

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

JUN - 9 2021

RICK WARREN
COURT CLERK

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STATE OF OKLAHOMA, ex rel.
GLEN MULREADY, in his capacity as Insurance
Commissioner and as Receiver
for Driver's Insurance Co.,

Plaintiff,

v.

DRIVER'S INSURANCE COMPANY, a licensed domestic
insurer in the State of Oklahoma, in Receivership,

Defendant.

Case No. CJ-2013-694

Judge Anthony Bonner

**ORDERING APPROVING RECEIVER'S REPORT ON CLAIMS EVALAUTION
AND PERMISSION TO CEASE CLAIMS REPORTING**

On the 9th day of June, 2021, there came on for hearing the Receiver's Report on Claims Evaluation and Request for Permission to Cease Claims Reporting filed with the Court on May 10, 2021 ("Receiver's Eleventh Report"). And the Court, for good cause shown, and being fully advised, finds and concludes as follows:

1. On May 13, 2013, this Court entered its "Order of Liquidation with Finding of Insolvency" for Driver's.
2. By virtue of the Court's Order, title to all property of Driver's was vested in the Receiver and the Receiver was charged with the duty of marshaling Driver's assets, liquidating those assets and distributing all remaining assets in accordance with the statutory prioritization of the allowed claims.
3. The Court further directed the Receiver to notify all persons who have claims against Driver's of the claims filing bar date, in a form approved by the Court. On June 7, 2013,

the Court entered an Order Approving the Proof of Claim Form, and on October 18, 2013, the Court entered an Order Approving the Revised Claims Evaluation Plan, and established the claims filing bar date of January 10, 2014.

4. The Receiver made good faith and sufficient efforts to determine the identify of all persons who may have claims against Driver's Insurance Company ("Driver's") and mailed approximately 15,177 notices of liquidation to potential claimants. Additionally, notice of the proof of claim process and the availability of the proof of claim packets was published on June 14, 2013 on the Oklahoma Receivership Office website, and then updated after the October 18, 2013 Order.

5. In the October 18, 2013 Order Approving Receiver's Revised Claims Reporting and Evaluation Plan, the Court authorized the Receiver to submit, no later than May 10, 2014, the Receiver's First Claims Evaluation and Request for Confirmation (on claims to be adjudicated). Furthermore, the Order required the Receiver, no less than every six (6) months thereafter, beginning November 10, 2014, to submit supplemental claim evaluations and request for confirmations on subsequently evaluated claims ready to be adjudicated.

6. A total of 1,207 timely proofs of claim were submitted to the Receiver with an aggregate submitted amount of \$57,040,554.14.

7. The Estate does not have sufficient assets for distribution beyond Class 2 claims at this time. Pursuant to 36 O.S. § 1927.1, Class 2 is "The administrative expenses of guaranty associations." The outstanding Class 2 liability to the Guaranty Associations is approximately \$7,100,000. As of March 31, 2021, the Estate had \$6,700,000 in available assets.

8. The claims waiting recommendation are Class 3 (136) and Class 6 (175). Pursuant to 36 O.S. § 1927.1:

- a. Class 3 is “All claims under policies including claims of the federal or any state or local government for losses incurred (“loss claims”) including third-party claims, claims for unearned premiums, all claims of a guaranty association for payment of covered claims or covered obligations of the insurer and all claims of a guaranty association for reasonable expenses other than those included in Class 2.”
- b. Class 6 is “Claims of any person, including claims or state or local governments, except those specifically classified elsewhere in this section.”

9. The Receiver is not recommending an “Amount Recommended” for Class 3 as the Estate assets are insufficient to make distributions to these claimants.

10. The Receiver is not recommending an “Amount Recommended” for Class 6 as the Estate assets are insufficient to make distributions to these claimants.

11. As a result of insufficient Estate assets, all claims’ evaluations have ceased and will resume if the Estate’s assets exceed the Class 2 liabilities.

12. The Receiver’s recommendation that claims reporting to the Court cease until either closure of the Estate or there are sufficient Estate assets to exceed Class 2 liabilities is supported by the law and the facts and the Receiver’s recommendation should be approved by the Court.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that the Receiver’s Report on Claims Evaluation is hereby **APPROVED** and the recommendations contained therein, are hereby **ACCEPTED** and **APPROVED** in their entirety.

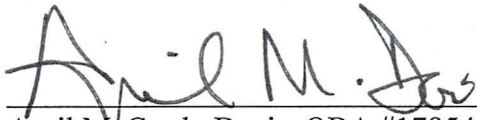
IT IS FURTHER THEREFORE ORDERED, ADJUDGED AND DECREED that the Receiver's request to cease claims reporting to the Court until either closure of the Estate or there are sufficient Estate assets to exceed the Class 2 liabilities is hereby **GRANTED**.

SIGNED this 9 day of June, 2021.

ANTHONY L. BONNER JR.

The Honorable Anthony Bonner
Judge of the District Court

APPROVED AS TO FORM:



April McCurdy Davis, OBA #17854
GUNGOLL, JACKSON, BOX & DEVOLL
P.O. Box 1549
323 W. Broadway
Enid, Oklahoma 73701
(580) 234-0436 (phone)
(580) 233-1284 (fax)
adavis@gungolljackson.com

AND

Kayla Rochelle, OBA #34014
OKLAHOMA INSURANCE DEPARTMENT
3613 NW 56th, Suite 330
Oklahoma City, OK 73112
kayla.rochelle@oid.ok.gov

ATTORNEYS FOR PLAINTIFF,
STATE OF OKLAHOMA, ex rel.
GLEN MULREADY, INSURANCE
COMMISSIONER for the State of Oklahoma,
as Receiver for Driver's Insurance Company

CERTIFIED COPY
AS FILED OF RECORD
IN DISTRICT COURT

JUN - 9 2021

RICK WARREN COURT CLERK
Oklahoma County



CERTIFICATE OF SERVICE

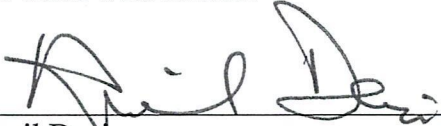
I hereby certify that on the 9th day of June, 2021, a true and correct copy of the above and foregoing document was sent via Electronic Mail with written consent and/or U.S. Mail, postage prepaid, to:

Terry Smith
Assistant Receiver
4020 S. Columbia Place
Tulsa, Oklahoma 73112
via email with consent

Joe Holloway
National Guaranty Insurance Company
c/o Regulatory Services Group
100 Pine Street, 26th Floor
San Francisco, CA 94111

Oklahoma Receivership Office
3613 NW 56th, Suite 330
Oklahoma City, OK 73112
via email with consent

Oklahoma Insurance Department
3613 NW 56th, Suite 330
Oklahoma City, OK 73112
via email with consent



April Davis