

*Ex-Parte Motion OFFICE*  
At the ~~125~~ Part of the Supreme  
Court of the State of New York,  
County of New York, at the  
Courthouse, 60 Centre Street,  
in the Borough of Manhattan,  
City and State of New York, on  
the 1<sup>st</sup> day of *April*, 1987.

P R E S E N T :

HON. *STANLEY PARNES*

JUSTICE.

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In the Matter of  
the Application of

Index No. *41353/1987*

ORDER OF CONSERVATION

JAMES P. CORCORAN, as Superintendent  
of Insurance of the State of New York,  
for an order to take possession of the  
property and to conserve the assets of

MISSION INSURANCE COMPANY  
a California corporation.  
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Upon reading and filing the annexed petition of JAMES P.  
CORCORAN, Superintendent of Insurance of the State of New York,  
verified the *25<sup>th</sup>* day of *March*, 1987, for an Order appoint-  
ing him Conservator for MISSION INSURANCE COMPANY (hereinafter  
referred to as "MISSION"), and to take possession of the property  
and assets of MISSION located in the State of New York, pursuant  
to Article 74 of the Insurance Law of the State of New York, and  
it appearing to my satisfaction that MISSION was incorporated

under the laws of the State of California; that it was licensed as a stock casualty insurer in the State of New York; that it conducted insurance business in the State of New York; that it has been declared insolvent by a Court of competent jurisdiction of the State of California on February 24, 1987 and is unable to meet its insurance obligations; that its license to conduct such business should be suspended by the Superintendent of Insurance of the State of New York; that the Superintendent of Insurance of the State of California was appointed Liquidator of MISSION; that it is amenable to the Insurance Laws of the State of New York and particularly to Article 74 thereof; that it is to the best interests of all policyholders, claimants, creditors and other interested persons located in the State of New York that the Superintendent of Insurance of the State of New York be directed to take possession of the property of said Company and to conserve the same, subject to the orders of this Court; and that the Commissioner of Insurance of the State of California, as Liquidator of MISSION has waived process, service of process, notice of hearing and hearing, and consents to the entry of an Order appointing the Superintendent of Insurance of the State of New York as Conservator of MISSION.

NOW, on motion of Hon. ROBERT ABRAMS, Attorney General of the State of New York, it is

ORDERED, that the petition of JAMES P. CORCORAN, Superintendent of Insurance of the State of New York, be and the same hereby is in all respects granted; and it is further

ORDERED, that the said JAMES P. CORCORAN, as Superintendent of Insurance of the State of New York, and his successors in office as Superintendents of Insurance of the State of New York, be and he is and they are hereby authorized and directed forthwith to take possession of the property and assets of the said MISSION located in the State of New York, under and pursuant to the provisions of Article 74 of the Insurance Law of the State of New York and to deal with the property and assets and business of MISSION, and it is further directed to take and preserve all the other assets and claims which are the property of MISSION and to protect same for the benefit of creditors, policyholders and other interested parties within the State of New York and upon the authorization of this Court to pay such claims against MISSION and/or its policyholders as are approved by this Court as being valid; and it is further

ORDERED, that since the California Liquidator will notify all policyholders and claimants of MISSION of the order of insolvency and direct all persons having claims against respondent to file proof of claims with the Liquidator not later than September 12th, 1987, the Conservator is relieved of notifying all claimants and policyholders of this Order; and it is further

ORDERED, that the notice hereinbefore prescribed is sufficient notice to all persons interested in the assets of MISSION; and it is further

ORDERED, that all persons who have claims against MISSION and present proofs of claim with the Insurance Commissioner of the State of California as Liquidator in charge of the liquidation proceeding by September 12th, 1987 or any extended date obtained by the liquidator at a place specified in liquidator's notice shall be deemed to have filed a timely proof of claim in the conservation proceeding and it is further

ORDERED, that said MISSION, its officers, directors, trustees, policyholders, agents, employees and all other persons having any property, or records belonging to the said MISSION located in the State of New York, including but not limited to claim files, legal files and insurance policy files, are hereby directed to assign, transfer and deliver to the Superintendent of Insurance, as Conservator, all of such property located in the State of New York in whomsoever name the same may be, and that any persons, firms or corporations having any books, papers, or records relating to the business of said corporation shall preserve the same and submit them to the Superintendent of Insurance, as Conservator, for examination at such place as he shall reasonably designate or, at his request, make them available for examination at all reasonable times; and it is further

ORDERED, that the officers, directors, trustees, policy-holders, agents and employees of said MISSION, and all other persons, be and they hereby are enjoined and restrained from the further transaction of business or from dealing with or disposing of the property or assets of said corporation located in the State of New York, or doing or permitting to be done any act or thing which might waste its property or assets or allow or suffer the obtaining of preferences, judgments, attachments or other liens, or the making of any levy against said corporation, or its estate while in the possession and control of the Superintendent of Insurance, as Conservator; and it is further

ORDERED, that the officers, directors, trustees, policy-holders, agents and employees of said MISSION, and all other persons, including but not limited to claimants, plaintiffs and petitioners who have claims against said MISSION, be and they are hereby permanently enjoined and restrained from bringing or further prosecuting any action at law, suit in equity, special or other proceedings against the said corporation or its estate or the Superintendent of Insurance of the State of New York and his successors in office, as Conservator thereof, or from making or executing any levy upon the property or estate of said corporation, or from in any way interfering with the Superintendent of Insurance of the State of New York, or his successors in office, in his or their possession, control or management of the property of said

corporation, or in the discharge of his or their duties as Conservator thereof, or in the liquidation of the business of said corporation; and it is further

ORDERED, that all parties to law suits in this State ~~and all other States and Territories of the United States~~, are hereby enjoined and restrained from proceeding with any trial, application for judgment or proceeding on judgments or settlements in such actions at law, suits in equity, special or other proceedings in which MISSION is obligated to defend a party insured or any other person it is legally obligated to defend by virtue of its insurance contract and any and all actions being defended by a primary or other underlying insurer where such primary or underlying insurer has tendered or offered its full policy limits or where said policy limits have been exhausted by payment of the underlying insurer's aggregate and MISSION is the next excess or umbrella layer of insurance for a period of 180 days from the date hereof; and it is further

ORDERED, that those persons who may have first-party or New York Comprehensive Automobile Insurance Reparations Act (No-Fault) policyholder loss claims against MISSION coming within the purview of Article 76 of the Insurance Law, are enjoined for 90 days from the date hereof from presenting and filing such formal claims in this proceeding pursuant to Section 7432 of the Insurance Law; and it is further

ORDERED, that all outstanding policy and other insurance obligations as well as surety bonds and obligations thereunder of MISSION terminate and all liability thereunder cease and be fixed as of 12:01 A.M. Eastern Daylight Savings Time, 30 days after the signing of this Order, or prior thereto upon the procurement by policyholders of new insurance covering their risks insured thereby as well as procurement by principals of new surety bonds covering the obligations thereunder; and it is further

ORDERED, that the notice of said cancellation be given by publication in The New York Times commencing on or about the 10<sup>th</sup> day of April, 1987, and thereafter once a week for two successive weeks and that said notice is sufficient notice to all persons interested in the assets of MISSION; and it is further

ORDERED, that JAMES P. CORCORAN, the Superintendent or any successor in office as Superintendent, is hereby authorized, permitted and allowed to sell, assign and transfer any and all stocks, bonds and securities in his possession or which may hereafter come into his possession belonging to MISSION, in conservation, at market price or better, or when there is no market price, at the best price obtainable, at private sale and at such times and upon such terms and conditions as in his discretion he deems for the best interests of the creditors of MISSION, in conservation and that he be authorized, permitted and allowed to take such

steps and to make and execute such agreements and other papers as may be necessary to effect and carry out such sales, transfers and assignments; and it is further

ORDERED, that the license of MISSION INSURANCE COMPANY to do business in the State of New York, be and the same is hereby revoked; and it is further

ORDERED, that all further papers in this proceeding shall bear the caption and be entitled:

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

In the Matter of  
the Conservation of  
the Assets and Property in the State of  
New York of  
MISSION INSURANCE COMPANY"

in place and stead of the caption as heretofore used; and it is further

ORDERED, that the Superintendent of Insurance, as Conservator, may at any time make further application at the foot of this order for such further and different relief as he sees fit.

*Filed  
4/1/87  
N.Y.C.*

DATE **APR 2 1987** ENTER

I hereby certify that the foregoing paper is a true copy of the original thereof, filed in my office on the

*1<sup>st</sup> do: April, 1987 S.P.*  
*[Signature]*

J. S. C.

County Clerk and Clerk of the  
Supreme Court New York County  
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