

At a Special Term, Part II of the Supreme Court of the State of New York, held in and for the County of New York, at the Courthouse, 60 Centre Street, in the Borough of Manhattan, City and State of New York, on the *26* day of December, 1985.

P R E S E N T :

HON. *Thomas J. Hughes*

JUSTICE.

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In the Matter of
the Application of

Index No. *43846/85*
ORDER

JAMES P. CORCORAN, as Superintendent
of Insurance of the State of New York,
for an Order of Appointment as
Ancillary Receiver of

TRANSIT CASUALTY COMPANY,
a stock insurance corporation of the
State of Missouri

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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 *19th* day of December, 1985, for an Order appointing him Ancillary Receiver for TRANSIT CASUALTY COMPANY (hereinafter referred to as "TRANSIT"), and to take possession of the property and assets of TRANSIT 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 TRANSIT was incorporated under the laws of the State of Missouri; 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 Missouri on December 3, 1985 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 Missouri was appointed Liquidator of TRANSIT; 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 liquidate the same, subject to the orders of this Court;

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 respected granted; and it is further

ORDERED, that the said JAMES P. CORCORAN, as Superin-

tendent 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 appointed Ancillary Receiver of TRANSIT, and are hereby authorized and directed forthwith to take possession of the property of the said TRANSIT 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 business of TRANSIT, and it is further directed to take and preserve all the other assets and claims which are the property of TRANSIT 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 TRANSIT and/or its policyholders as are approved by this Court as being valid; and it is further

ORDERED, that formal notice of the making and entry of this Order be given by the Superintendent of Insurance, as Ancillary Receiver, where in his discretion he deems it necessary, where it can be reasonably ascertained, by mail, to all policyholders, creditors and all other persons having any unsatisfied claim or demand of any character against TRANSIT as disclosed by the books and records of the corporation in the possession of the Superintendent of Insurance, as Ancillary Receiver, as furnished by the Domiciliary Receiver, at the last known address of such persons as disclosed by said records and in such other manner and

form as he in his discretion may find desirable, demanding that all persons indebted to TRANSIT render accounts of their indebtedness and pay any sums due to the Superintendent of Insurance, as Ancillary Receiver; and giving notice to present proofs of claim with the Superintendent of Insurance, as Ancillary Receiver, at a place specified in such notice and no later than the 31ST day of December, 1986; and that such notice may contain such other rules regulations and information as the Superintendent of Insurance, as Ancillary Receiver, may deem necessary for the purpose of this proceeding in fixing and determining all lawful and valid claims and demands against the corporation; and it is further

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

ORDERED, that said TRANSIT, its officers, directors, trustees, policyholders, agents and employees and all other persons having any property or records belonging to the said TRANSIT 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 Ancillary Receiver, all of such property located in the State of New York in whomsoever name the same may be, and that any persons, firms or corporation having any books, papers or records relating to the business of said corporation shall pre

serve the same and submit them to the Superintendent of Insurance, as Ancillary Receiver, 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, policyholders, agents and employees of said TRANSIT, 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 Ancillary Receiver; and it is further

ORDERED, that the officers, directors, trustees, policyholders, agents and employees of said TRANSIT, and all other persons, be and they are hereby 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 Ancillary Receiver 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, of 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 Ancillary Receiver thereof, or in the liquidation of the business of said corporation; that all parties to law suits in this State 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 TRANSIT is obligated to defend a party insured or any other person it is legally obligated to defend by virtue of its insurance contract 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 TRANSIT CASUALTY COMPANY 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 the license of TRANSIT CASUALTY COMPANY to do business in the State of New York, be and the same is hereby suspended; 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
Ancillary Receivership of
TRANSIT CASUALTY COMPANY"

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

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

E N T E R

15/
J. S. C.
THOMAS J. HUGHES

FILED
DEC. 26, 1985
County Clerks office
New York