

IN THE DISTRICT COURT OF OKLAHOMA COUNTY
STATE OF OKLAHOMA

FILED IN DISTRICT COURT
OKLAHOMA COUNTY

JUN 30 2017

STATE OF OKLAHOMA, ex rel. JOHN D.)
DOAK, Insurance Commissioner,)
)
Plaintiff,)

RICK WARREN
COURT CLERK
30 _____

v.)

Case No. CJ-2017-3547

)
SENIORSURE HEALTHPLAN, INC,)
a licensed special purpose captive insurer in)
the State of Oklahoma,)
)

Defendant.

**AGREED ORDER PLACING CAPTIVE INSURER INTO RECEIVERSHIP,
APPOINTING RECEIVER, PERMANENT INJUNCTION AND ORDER FOR
LIQUIDATION**

NOW on this 27th day of June, 2017, there comes for before the Court the Joint Application
for Order Placing SeniorSure Health Plans, Inc. in Receivership and Appointing Receiver.

Petitioner, John D. Doak, Insurance Commissioner, appears by and through Sara A. Worten,
Assistant General Counsel for the Oklahoma Insurance Department. Defendant SeniorSure
Health Plans, Inc. ("SeniorSure") waives service of process and appears through Counsel,
George Gibbs.

The Court, having examined the Joint Application for Order Placing SeniorSure Health
Plans, Inc. in Receivership and Appointing Receiver filed June22, 2017 and agreed to by
Plaintiff and Defendant finds as follows:

1. John D. Doak is the duly qualified and acting Insurance Commissioner of the
State of Oklahoma, and as such is charged with the duty of administering and regulating the
state's insurance industry. Pursuant to 36 O.S. § 1906, by and through 36 O.S. 6470.10(E)(5),
the Insurance Commissioner may appear in the District Court to make application for an Order
of Liquidation and appointing the Commissioner as Receiver.

2. This Court has jurisdiction of this action pursuant to *36 O.S. §§ 1902(A) and 6470.10(E)(5)*.

3. Venue in this Court is appropriate pursuant to *36 O.S. § 1902(F)*.

4. SeniorSure is an Oklahoma domestic special purpose captive insurance company, whose business practices qualify it as an “insurer” pursuant to Oklahoma law, and subject it to the insurance supervisory authority of, or to liquidation, rehabilitation, reorganization or conservation by the Oklahoma Insurance Commissioner. *36 O.S. § 1901(A)*.

5. Pursuant to *36 O.S. § 1901(13)*, a Receiver includes the function of liquidator.

6. Pursuant to *36 O.S. § 1911(A)* an order to liquidate shall direct the Insurance Commissioner to take possession of the property of the insurer, to liquidate its business, to deal with the insurer’s property and business in his own name as Insurance Commissioner or in the name of the insurer, as the court may direct, and to give notice to all creditors who may have claims against the insurer to present such claims.

7. Pursuant to *36 O.S. § 1911(B)*, the Receiver may apply to the Court for an order dissolving the corporate existence of a domestic insurer up on his application for an order for liquidation of such insurer or at any time after such order has been granted.

8. On April 27, 2017, John D. Doak, Insurance Commissioner, by and through an independent hearing examiner, suspended Defendant’s license to transact insurance business in the State of Oklahoma.

9. On June 22, 2017 Plaintiff and Defendant submitted a Joint Application for an order placing SeniorSure Health Plans, Inc. into receivership for the specific purpose of liquidation and appointing the Commissioner as receiver in accordance with *36 O.S. § 1906*.

11. Sufficient cause and evidence exists for the entry of this Order Placing Insurer into Receivership and Appointing Receiver, Permanent Injunction and Order for Liquidation against Defendant SeniorSure.

IT IS THEREFORE ORDERED AND DECREED THAT:

1. This Order Placing Insurer into Receivership and Appointing Receiver, Permanent Injunction and Order for Liquidation is hereby entered as to and against SeniorSure. This is a final order.

2. SeniorSure is hereby placed into receivership pursuant to the provisions of 36 O.S. §§ 1901 *et seq.*

3. John D. Doak, Insurance Commissioner of the State of Oklahoma, is hereby appointed Receiver of SeniorSure, and presently directed to take possession and conduct the business of SeniorSure pursuant to the laws of the State of Oklahoma. Donna Wilson is hereby appointed Assistant Receiver of SeniorSure vested with all responsibilities associated therein.

4. The Receiver is vested with all powers and authority, express or implied, under the provisions of 36 O.S. §§ 1901 *et seq.*

5. The Receiver shall forthwith take possession of the property of SeniorSure.

6. The Receiver is hereby vested by operation of law with the title to all of the property, accounts, assets, contracts, rights of action and all of the books and records of SeniorSure wherever located, now or hereafter discovered, as of the date of this Order.

7. As Receiver, the Insurance Commissioner may appoint one or more assistant commissioners or receivers to act for him and may employ such counsel, clerks, and assistants as he deems necessary. The Insurance Commissioner's selection of the law firm of Edinger, Leonard & Blakely, PLLC as Counsel for the Receiver is hereby approved. The compensation of the assistant commissioners or receivers, counsel, clerks, or deputies, and all expenses of

taking possession of SeniorSure, and of conducting the proceedings, including the compensation from June 22, 2017 forward, shall be fixed by the Insurance Commissioner, as Receiver, subject to approval of this Court, and shall be paid out of the funds or assets of SeniorSure, as appropriate and approved by the Court. Within the limits of duties imposed upon them, any assistant commissioner or assistant receiver shall possess all of the powers given to the Receiver and, in the exercise of those powers, shall be subject to all of the duties, powers and limitations imposed upon the receiver with respect to these proceedings. *36 O.S. § 1914(F)*.

9. If any legal action is commenced against the Insurance Commissioner, Receiver, assistant commissioners or receivers, retained counsel, deputies, and/or any of their employees or personnel, whether personally or in an official capacity, shall be immune from liability and indemnified as defined and set forth under *36 O.S. § 1937*.

10. Until further order of the Court, no obligation, claim or debt of SeniorSure shall be paid except those which the Receiver deems to be necessary or appropriate to facilitate the taking of possession. Except as provided for herein, no distribution of the property of SeniorSure, will be made without approval of the Court.

11. SeniorSure and each of their respective officers, employees, directors, trustees, stockholders, members, subscribers, agents, representatives, and all other persons, are hereby permanently enjoined and prohibited from transacting any further business of SeniorSure except as authorized by the Receiver, and are further permanently enjoined and prohibited from wasting, transferring, selling, concealing, destroying, disbursing, disposing of, or assigning any assets, contracts, causes of action, funds, records, correspondence, memoranda, or any other documents or other property of SeniorSure, or any of their respective affiliates.

12. SeniorSure, their respective officers, employees, directors, affiliates, trustees, stockholders, shareholders, insurers, agents, representatives, contractors, subcontractors and all

other persons, are hereby directed to assign, transfer and deliver any/all amounts owed to and/or property of SeniorSure to the Insurance Commissioner, as Receiver.

13. Any and all authority of SeniorSure officers and directors is hereby terminated.

14. Until further order from this Court, all persons and entities (including secured creditors, unsecured creditors, claimants and/or litigants) are hereby enjoined and prohibited from wasting, transferring, selling, concealing, destroying, disbursing, disposing and assigning, in any manner, the assets and/or property of SeniorSure; and are further enjoined and prohibited from prosecuting any pending action or litigation involving SeniorSure (whether as a plaintiff or defendant) or against its insureds; obtaining any preferences, judgments, attachments, or other liens against SeniorSure or their insureds; or making any levy against SeniorSure or against their assets or any part thereof. Notwithstanding anything to the contrary herein, this stay order shall not apply to co-Defendants of SeniorSure, nor to co-Defendants of SeniorSure insureds.

15. Any and all banks, brokerage houses, financial institutions and any and all other companies, persons or entities having knowledge of this Order and having in its possession accounts or any other assets which are, or may be, the property of SeniorSure are restrained from disbursing or disposing of said accounts or assets, and are further restrained from disposing of or destroying any records, pertaining to any business transaction between SeniorSure; and such banks, brokerage houses, financial institutions, companies, persons or entities having done business or doing business with SeniorSure or having in its possession assets which are, or may be, the property of SeniorSure are ordered to immediately deliver any and all such assets and/or records to the Receiver.

16. All agents, brokers and fronting companies of SeniorSure and their respective agents, servants, representatives and employees, and all other persons having knowledge of this Order are restrained from returning any unearned premiums or any money in their possession, or

under their control, collected from premiums upon policies, contracts or certificates of insurance or reinsurance previously issued by SeniorSure to policyholders or others; and all such agents, servants, representatives and employees are directed to turn over all such funds in their possession or under their control, including any premium or money to which they may hereafter acquire possession or control, to the Receiver in gross and not net of any commissions which may be due thereon.

17. Except as noted herein, in the interest of judicial economy and until further order from this Court, entry of this Order, by filing with the clerk of any court in this state with competent jurisdiction along with an affidavit of counsel of record that a SeniorSure insured is a named party in a lawsuit, will serve to stay any action, against SeniorSure insureds only, either commenced or in the process of being prosecuted without further notice or the necessity of a separate motion to stay a pending or commenced action. Notwithstanding anything contrary contained herein, this stay order shall not prevent the commencement of any new action against any SeniorSure insured, provided however that such new action shall become subject to the provisions of this order including the stay provisions herein.

18. The Court, being duly informed, requires the Receiver to present a Plan of Liquidation.

19. Pending the Receiver's first application to the Court for approval of administrative fees and expenses, the Receiver is authorized to utilize funds not to exceed Ten Thousand Dollars (\$10,000.00) to cover the initial expenses of this receivership, including expenses for the services of the Assistant Receiver that are directly related to the initiation of this proceeding. These expenses shall be itemized and presented to the Court for approval in the Receiver's first application for approval of administrative fees and expenses.

20. Pursuant to 36 O.S. § 1923, the Insurance Commissioner shall not be required to pay any fee to any public officer in this state for filing, recording, issuing a transcript or certificate or authenticating any paper or instrument pertaining to the exercise by the Insurance Commissioner, as Receiver, of any of the powers or duties conferred upon him, whether or not such paper or instrument be executed by the Insurance Commissioner or his assistants, deputies, employees or attorneys of record and whether or not it is connected with the commencement of any action or proceeding by or against the Insurance Commissioner, or with the subsequent conduct of such action or proceeding.

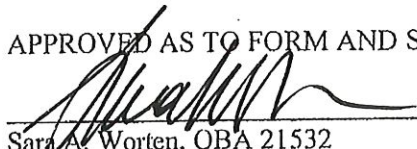
21. Unless otherwise ordered by this Court, any violation of this Order or the injunctive relief set forth herein shall be deemed a contempt of Court and shall subject the violating party to such penalties as allowed by law.

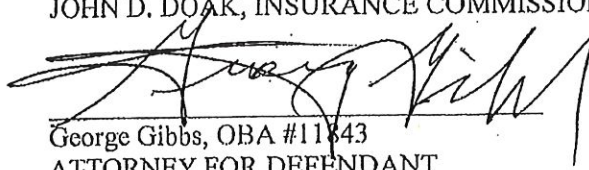
Signed and entered this 27 day of June, 2017.

ALETIA HAYNES TIMMONS

JUDGE OF THE DISTRICT COURT

APPROVED AS TO FORM AND SUBSTANCE


Sara A. Worten, OBA 21532
ATTORNEY FOR PLAINTIFF
STATE OF OKLAHOMA, EX REL.
JOHN D. DOAK, INSURANCE COMMISSIONER


George Gibbs, OBA #11843
ATTORNEY FOR DEFENDANT
SENIORSURE HEALTH PLANS, INC.

CERTIFIED COPY
AS FILED OF RECORD
IN DISTRICT COURT

JUN 30 2017

RICK WARREN COURT CLERK
Oklahoma County


CERTIFICATE OF MAILING

I, Sara A. Worten, hereby certify that a true and correct copy of the Agreed Order Placing Captive Insurer into Receivership, Appointing Receiver, Permanent Injunction and Order for Liquidation was sent regular mail and e-mail on June 30, 2017 to:

Dominick L. Lanzito
Peterson, Johnson, & Murray Chicago, LLC
200 West Adams Street, Suite 2125
Chicago, IL 60606

**CERTIFIED MAIL NO:
7016 2140 0000 3510 7140**

ATTORNEY FOR SENIORSURE HEALTH PLANS, INC. AND DAVID FLEMING - SOLE
SHAREHOLD OF SENIORSURE HEALTH PLANS, INC.

George Gibbs, OBA #11843
601 S. Boulder
Suite 500

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Tulsa, Oklahoma 74119
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