

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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In the Matter of

Index No.: 452122/13

the Liquidation of

VERIFIED PETITION

ICM INSURANCE COMPANY.
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Benjamin M. Lawsky, Superintendent of Financial Services of the State of New York as liquidator (the "Liquidator") of ICM Insurance Company ("ICM"), has appointed agents to carry out, through the New York Liquidation Bureau (the "NYLB"), the responsibilities of the Liquidator. The Liquidator, by Scott D. Fischer, Acting Special Deputy Superintendent and agent of the Liquidator, respectfully makes the following petition upon information and belief:

1. On December 24, 2013 (the "Liquidation Order Date"), this Court entered an order (the "Liquidation Order") placing ICM into liquidation and appointing the Superintendent of Financial Services of the State of New York and his successors in office as Liquidator of ICM. Paragraph 18 of the Liquidation Order established May 16, 2014 as the bar date (the "Bar Date") by which all claims by any claimant against ICM or its insureds, other than the Liquidator's claims for administrative expenses, must be actually received by the Liquidator. Paragraph 19 of the Liquidation Order established December 31, 2014 as the final date (the "Development Bar Date") by which evidence supporting the liquidation of any claim presented by the foregoing bar date must be actually received by the Liquidator.

2. In general, ICM only provided auto insurance policies in a small number of jurisdictions. It was anticipated that the ICM liquidation proceeding would be completed no more than two years after entry of the Liquidation Order. For that reason, at the time that the Liquidation Order was sought, the Development Bar Date was proposed to motivate all those

with claims against ICM to present such claims and all relevant information as quickly as possible. The quick receipt of all relevant information would enable the expeditious handling of all outstanding claims, the fixing of ICM's liabilities and the complete distribution of ICM's assets, all within the anticipated two-year period. However, while ICM remained an active insurer and at the time the Liquidation Order was sought, not all of the details of ICM's business were known to the Liquidator.

3. As ICM's liquidation proceeding got underway, the Liquidator, in the exercise of his responsibilities, determined the scope of reinsurance provided to ICM (referred to as the "ceded book") and the reinsurance provided by ICM (referred to as the "assumed book"). The Liquidator found that ICM entered into reinsurance agreements (the "Reinsurance Agreements") with various insurance/reinsurance companies (the "Cedents") during the period from 1981 to 1993, pursuant to which ICM reinsured certain liabilities of the Cedents. ICM obtained reinsurance on the assumed book from approximately 100 reinsurers. Because the Cedents on the assumed book already had claims against ICM at the time of its liquidation, those insurers' claims were timely filed before the Bar Date. *See* N.Y. Ins. L. §7433.

4. ICM's reinsurance obligations under the Reinsurance Agreements have generated claims from Cedents since the Liquidation Order Date, for which further development of those claims is expected after the Development Bar Date. The remaining aggregate amount of ceded reinsurance available to ICM (i.e., the amount of reinsurance provided to ICM to cover the reinsurance that ICM provided to others) is estimated to be approximately \$4,000,000 (the "Cover Limit").

5. Once claims are made by the insurers on the assumed book, ICM is then in a position to call on its reinsurance to pay such claims, up to the Cover Limit. This process of

accepting and allowing claims against a liquidating estate and seeking the available reinsurance is a key aspect of the Liquidator's, and all insurance liquidators', duty to marshal the estate's assets, distribute such assets and wind-up the estate's affairs.

6. Keeping December 31, 2014 as the Development Bar Date, which was established by the Liquidation Order before all of the relevant details of ICM's business were fully known, would preclude the Cedents from providing any further evidence after such date in support of the development of their claims under the Reinsurance Agreements. This would, in turn, preclude the Liquidator from obtaining any further amounts from ICM's reinsurers and would curtail the Liquidator's ability to marshal all the available assets of the ICM estate for the purpose of paying the estate's obligations in accordance with Section 7434(a) of the New York Insurance Law.

7. Accordingly, this Verified Petition seeks the issuance of an order (the "Order"), substantially in the form set forth as Exhibit A, that: (i) extends the Development Bar Date without date until further application by the Liquidator; and (ii) provides for such other and further relief as this Court deems appropriate and just.

8. The Liquidator also requests that this Court issue the accompanying Order to Show Cause approving: (1) a return date (the "Return Date") no more than 45 days after the date of issuance of the Order to Show Cause for a hearing (the "Hearing") on the Verified Petition to be held before this Court; (2) the form of notice, set forth as Exhibit B, to be given regarding the Verified Petition and the Hearing ("Notice"); and (3) the method of service of the Notice, *i.e.*, by: (i) first class mail upon the following Guaranty Funds and Insurance Commissioners, at least 15 days prior to the Return Date: (a) David C. Edwards, President, Colorado Insurance Guaranty Association, c/o Western Guaranty Fund Services, 1720 S. Bellaire Street, Suite 408, Denver, CO 80222; (b) Marguerite Salazar, Commissioner, Colorado Division of Insurance, 1560

Broadway, Denver, CO 80202; (c) Marvin Kelly, Executive Director, Texas Property and Casualty Insurance Guaranty Association, 9120 Burnet Road, Austin, TX 78758; (d) Julia Rathgeber, Commissioner, Texas Department of Insurance, 333 Guadalupe, Austin, TX 78701; (e) Allen Muhlestein, Executive Director, Utah Property and Casualty Insurance Guaranty Association, P.O. Box 1608, Sandy, UT 84091; (f) Todd E. Kiser, Commissioner, Utah Insurance Department, 3110 State Office Building, Salt Lake City, UT 84114; (g) Randy Blumer, Executive Director, Wisconsin Insurance Security Fund, 2820 Walton Commons West, Suite 135, Madison, WI 53718; and (h) Ted Nickel, Commissioner, Office of the Commissioner of Insurance, 125 South Webster Street, Madison, WI 53703; (ii) first class mail upon each entity which entered into an agreement to provide reinsurance to ICM and which agreement remains in effect, at least 15 days prior to the Return Date; and (iii) posting on the Internet web page maintained by the New York Liquidation Bureau at <http://www.nylb.org> at least 15 days prior to the Return Date.

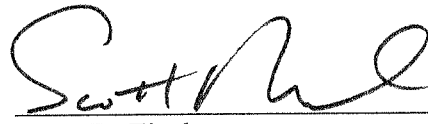
9. No previous application for the relief sought herein has been made to this or any court or judge thereof.

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WHEREFORE, it is respectfully requested that this Court issue an order:

- a) Extending without date and until further application by the Liquidator the final date by which the Liquidator must actually receive, in respect of any claim presented by May 16, 2014, any and all evidence supporting the liquidation of such claim; and
- b) Providing for such other and further relief as this Court deems appropriate and just.

Dated: New York, New York
December 19, 2014



Scott D. Fischer

Acting Special Deputy Superintendent
and Agent of Benjamin M. Lawskey,
Superintendent of Financial Services of
the State of New York as Liquidator of
ICM Insurance Company

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

Scott D. Fischer, being duly sworn, deposes and says:


That he has read the foregoing Verified Petition and that the same is true based upon information and belief as to those matters stated therein. Deponent further says that the sources of his information and the grounds of his belief as to the matters alleged therein are from or were derived from the files of ICM Insurance Company in the possession of the Liquidator and communications made to deponent by employees of the Liquidator.

That the reason this petition is verified by this deponent rather than by the Superintendent of Financial Services of the State of New York is that deponent is the duly appointed Acting Special Deputy Superintendent and Agent of the Superintendent of Financial Services of the State of New York as Liquidator of ICM Insurance Company.



Scott D. Fischer
Acting Special Deputy Superintendent and
Agent of Benjamin M. Lawsky,
Superintendent of Financial Services of
the State of New York as Liquidator of
ICM Insurance Company

Sworn to before me this
19th day of December, 2014



Notary Public

DEBRA L. BRENNAN
Notary Public, State of New York
No. 01BR6257851
Qualified in Richmond County
Commission Expires March 19, 2016

EXHIBIT A

At IAS Part 15 of the Supreme Court of the State of New York, County of New York, at the Courthouse located at 80 Centre Street, New York, New York, on the ____ day of _____, 201_.

P R E S E N T:

HON. EILEEN A. RAKOWER, J.S.C.

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In the Matter of

Index No.: 452122/13

the Liquidation of

ORDER

ICM INSURANCE COMPANY.

-----X

John Pearson Kelly, Assistant Special Deputy Superintendent and Agent of the Superintendent of Financial Services of the State of New York as liquidator (the "Liquidator") of ICM Insurance Company ("ICM"), moved this Court for an order: (i) extending without date and until further application by the Liquidator the final date by which the Liquidator must actually receive, in respect of any claim presented by May 16, 2014, any and all evidence supporting the liquidation of such claim; and (ii) providing for such other and further relief as this Court deems appropriate and just.

NOW, upon reading the Verified Petition of Scott D. Fischer, Acting Special Deputy Superintendent and Agent of the Liquidator, dated December 19, 2014, due proof of service thereof upon all parties interested in ICM, and due deliberation having been had thereon, and upon the decision of this Court;

NOW, on application of John Pearson Kelly, attorney for the Liquidator, it is

ORDERED, that the application is granted; and it is further

ORDERED, that the final date by which the Liquidator must actually receive, in respect of any claim presented by May 16, 2014, any and all evidence supporting the liquidation of such claim is extended without date until further application by the Liquidator.

E N T E R

J.S.C.

EXHIBIT B

IN THE MATTER OF THE LIQUIDATION OF ICM INSURANCE COMPANY
Supreme Court County of New York
Index No.: 452122/13

NOTICE

Pursuant to an order of the Supreme Court of the State of New York, County of New York (the "Court"), entered on December 24, 2013, the Superintendent of Financial Services of the State of New York and his successors in office were appointed as liquidator (the "Liquidator") of ICM Insurance Company ("ICM") and, as such, have been directed to take possession of ICM's property and liquidate its business and affairs pursuant to Article 74 of the New York Insurance Law (the "Insurance Law"). The Liquidator has, pursuant to Insurance Law Article 74, appointed Scott D. Fischer, Acting Special Deputy Superintendent, as his agent to carry out the responsibilities of the Liquidator, through the New York Liquidation Bureau, 110 William Street, New York, New York 10038. The Liquidator has submitted to the Court a verified petition ("Verified Petition") seeking an order: (i) extending without date and until further application by the Liquidator the final date by which the Liquidator must actually receive, in respect of any claim presented by May 16, 2014, any and all evidence supporting the liquidation of such claim; and (ii) providing for such other and further relief as this Court deems appropriate and just;

A hearing is scheduled on the Verified Petition on the ___ day of _____, 201_, at _____ [a][p].m., before the Honorable Eileen A. Rakower, J.S.C., Supreme Court of the State of New York at the Courthouse located at 80 Centre Street, New York, New York, 10013.

If you wish to object to the relief sought, you must serve a written statement setting forth your objections and all supporting documentation upon the Liquidator and the Clerk of the Court, at least seven days prior to the hearing. Service on the Liquidator shall be made by first class mail or overnight courier at the following address:

Superintendent of Financial Services of the State of New York as
Liquidator of ICM Insurance Company
110 William Street
New York, New York 10038
Attention: General Counsel

The Verified Petition and Report are available for inspection at the above address and at www.nylb.org/ICM.htm. In the event of any discrepancy between this notice and the documents submitted to Court, the documents control.

Requests for further information should be directed to the New York Liquidation Bureau, Creditor and Ancillary Operations Division, at (212) 341-6809.

Dated: _____, 201_

Benjamin M. Lawsky

Superintendent of Financial Services of the
State of New York as Liquidator of
ICM Insurance Company

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SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF NEW YORK

In the Matter of

the Liquidation of

ICM INSURANCE COMPANY

ORDER TO SHOW CAUSE AND VERIFIED PETITION

JOHN PEARSON KELLY

Attorney for the Superintendent of Financial Services of the State of New York as Liquidator

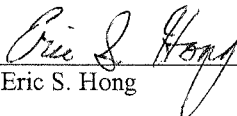
Office and Post Office Address, Telephone

New York Liquidation Bureau
110 William Street
New York, NY 10038
(212) 341-6755
Fax (212) 233-0461

ATTORNEY CERTIFICATION

The undersigned, an attorney admitted to practice in the courts of New York State, certifies that, upon information, belief and reasonable inquiry, the contentions in the above referenced document(s) are not frivolous.

Dated: December 19, 2014
New York, New York


Eric S. Hong

NOTICE OF ENTRY

that the within is a (*certified*) true copy of a
duly entered in the office of the clerk of the within named court on the day of 20

NOTICE OF SETTLEMENT

that an order of which the within is a true copy will be presented for
settlement to the HON. one of the judges of the within named court, at

, on

20 at

Dated:

Yours, etc.

JOHN PEARSON KELLY

Attorney for the Superintendent of Financial Services
of the State of New York as Liquidator

Office and Post Office Address, Telephone

New York Liquidation Bureau
110 William Street
New York, NY 10038
(212) 341-6755
Fax (212) 233-0461