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IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

OCT 16 2017
RICK WARREN
COURT CLERK
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STATE OF OKLAHOMA, ex rel.)
JOHN DOAK, Insurance Commissioner,)
)
Plaintiff,)

vs.)

PARK AVENUE PROPERTY AND)
CASUALTY INSURANCE COMPANY f/k/a)
PROVIDENCE PROPERTY AND CASUALTY)
INSURANCE COMPANY, a domestic)
insurance company,)
)
Defendant.)

Case No. CJ-2009-11178
The Honorable Roger H. Stuart

**RECEIVER'S REPORT ON CLAIMS EVALUATION AND REQUEST FOR
CONFIRMATION OF RECEIVER'S RECOMMENDATION**

The State of Oklahoma, ex rel., John Doak, Insurance Commissioner, as statutory receiver of Park Avenue Property and Casualty Insurance Company, in liquidation, ("Park Avenue") presents this Report on Claims Evaluation and Request for Confirmation of Receiver's Recommendation.

PROCEDURAL HISTORY AND PRIOR REPORTS TO THE COURT

1. On November 18, 2009, this Court placed Park Avenue in liquidation through its Consent Order of Liquidation with a Finding Insolvency and Permanent Injunction (the "Liquidation Order").

2. On October 14, 2010, the Court entered an Order by which the Court (a) approved the Receiver's proposed Proof of Claim Form and accompanying instructions; and (b) established a deadline of February 15, 2011 for all claims to be filed.

3. The Receiver thereafter (a) distributed in excess of 27,000 proofs of claim packets to potential claimants; (b) received 413 timely proofs of claims, seeking \$88,404,631.03; and (c) reported to the Court that 92 of those claims did not claim a specific sum of money.

4. Through subsequent Orders, the Court approved the following schedule for the Receiver's Claims Evaluation Plan:

<u>Activity</u>	<u>Date</u>
Receiver's Report on Timely-Filed Claims	April 29, 2011
Receiver's First Claims Evaluation and Request for Confirmation due (on claims due to be adjudicated);	April 15, 2012
Receiver's Supplemental Claims Evaluations and Requests for Confirmation (on subsequently evaluated claims ready to [be] adjudicated)	October 15, 2012 and every six months thereafter

5. In the Receiver's prior report to the Court filed on April 17, 2017, the Receiver reported that there were 49 claims under review by the Receiver that fell within the following categories:

Claims Not Yet Adjudicated

<u>Type</u>	<u>Number</u>
State Guaranty Association Claims	40
Professional Employer Organization Claims	6
General Creditor Claims	2
State or City Governmental Department Claims	1
<u>TOTAL</u>	49

State Guaranty Association Claims

Through this Report, the Receiver presents recommendations as to 19 claims of state guaranty associations to which Park Avenue owes no obligation. These are associations that filed a preliminary claim against the receivership estate but that have never administered, paid or otherwise incurred liabilities for a claim under a Park Avenue policy. The Receiver's recommendations as to these claims are set forth in the table attached hereto as Exhibit 1. Exhibit 2 provides a description of the remark code(s) used in Exhibit 1 to identify the bases for the Receiver's recommendations.

As to the remaining state guaranty associations that have administered or paid claims under a Park Avenue policy, the claims of those guaranty associations are not certain in amount. The claims adjustment process of the state guaranty associations is ongoing and generally not completed until near the time of the closure of the estate. These state guaranty associations continue to incur expenses and pay policy benefits for which they will seek reimbursement from the Park Avenue estate. Accordingly, the claims of these state guaranty associations are not yet ready for adjudication at this time.

Professional Employer Organization Claims

Six claims of Professional Employer Organizations ("PEOs") remain for adjudication. The Receiver's recommendation as to one of those six claims has been presented to the Court. The Receiver continues to be involved in litigation against each of the other PEOs that has a claim pending against the Park Avenue receivership estate. Such litigation may affect the Receiver's evaluation of some or all of those claims. In the interest of efficiency, the Receiver intends to reserve evaluation of those PEO claims pending further development of the litigation against those PEOs.

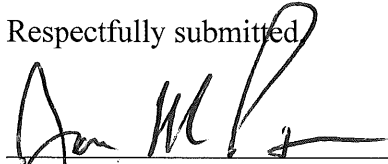
Other Claims

The three remaining claims not yet adjudicated consist of two general creditor claims and one claim from a state or city governmental department. The Receiver hereby presents his recommendation as to the governmental claim in Exhibit 1. Exhibit 2 provides a description of the remark code(s) used in Exhibit 1 to describe the bases for the Receiver's recommendations.

Based on the foregoing, the Receiver requests that this Court:

- a. order that the Receiver provide notice of opportunity to object and be heard to each of the claimants making a claim reflected on the Exhibit 1 attached to this Report;
- b. find that the proposed form of notice attached hereto as Exhibit 3 is proper in all respects;
- c. establish a date for filing an objection to the recommendation of the Receiver;
- d. schedule a hearing of the Receiver's recommendation to the Court and any objections thereto;
- e. upon hearing any objections thereto, enter an order that confirms the Receiver's recommendations as to each of the claims presented for adjudication and provides relief consistent therewith; and
- f. grant the Receiver such other and further relief as the Court deems appropriate.

Respectfully submitted



John M. O'Connor, OBA No. 6741

William W. O'Connor, OBA No. 13200

Jon M. Payne, OBA No. 15371

NEWTON, O'CONNOR, TURNER & KETCHUM

15 West Sixth Street, Suite 2700

Tulsa, OK 74119

Phone: (918) 587-0101

Facsimile: (918) 587-0102

joconnor@newtonoconnor.com

AND

Barron B. Brown, OBA #31346

3613 NW 56th Street, Ste. 330

Oklahoma City, OK 73112

(405) 947-0022 – telephone

(405) 947-0046 – facsimile

**ATTORNEYS FOR PLAINTIFF, STATE OF
OKLAHOMA, ex rel., JOHN DOAK, Insurance
Commissioner for the State of Oklahoma, as
Receiver for Park Avenue Property and
Casualty Insurance Company f/k/a Providence
Property and Casualty Insurance Company, in
Liquidation**

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing was served via United States mail, postage prepaid and properly addressed, on the 16th day of October, 2017 upon the following:

James Mills
Oklahoma Insurance Department
3625 NW 56th Street, Ste. 100
Oklahoma City, OK 73112

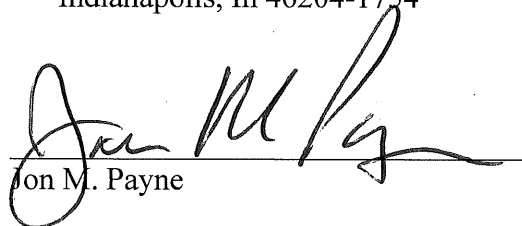
Park Avenue Insurance, LLC
c/o Charles Antonucci, Sr.
460 Park Avenue, 13th Floor
New York, NY 10022

Mark Tharp
Tharp & Associates
300 West Osborn Road, Ste. 500
Phoenix, AZ 85013

Charles Antonucci, Sr.
c/o Charles A. Stillman
Stillman, Friedmann & Shechtman, PC
425 Park Avenue
New York, NY 10022

Oklahoma Receivership Office, Inc.
Donna Wilson / Debra Crowe
3613 NW 56th, Suite 330
Oklahoma City, OK 73112

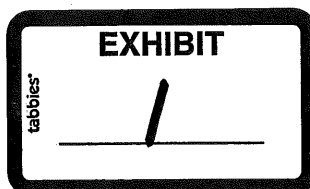
John Blatt
National Conference of Insurance
Guaranty Funds
300 North Meridian Street
Suite 1020
Indianapolis, In 46204-1754



Jon M. Payne

**Imperial Casualty/Park Avenue
Submitted Proofs of Claims**

POC Number	Type of POC	Amount Claimed	Recommended Amount	Remark Code
PAPC-00068	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00069	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00052	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00173	Guarantv Assoc	Unknown	\$ -	DO
PAPC-00051	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00060	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00070	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00071	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00097	Guarantv Assoc	Unknown	\$ -	DO
PAPC-00033	STATE	Unknown	\$ -	DO
PAPC-00050	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00072	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00334	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00073	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00059	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00093	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00074	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00048	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00054	Guarantv Assoc	Undetermined	\$ -	DO
PAPC-00049	Guarantv Assoc	Undetermined	\$ -	DO



Remark Codes

CODE	DEFINITION
AA	POC IS APPROVED AT POLICY ALLOWABLE BENEFIT
AD	APPROVED AS POC GUARANTY ASSOCIATION PAID LESS DEDUCTIBLE
AE	POC IS APPROVED AT EXCEPTION AMOUNT
AL	POC IS APPROVED AT AMOUNT SUPPORTED BY DOCUMENTATION PRESENTED
AP	POC IS APPROVED AT SUBMITTED AMOUNT
AR	APPROVED AS POC FOR RETROSPECTIVE POLICY
AS	APPROVED AS POC FOR W/C SECURITY DEPOSIT AND DEDUCTIBLES
AT	APPROVED AS POC SUBJECTIVE TIMELY FILED POC
AX	APPROVED AS POC GUARANTY ASSOCIATION PAID THRESHOLD EXCESS DUE
CA	CLAIM IS/HAS BEEN CONSIDERED ON ANOTHER POC FORM
CM	EXCEEDS MAXIMUM VISITS PER CALENDAR YEAR
CP	CLAIM WAS PARTIALLY PAID BY GUARANTY ASSOCIATION
CX	CLAIM RECOMMENDATION EXCLUDES INTEREST AND/OR PENALTIES
DD	DENIED AS POC DUPLICATE, WHOLLY OR PARTIALLY, OF ANOTHER POC ON FILE
DE	DENIED AS POC APPLIED TO ERISA DEDUCTIBLE
DG	DENIED AS POC/CLAIM IS GUARANTY ASSOCIATION OBLIGATION
DI	DENIED DUE TO NET WORTH DETERMINATION BY GA OR EXCLUSION FOR HIGH DEDUCTIBLE POLICIES; CLAIM REFERRED TO INSURED
DN	DENIED NOT ICIC OR PAPC OBLIGATION
DO	DENIED NO OBLIGATION DUE CLAIMANT
DP	DENIED AS POC CLAIMED AMOUNT WAS INCURRED/ASSESSED POST RECEIVERSHIP
DS	DENIED AS POC NO DOCUMENTS OR INSUFFICIENT DOCUMENTS RECEIVED
DU	DUPLICATE OF CHARGE(S) PREVIOUSLY CONSIDERED
DX	POC IS DENIED AS PART OF A SETTLEMENT
DZ	POC IS DENIED PREVIOUSLY PAID
EE	THIS CLAIM HAS BEEN ALLOWED ON THE PARTICIPANT'S PROOF OF CLAIM FORM
ES	THIS CLAIM HAS BEEN PAID AS PART OF A SETTLEMENT
FL	THIS CLAIM WAS NOT TIMELY FILED
FN	POC NOT COMPLETE
NC	NOT A COVERED BENEFIT
NP	DENIED NO UNEARNED PREMIUM DUE
PE	DATE OF SERVICE IS PRIOR TO THE EFFECTIVE DATE
PF	PAID OR CALCULATED PURSUANT TO FEE SCHEDULE OR COURT ORDER
PP	THIS CLAIM WAS PAID/DENIED (PARTIALLY OR FULLY) PRIOR TO RECEIVERSHIP
PR	THIS CLAIM HAS BEEN ALLOWED ON THE PROVIDER'S PROOF OF CLAIM FORM
PX	THIS CLAIM WAS DENIED DUE TO A PRE-EXISTING CONDITION
RI	REQUESTED INFORMATION NOT RECEIVED
SS	FULL TIME STUDENT STATUS WAS NEVER ESTABLISHED
TE	THIS CLAIM HAS BEEN ALLOWED ON THE TRUSTEE'S PROOF OF CLAIM FORM
TR	THIS CLAIM HAS BEEN ALLOWED ON THE TRUST'S PROOF OF CLAIM FORM
TX	DATE OF SERVICE IS AFTER THE TERMINATION DATE
UN	UNABLE TO IDENTIFY THE PATIENT AS A PARTICIPANT
WE	POC IS WITHDRAWN



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JOHN DOAK, Insurance Commissioner,)
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PARK AVENUE PROPERTY AND)
CASUALTY INSURANCE COMPANY f/k/a)
PROVIDENCE PROPERTY AND CASUALTY)
INSURANCE COMPANY, a domestic insurance)
company,)
)
Defendant.)

Case No. CJ-2009-11178
The Honorable Roger H. Stuart

**NOTICE OF OBJECTION DEADLINE AND HEARING ON THE
RECEIVER’S REPORT ON CLAIMS EVALUATION AND REQUEST FOR
CONFIRMATION OF RECEIVER’S RECOMMENDATION**

You are hereby notified that on [date] a hearing will be held before the Honorable [judge], District Court Judge of Oklahoma County, Oklahoma, at which time the Receiver’s Report on Claims Evaluation and Request for Confirmation of Receiver’s Recommendation (“the Receiver’s Report”) shall be heard. **The hearing will be conducted at the Oklahoma County Courthouse, 321 Park Avenue, Room # [], Oklahoma City, Oklahoma.**

You are receiving this Notice because the Receiver has evaluated your claim and such claim is ready for adjudication. The document accompanying this Notice sets forth the Receiver’s recommendations to the Court in relation to your claim.¹ Your claim has been assigned the Proof of Claim number (“POC #”) indicated on the accompanying document. The

¹ The Receiver’s recommendations to the Court regarding your claim and other claims set for hearing on the referenced hearing date are set forth in the Receiver’s Report, which was filed in the above-entitled matter on October 16, 2017. A copy of the Receiver’s Report is available on the website for the Oklahoma Receivership Office at www.okaro.org.



accompanying document also provides information specific to your claim, including the amount of your claim, the Receiver's recommendation as to the amount of your claim to be allowed, if any.

IF YOU DO NOT WISH TO OBJECT TO THE RECEIVER'S RECOMMENDATION, YOU ARE NOT REQUIRED TO TAKE ANY ACTION AT THIS TIME. IF YOU WISH TO OBJECT TO THE RECEIVER'S RECOMMENDATION, YOU MUST FILE A PROPER, WRITTEN OBJECTION WITH THE COURT NO LATER THAN [DATE]. To be a proper, written objection:

- (1) **the objection must contain the case information located at the top of this Notice** (State of Oklahoma, ex. rel. John Doak, Insurance Commissioner v. Park Avenue Property and Casualty Insurance Company, Inc., f/k/a Providence Property and Casualty Insurance Company, Case No. CJ-2009-11178, Judge Roger H. Stuart);
- (2) **the objection must be filed with the Clerk of the Oklahoma County District Court**, 320 Robert S. Kerr Avenue, Oklahoma City, Oklahoma 73102, and a copy mailed to the Receiver's legal counsel at the address shown below;
- (3) **the objection must be signed by the claimant or the claimant's representative;**
- (4) **the objection must be typewritten on a good grade of white paper size 8 ½ by 11 inches, give the name, current address and telephone number of the claimant** making the objection, including the name and position of the person signing the objection, if the claimant is a business; and
- (5) **the objection must state the exact grounds** on which the objection is based and be accompanied by a concise brief that contains (a) a written statement of material facts as to which the objecting party contends no genuine issue exists verified by a person with knowledge of the facts; (b) references to supporting documentation submitted with the proof of claim; and (c) citation to applicable authority supporting the objection;
- (6) if you wish to present the Court with oral argument on your objection at the hearing, **the objection must indicate your intention to appear at the hearing and make such oral argument. Failure to expressly state an intention to make oral argument in your objection may be deemed by the Court to be a waiver of the right to oral argument.**

Failure to file a timely and proper written objection as described above may result in your objection being denied. If the Court approves your claim in whole or in part, it does not mean that you will actually receive the allowed amount as ordered by the Court. The amount of payment on your claim, if any, is dependent upon the class or priority the Court assigns your claim based on Oklahoma law, and the assets in the estate available for distribution. If your claim is allowed but was filed untimely (i.e. after February 8, 2011), it is given a lower priority in any distribution of the estate in accordance with Oklahoma law. Certain legal matters still pending before the Court may prevent the payment of claims for some time. Any questions regarding this Notice, the Receiver's Recommendations as to your claim or any of the other claims to be heard during the hearing on the date referenced above should be directed to the Oklahoma Receivership Office. Contact information for the Oklahoma Receivership Office is set forth below.

Oklahoma Receivership Office

3613 NW 56th, Suite 330
Oklahoma City, OK 73112
Phone: (405) 947-0022
Fax: (405) 947-0046;

Receiver's Legal Counsel Address:

John M. O'Connor
William W. O'Connor
Jon M. Payne
Newton O'Connor Turner & Ketchum
15 West Sixth Street, Suite 2700
Tulsa, OK 74119
(918) 587-0101 (telephone)
(918) 587-0102 (facsimile).