

IN THE DISTRICT COURT OF OKLAHOMA COUNTY  
STATE OF OKLAHOMA

OCT -7 2021

RICK WARREN  
COURT CLERK

112 \_\_\_\_\_

STATE OF OKLAHOMA, ex rel. )  
 GLEN MULREADY, Insurance Commissioner )  
 )  
 Plaintiff, )  
 )  
 v. )  
 )  
 TOP FLIGHT INSURANCE COMPANY, a licensed )  
 domestic Insurer in the State of Oklahoma, and )  
 SOURCE GENERAL AGENCY, INC., a licensed )  
 Resident insurance producer, )  
 )  
 Defendant. )

Case No. CJ-2005-3609

*Judge Don Andrews*

**ORDER APPROVING RECEIVER’S RECOMMENDATION ON CLAIMS,  
DISTRIBUTING ASSETS, FEDERAL RELEASE, CLOSING ESTATE,  
AND DISCHARGING RECEIVER**

On the 7<sup>th</sup> day of October 2021, the Receiver’s Final Recommendation on Claims, Motion to Distribute Assets, Close Estate and Request for Discharge and Receiver’s Motion to Approve Federal Release came for hearing. Top Flight Insurance Company (“Top Flight”), in Liquidation appeared at the hearing through legal counsel for the Receiver. No one appears in opposition, and no objections were filed. The Court, having reviewed the Receiver’s Motions, finds and orders as follows:

The Court finds that the Receiver’s request for approval of Class 1 expenditures incurred after March 31, 2021 for direct administrative fees and expenses in the amount of \$575.00 and expenses allocated by the Oklahoma Receivership Office, Inc. (“ORO”) of \$7.54 for separate expenses and \$3,659.25 in common expense are approved.

The Court further finds that the Receiver’s request for approval of Assistant Receiver fees and applicable payroll taxes for time expended since March 31, 2021 in the amount of \$577.39 is

approved.

The Court further finds that the Proof of Claim filed by the Oklahoma Property & Casualty Insurance Guaranty Association (“OPCIGA”) shall be allowed as Class 2 – Administrative Expenses in the amount of \$251,023.16 and Class 3 – Policyholder in the amount of \$1,177,833.75 is approved.

The Court further finds that the post-closing tasks as detailed by ORO shall be performed by ORO and that the Closing Budget for post-closing fees and expenses in the amount of \$66,000 and if such funds are not expended then distribution to the Class 2 approved claimant is approved.

The Court further finds that the Release Agreement with the United States of America is hereby approved.

The Court further finds that the final distribution of all remaining assets of Top Flight Insurance Company, net of any early access distribution approved to Class 2 Claim in the amount of \$3,678.98 is approved.

The Court further finds that assignment of any recoverable funds that are known or may later become known to the OPCIGA is hereby approved.

The Court further finds that if funds recovered by OPCIGA exceed the balance of OPCIGA’s Class 2 claim, that OPCIGA will distribute recoveries in excess of the OPCIGA’s Class 2 claim on a pro-rata distribution to Class 3 claimants subject to a minimum distribution of \$50.00.

The Court further finds that the Receiver has performed all responsibilities as Receiver, that the Receiver, Assistant Receiver, and all other agents of the Receiver shall be discharged and released upon filing of a Post-Closing Report without further notice, hearing or Order of this Court.

The Court further finds that all injunctions and stays entered by the Court, including those in the liquidation order, are to remain in full force and effect permanently and that this Court retains

exclusive jurisdiction of the enforcement thereof.

The Court further finds that all claims against Top Flight, the Assistant Receiver, retained counsel, and any other employee or personnel of the Receiver or Assistant Receiver are barred.

**IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED** that the Class 1 expenses incurred after March 31, 2021 for direct administrative fees and expenses in the amount of \$575.00 and expenses allocated by the Oklahoma Receivership Office, Inc. of \$7.54 for separate expenses and \$3,659.25 in common expense are approved.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Assistant Receiver fees and applicable payroll taxes for time expended since March 31, 2021 in the amount of \$577.39 is approved.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** the claim of Oklahoma Property and Casualty Insurance Guaranty Association in the amount of \$251,023.16 as Class 2 and \$1,177,833.75 as Class 3 are hereby approved.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** the Receiver distribute to ORO the sum of \$66,000.00 for post-closing fees and expenses, which includes the reserve for future litigation, if any.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the final distribution of all remaining assets of Top Flight Insurance Company, net of any early access distribution approved to Class 2 Claim in the amount of \$3,678.98 is approved.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the assignment of any recoverable funds that are known or may later become known to the OPCIGA is hereby approved.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that if funds recovered

by OPCIGA exceed the balance of OPCIGA's Class 2 claim, that OPCIGA will distribute recoveries in excess of the OPCIGA's Class 2 claim on a pro-rata distribution to Class 3 claimants subject to a minimum distribution of \$50.00.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that ORO shall perform all Post-Closing Tasks.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** that the release with the United States of America is hereby approved.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Receiver is authorized to destroy the books and records of Top Flight Insurance Company and Source General Agency, Inc., subject to the terms of the release with the United States of America.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that all injunctions and stays entered by the Court, including those in the Liquidation Order; are to permanently remain in full force and effect and that this Court retains exclusive jurisdiction of the enforcement thereof.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that all claims against Top Flight Insurance Company, the Top Flight Estate, the Receiver, Assistant Receiver, and all other agents of the Receiver or Assistant Receiver are barred.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Receiver, Assistant Receiver, and all other agents of the Receiver from any responsibilities and liabilities in relation to Top Flight Insurance Company and the Top Flight Estate are discharged and released without further notice, hearing or order of this Court effective upon the filing of a Post-Closing Report certifying that the appropriate post-closing ministerial tasks related to the Top Flight Estate have been completed.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that Top Flight

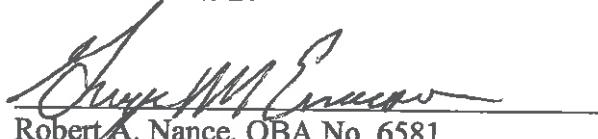
Insurance Company is dissolved.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that the Top Flight Estate is closed and this proceeding is hereby terminated.

**DON ANDREWS**

JUDGE OF THE DISTRICT COURT

**APPROVED BY:**



Robert A. Nance, OBA No. 6581

George M. Emerson, OBA No. 13159

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ATTORNEYS FOR PLAINTIFF,  
STATE OF OKLAHOMA, EX REL.  
GLEN MULREADY, INSURANCE COMMISSIONER  
FOR THE STATE OF OKLAHOMA, AS RECEIVER FOR  
TOP FLIGHT INSURANCE COMPANY

**CERTIFIED COPY**  
AS FILED OF RECORD  
IN DISTRICT COURT

OCT -7 2021

**RICK WARREN** COURT CLERK  
Oklahoma County



**CERTIFICATE OF MAILING**

I hereby certify that I have this 14 day of October, 2021 mailed a true and correct copy of the above and foregoing document with proper postage prepaid thereon and/or electronic mail with written consent, to:

General Counsel  
Oklahoma Insurance Department  
400 NE 50<sup>th</sup> Street  
Oklahoma City, OK 73105

Oklahoma Receivership Office, Inc.  
Attn: Debra L. Crowe  
dcrowe@okaro.org

Derryberry & Naifeh  
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Oklahoma City, OK 73105

Oklahoma Property & Casualty Insurance  
Guaranty Association  
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United States Department of Justice  
c/o Sharon C. Williams, Trial Attorney  
1100 L Street, N.W.  
Room 7004  
Washington, DC 20005

  
George M. Emerson