CLAIMANT UNDERSTANDS THAT BY FILING THIS CLAIM IN THE ESTATE OF THE INSURER CLAIMANT IS WAIVING ANY RIGHT TO PURSUE THE PERSONAL ASSETS OF THE INSURED TO THE EXTENT THAT THERE ARE POLICY LIMITS OR COVERAGE PROVIDED BY THE VESTA RECEIVERSHIPS

11/27/07 Burt Henry
DATE SIGNED SIGNATURE OF PERSON MAKING CLAIM
Chief Financial Officer Burt Henry
TITLE (IF APPLICABLE) PRINTED NAME

If someone other than the person making the claim has completed this form, please provide the following information:

Date: 11/27/07 Name: Livia Nicholls-Bales
Address: 7 Times Square, 37th Floor, New York, NY 10036 Relationship to Claimant: Employee
212-754-7518
Phone Number Livia Nicholls-Bales
Signature of Person Completing the Form for the Claimant

IMPORTANT NOTICE
RETURN THE COMPLETED POC AND REQUESTED DOCUMENTATION TO:
VESTA RECEIVERSHIPS
P.O. Box 1133, DRIPPING SPRINGS, TEXAS 78620-1133
CONTACT NUMBER: 1-888-313-5685
www.sdrtxpoc.com
THE DEADLINE FOR FILING YOUR PROOF OF CLAIM IS 11:59P.M. C.S.T., NOVEMBER 30, 2007

CLAIMS SECTIONS FROM CHAPTER 443 OF TEXAS INSURANCE CODE:

Sec. 443.253. ALLOWANCE OF CLAIMS. (a) Except as provided in Subsections (i) and (l), the liquidator shall review all claims duly filed in the liquidation proceeding and shall further investigate as the liquidator considers necessary. Consistent with the provisions of this chapter, the liquidator may allow, disallow, or compromise the amount for which claims will be recommended to the receivership court, unless the liquidator is required by law to accept claims as settled by a person or organization, including a guaranty association, subject to any statutory or contractual rights of the affected reinsurers to participate in the claims allowance process. No claim under a policy of insurance may be allowed for an amount in excess of the applicable policy limits.

(b) Pursuant to the review, the liquidator shall provide written notice of the claim determination by any means authorized by Section 443.007 to the claimant or the claimant's attorney and may provide notice to any reinsurer that is or may be liable in respect of the claim. The notice must set forth the amount of the claim allowed by the liquidator, if any, and the priority class of the claim as established in Section 443.301.

(c) Not later than the 45th day after the mailing of the notice as set forth in Subsection (b), those noticed may submit written objections to the liquidator. Any submitted objections must clearly set out all facts and the legal basis, if any, for the objections and the reasons why the claim should be allowed at a different amount or in a different priority class. If no timely objection is filed, the determination is final.

(d) A claim that has not become mature as of the coverage termination date established under Section 443.201 because payment on the claim is not yet due may be allowed as if it were mature. A claim that is allowed under this subsection may be discounted to present value based upon a reasonable estimated date of the payment, if the liquidator determines that the present value of the payment is materially less than the amount of the payment.

(e) A judgment or order against an insured or the insurer entered after the date of the initial filing of a successful petition for receivership, or within 120 days before the initial filing of the petition, and a judgment or order against an insured or the insurer entered at any time by default or by collusion need not be considered as evidence of liability or of the amount of damages.

(f) Claims under employment contracts by directors, officers, or persons in fact performing similar functions or having similar powers are limited to payment for services rendered prior to any order of receivership, unless explicitly approved in writing by:

- (1) the commissioner prior to an order of receivership;
- (2) the rehabilitator before the entry of an order of liquidation; or
- (3) the liquidator after the entry of an order of liquidation.

(g) The total liability of the insurer to all claimants arising out of the same act or policy may not be greater than the insurer's total liability would have been were the insurer not in liquidation.

(h) The liquidator shall disallow claims for de minimis amounts as determined by the receivership court as being reasonable and necessary for administrative convenience.

(i) A claim that does not contain all the applicable information required by Section 443.252 need not be further reviewed or adjudicated, and may be denied or disallowed by the liquidator subject to the notice and objection procedures in this section.

(j) The liquidator may reconsider a claim on the basis of additional information and amend the recommendation to the receivership court. The claimant must be afforded the same notice and opportunity to be heard on all changes in the recommendation as in its initial determination. The receivership court may amend its allowance or disallowance as appropriate.

(k) The liquidator is not required to process claims for any class until it appears reasonably likely that property will be available for a distribution to that class. If there are insufficient assets to justify processing all claims for any class listed in Section 443.301, the liquidator shall report the facts to the receivership court and make such recommendations as may be appropriate for handling the remainder of the claims.

(l) Any claim by a lessor for damages resulting from the termination of a lease of real property shall be disallowed to the extent that the claim exceeds:

(1) the rent reserved by the lease, without acceleration, for the longer of one year or 15 percent of the remaining term of the lease, not to exceed three years, following the earlier of:

(A) the date of the filing of the petition; or

(B) the date on which the lessor repossessed or the lessee surrendered the leased property; and

(2) any unpaid rent due under the lease, without acceleration, on the earlier of the dates described by Subdivision (1).

(m) If a claim is fully covered by a guaranty association, the liquidator has no obligation to process the claim in accordance with this section and may refuse to process the claim in accordance with this section.

Sec. 443.257. DISPUTED CLAIMS. (a) When objections to the liquidator's proposed treatment of a claim are filed and the liquidator does not alter the determination of the claim as a result of the objections, the liquidator shall ask the receivership court for a hearing pursuant to Section 443.007.

(b) The provisions of this section are not applicable to disputes with respect to coverage determinations by a guaranty association as part of the association's statutory obligations.

(c) The final disposition by the receivership court of a disputed claim is deemed a final judgment for purposes of appeal.

Sec. 443.258. LIQUIDATOR'S RECOMMENDATIONS TO RECEIVERSHIP COURT.

The liquidator shall present to the receivership court, for approval, reports of claims settled or determined by the liquidator under Section 443.253. The reports must be presented from time to time as determined by the liquidator and must include information identifying the claim and the amount and priority class of the claim.

TEXAS INSURANCE CODE
TEXAS INSURER RECEIVERSHIP ACT, CHAPTER 443

**Sec. 443.007. NOTICE, HEARING, AND APPEAL ON MATTERS
SUBMITTED BY RECEIVER FOR RECEIVERSHIP COURT APPROVAL.**

(a) Upon written request to the receiver, a person must be placed on the service list to receive notice of matters filed by the receiver. It is the responsibility of the person requesting notice to inform the receiver in writing of any changes in the person's address or to request that the person's name be deleted from the service list. The receiver may require that the persons on the service list provide confirmation that they wish to remain on the service list. Any person who fails to confirm the person's intent to remain on the service list may be purged from the service list. Inclusion on the service list does not confer standing in the delinquency proceeding to raise, appear, or be heard on any issue.

(b) Except as otherwise provided by this chapter, notice and hearing of any matter submitted by the receiver to the receivership court for approval under this chapter must be conducted in accordance with Subsections (c)-(g).

(c) The receiver shall file an application explaining the proposed action and the basis of the proposed action. The receiver may include any evidence in support of the application. If the receiver determines that any documents supporting the application are confidential, the receiver may submit them to the receivership court under seal for in camera inspection.

(d) The receiver shall provide notice of the application to all persons on the service list and any other parties as determined by the receiver. Notice may be provided by first class mail postage paid, electronic mail, or facsimile transmission, at the receiver's discretion. For purposes of this section, notice is deemed to be given on the date that it is deposited with the U.S. Postmaster or transmitted, as applicable, to the last known address as shown on the service list.

(e) Any party in interest objecting to the application must file an objection specifying the grounds for the objection not later than the 20th day after the date of the notice of the filing of the application or within another period as the receivership court may set, and must serve copies on the receiver and any other persons served with the application within the same period. An objecting party has the burden of showing why the receivership court should not authorize the proposed action.

(f) If no objection to the application is timely filed, the receivership court may enter an order approving the application without a hearing, or hold a hearing to determine if the receiver's application should be approved. The receiver may request that the receivership court enter an order or hold a hearing on an expedited basis.

(g) If an objection is timely filed, the receivership court may hold a hearing. If the receivership court approves the application and, upon a motion by the receiver, determines that the objection was frivolous or filed merely for delay or for another improper purpose, the receivership court shall order the objecting party to pay the receiver's reasonable costs and fees of defending the action.

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
 (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

7005 3110 0000 1596 2882

NEW YORK, NY 10004

| | |
|--|--------|
| Postage | \$3.15 |
| Certified Fee | \$2.80 |
| Return Receipt Fee (Endorsement Required) | \$0.00 |
| Restricted Delivery Fee (Endorsement Required) | \$0.00 |
| Total Postage & Fees | \$6.95 |

Postmark: MAR 31 2016
 03/31/2016
 USPS

Sent To: *Livia Bales Global Re*
 Street, Apt. No.; or PO Box No.: *125 Broad St*
 City, State, ZIP+4: *NY NY 10004*


PS Form 3800, June 2002 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Livia Bales
Global Reinsurance
125 Broad St.
NY, NY 10004



9590 9402 1693 6053 8127 74

2. Article Number (Transfer from service label)

7005 3110 0000 1596 2882

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
 Addressee

B. (Received by (Printed Name)) *Sam Almonte* C. Date of Delivery *4-7-16*

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type

| | |
|--|---|
| <input type="checkbox"/> Adult Signature | <input type="checkbox"/> Priority Mail Express® |
| <input type="checkbox"/> Adult Signature Restricted Delivery | <input type="checkbox"/> Registered Mail™ |
| <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input checked="" type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |
| <input type="checkbox"/> Insured Mail Restricted Delivery over \$500 | |

THE STATE OF TEXAS

§
§
§

COUNTY OF HAYS

**AFFIDAVIT OF IN SUPPORT OF
APPLICATION FOR FINAL DISPOSITION OF DISPUTED CLAIM
(Global Reinsurance Corporation)**

BEFORE ME, the undersigned authority appeared Craig A. Koenig, who after being duly sworn by me, states the following under oath:

1. My name is Craig A. Koenig. I am over the age of eighteen years and competent to make this affidavit. The statements of fact set forth herein are true and correct, and are within my personal knowledge.

2. I am the President of Prime Tempus, Inc., Special Deputy Receiver of Vesta Fire Insurance Corporation. I am duly authorized to make this certification and affidavit on behalf of the Special Deputy Receiver.

3. As a result of my duties for Prime Tempus, Inc. I have knowledge of the facts stated in this Affidavit, and they are all true and correct. I have read the Application for Final Disposition of Disputed Claim (Global Reinsurance Corporation) in the case styled: Cause No. D-1-GN-06-002366; *The State of Texas v. Vesta Fire Insurance Corporation, et al*; In the 126th Judicial District Court of Travis County, Texas (Application). I have also read the exhibits attached and incorporated into the Application by reference. I verify that all of the facts contained in the Application and this Affidavit are true and correct.

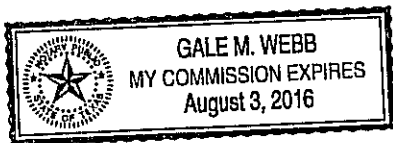
4. All of the records attached as exhibits to the Application are true and correct copies of papers, documents, or records which are maintained as part of the receivership estate. TEX. INS. CODE ANN. §443.17(b).

5. Further affiant sayeth not."

S-25

Craig A. Koenig, President of Prime Tempus, Inc.,
Special Deputy Receiver of Vesta Fire Insurance
Corporation

SWORN TO, SUBSCRIBED, and ACKNOWLEDGED BEFORE ME by Craig A. Koenig, President of Prime Tempus, Inc., on this the 14th day of April, 2016.



Gale M. Webb
Notary – State of Texas