

At IAS Part 57 of the Supreme
Court of the State of New York,
County of New York, at the
courthouse located at 111 CENTRE STREET
New York, New York, on the 17th day of
DECEMBER, 2014.

PRESENT:

HON. HON. PETER H. MOULTON, J.S.C.
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In the Matter of

Index No. 45 287 9/2014

the Application of

ORDER TO SHOW CAUSE

Benjamin M. Lawskey, Superintendent of Financial
Services of the State of New York, for an order to take
possession and liquidate the business and affairs of

ESSENCE HEALTHCARE OF NEW YORK, INC.
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Based on the verified petition ("Verified Petition") of Benjamin M. Lawskey,
Superintendent of Financial Services of the State of New York ("Superintendent"), duly verified
on October 17, 2014, the supporting Affidavit of Stephen J. Wiest, dated October 17, 2014, and
the exhibits attached thereto, and it appearing that the relief sought should be granted;

NOW, on motion of Eric T. Schneiderman, Attorney General of the State of New York,
attorney for the Superintendent, and after due deliberation having been had thereon;

LET Essence Healthcare of New York, Inc. ("EHNY"), show cause before this Court at
IAS Part 57 Room 623, thereof, at the Courthouse located at 111 CENTRE STREET in the County,
City and State of New York, on the 4th day of February, 2015, at 4 o'clock P.m., or as
soon thereafter as counsel can be heard ("Return Date"), why an order, in the form of Exhibit 1
to the Verified Petition, should not be made, pursuant to Article 74 of the New York Insurance
Law ("Insurance Law"), *inter alia*: (1) appointing the Superintendent, and his successors in

office, as Liquidator of EHNy; (2) directing the Liquidator to take possession of EHNy's property and to liquidate EHNy's business and affairs; (3) vesting title to all of EHNy's property, contracts and rights of action and all of its books and records, wherever located, with the Liquidator and his successors; (4) permitting the Liquidator to deal with the property and business of EHNy in EHNy's name or in the name of the Liquidator; (5) granting the injunctions provided for in Insurance Law Section 7419(a), permanently enjoining and restraining all persons from wasting the assets of EHNy, and permanently enjoining and restraining all persons, except as authorized by the Liquidator, from transacting EHNy's business (including the issuance of insurance policies) or disposing of EHNy's property; (6) granting the injunctions provided for in Insurance Law Section 7419(b), permanently enjoining and restraining all parties from interfering with the Liquidator or this proceeding, obtaining any preferences, judgments, attachments or other liens, making any levy against EHNy, its assets or any part thereof, or commencing or prosecuting any actions or proceedings against the Liquidator, EHNy, or the New York Liquidation Bureau, or their present or former employees, attorneys or agents, relating to this proceeding or the discharge of their duties under Article 74 in relation thereto; (7) vesting all rights in EHNy's contracts and agreements, however described, with the Liquidator, and permitting the Liquidator, in his discretion, to reject any executory contracts to which EHNy is a party, in which case all liability under such contracts or agreements shall cease and be fixed as of the date of rejection; (8) requiring that any bank, savings and loan association, other financial institution or any other entity or person, that has on deposit or in its possession, custody or control any of EHNy's funds, accounts (including escrow accounts) or assets shall immediately, upon the Liquidator's request and direction: (a) turn over custody and control of such funds, accounts or assets to the Liquidator; (b) transfer title of such funds, accounts or assets to the Liquidator; (c) change the

name of such accounts to the name of the Liquidator; (d) transfer funds from such bank, savings and loan association or other financial institution; and/or (e) take any other action reasonably necessary for the proper conduct of the liquidation proceeding; (9) requiring that all persons or entities having property, papers (including attorney work product and documents held by attorneys) and/or information, including, but not limited to, insurance policies, underwriting data, reinsurance policies, claims files (electronic or paper), software programs and/or bank records owned by, belonging to or relating to EHNY shall preserve such property and/or information and immediately, upon the Liquidator's request and direction, assign, transfer, turn over and deliver such property and/or information to the Liquidator; (10) authorizing, permitting and allowing the Liquidator to sell, assign or transfer any and all stocks, bonds, or other securities at the best price reasonably obtainable at such times and upon such terms and conditions as, in his discretion, he deems to be in the best interest of the creditors of EHNY, and further authorizing the Liquidator 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, without the further approval of this Court; (11) authorizing the Liquidator to pay, without further order of this Court, the actual and necessary expenses incurred by the Liquidator in the administration of EHNY's liquidation; (12) establishing the date that is five (5) months after the entry of the order placing EHNY into liquidation as the bar date by which all claims by any claimant against EHNY or its insureds, other than the Liquidator's claim for administrative expenses, must actually be received by the Liquidator, including all evidence supporting the liquidation of such claims; (13) extending immunity to the Superintendent in his capacity as Liquidator of EHNY and his successors in office, the New York Liquidation Bureau, and their agents and employees, for any cause of action of any nature against them, individually or jointly, for any act or omission when acting in good faith, in accordance with the orders of this Court, or in the performance of their

duties pursuant to Insurance Law Article 74; and (14) granting such other and further relief as the Court may deem proper and just.

AND, sufficient cause having been shown therefor, let service of a copy of this order to show cause and the papers upon which it is granted be made by: (i) certified mail, return receipt requested, upon David Hardy Jones, President, at the only office currently maintained by Essence Healthcare of New York, Inc., located at 13900 Riverport Drive, Maryland Heights, Missouri 63043; and (2) posting on the internet web page maintained by the New York Liquidation Bureau at <http://www.nylb.org>; and let such service be made at least ³⁰~~10~~ days prior to the Return Date, and such service shall be deemed good and sufficient service; and it is hereby

ORDERED, that all answering papers and supporting documentation ("Answering Papers") be served on the Superintendent so as to be received at least seven days prior to the Return Date, and that service on the Superintendent shall be made by first class mail or overnight carrier at the following addresses:

Office of the Attorney General
120 Broadway
New York, NY 10271
Attention: Rosalie Hronsky

Assistant Attorney General

New York Liquidation Bureau
110 William Street
New York, New York 10038
Attention: General Counsel

and Answering Papers shall be submitted to this Court at IAS Part ⁵⁷ at the Courthouse located at 111 CENTRE STREET, ROOM 623, New York, New York, on or before the Return Date; and it is further

ORDERED, that any person or entity that fails to serve Answering Papers as provided herein ^{may}~~shall~~ be deemed to have waived any objections to the relief sought in the Verified Petition and ^{may}~~shall~~ be barred from raising objections in this or any other proceeding concerning the matters set forth herein; and it is further

ORDERED, that any person or entity that has served Answering Papers as provided herein ^{may} ~~shall~~ be deemed to have waived any objections that are not set forth in the Answering Papers; and it is further

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ORDERED, that pending the determination of this motion, EHNY, its officers, directors, shareholders, members, trustees, agents, servants, employees, policyholders, attorneys and managers, and all other persons are hereby restrained from obtaining preferences, judgments, attachments or other liens, or making any levy or commencing or prosecuting any actions or proceedings against EHNY or its assets; and it is further

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JSC
ORDERED, that pending the determination of this motion, all actions or proceedings against EHNY and all actions or proceedings in which EHNY is obligated to defend a party are stayed; and it is further

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JSC
ORDERED, that pending the determination of this motion, EHNY, its officers, directors, shareholders, members, trustees, agents, servants, employees, policyholders, attorneys, managers, and all other persons are restrained from wasting the assets of EHNY, or, except as authorized by the Superintendent, from transacting EHNY's business (including the issuance of new insurance policies) or disposing of EHNY's property.

ENTER


J. S. C.

HON. PETER H. MOULTON

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

-----X

In the Matter of

Index No.

the Application of

VERIFIED PETITION

Benjamin M. Lawsky, Superintendent of Financial
Services of the State of New York, for an order to take
possession and liquidate the business and affairs of

ESSENCE HEALTHCARE OF NEW YORK, INC.

-----X

Benjamin M. Lawsky, Superintendent of Financial Services of the State of New York (the "Superintendent") respectfully petitions this Court for an order in the form of Exhibit 1 annexed hereto, appointing the Superintendent and his successors in office as liquidator ("Liquidator") of Essence Healthcare of New York, Inc. ("EHNY"), and directing the Liquidator to liquidate the business and affairs of EHNY on the ground that EHNY's Board of Directors unanimously consented to the entry of an order of liquidation pursuant to New York Insurance Law ("Insurance Law") Article 74.

Background

1. On information and belief, as set forth in the affidavit of Stephen J. Wiest, Deputy Bureau Chief of the Health Bureau at the New York State Department of Financial Services, sworn to on October 17, 2014 ("Wiest Aff."), which is submitted herewith in support of this petition, EHNY, a health maintenance organization ("HMO"), was incorporated in the State of New York on February 27, 2009. The New York State Department of Health ("DOH") issued EHNY a conditional certificate of authority on or about May 15, 2009, pursuant to the provisions of Article 44 of the New York Public Health Law. The conditions were removed from EHNY's certificate of authority as of November 16, 2009, at which time EHNY was eligible to commence enrolling Medicare-only members. Wiest Aff. ¶2.

2. EHNY became a wholly-owned subsidiary of Essence Healthcare, Inc. (“Essence Healthcare”) on the same date that it was incorporated. Essence Healthcare is a wholly-owned subsidiary of Essence Group Holdings Corporation (“Essence Group”). JDlinx, LLC, which is controlled by L. John Doerr, owns 10 percent or more of Essence Group’s stock and holds 10 percent or more of the voting securities of Essence Group. Accordingly, the ultimate holding company of EHNy is L. John Doerr. *See* 10 NYCRR 98-1.2(j) and (u). Wiest Aff ¶ 3.

3. EHNy’s certificate of authority permitted EHNy to operate as an HMO and provide Medicare Advantage and Part D Prescription Drug coverage to Medicare beneficiaries via a network of healthcare providers within Wayne and Monroe counties in New York State. Wiest Aff. ¶4.

4. EHNy ceased writing business in 2011. On December 1, 2011, DOH reissued EHNy’s certificate of authority with the condition that EHNy was precluded from enrolling individuals and offering managed care products. Instead, EHNy was limited to performing only those activities related to the payment of remaining liabilities. As of March 31, 2014, EHNy had zero unpaid claims and liabilities. Wiest Aff. ¶ 5.

5. EHNy’s board of directors consented to the entry of an order of liquidation pursuant to Insurance Law Article 74 in the Supreme Court of the State of New York, County of New York, by signing a Joint Action By Written Consent of the Board of Directors and the Sole Shareholder of EHNy (“Written Consent”), effective as of January 1, 2014, which was later adopted by a resolution dated March 26, 2014. Wiest Aff. ¶ 6 and Exhibit A.

6. EHNy had two offices before it ceased writing business in 2011. The offices were located at 349 West Commercial Street, Suite 2278, East Rochester, New York, 14445 and 13900 Riverport Drive, St. Louis, Missouri 63043. After 2011, EHNy closed its New York office but maintained its office in Missouri. Wiest Aff. ¶ 7.

Grounds for Liquidation

7. Under Insurance Law Section 7404, the Superintendent may apply for an order directing the Superintendent to liquidate the business of an insurer if sufficient grounds exist pursuant to Insurance Law Section 7402.

8. Insurance Law Section 7402(l) provides that an insurer may be placed into liquidation if the majority of its directors, shareholders, or members consent to liquidation.

9. The board of directors and sole shareholder of EHNY unanimously consented to the entry of an order of liquidation through the Written Consent, which was later adopted by a resolution dated March 26, 2014. Accordingly, EHNY should be placed into liquidation.

10. As outlined above, sufficient grounds exist to place EHNY into liquidation.

Relief Requested

11. In light of the foregoing, I respectfully request that the Court issue an order of liquidation, *inter alia*: (a) appointing the Superintendent and his successors in office as Liquidator of EHNY; (b) directing the Liquidator to take possession of EHNY's property and to liquidate EHNY's business and affairs; (c) vesting title to all of EHNY's property, contracts, rights of action and all of its books and records, wherever located, with the Liquidator and his successors; and (d) permitting the Liquidator to deal with the property and business of EHNY in EHNY's name or in the name of the Liquidator.

12. I further respectfully request that the Court grant the injunctions provided for by Insurance Law Section 7419. Under Section 7419(a) the Court may issue an injunction permanently enjoining and restraining the insurer, its officers, directors, shareholders, members, trustees, agents, servants, employees, policyholders, attorneys, managers, and all other persons from wasting the assets of EHNY, and, except as authorized by the Liquidator, from transacting EHNY's business (including the issuance of insurance policies) or disposing of EHNY's property. Under Section 7419(b), the Court may issue such other permanent injunctions or

orders as it deems necessary to prevent interference with the Liquidator or this proceeding, or the commencement or prosecution of any actions or proceedings (a) against the Liquidator, EHNY, or the New York Liquidation Bureau, the organization that carries out the duties of the Liquidator, or their present or former employees, attorneys or agents, with respect to this proceeding or the discharge of their duties under Article 74 in relation thereto or (b) to assert preferences, judgments, attachments, liens, or any levy against EHNY, its assets or any part thereof.

13. I further respectfully request that, in accordance with Insurance Law Section 7405, the Court vest all rights in EHNY's contracts and agreements, however described, with the Liquidator, and permit the Liquidator, in his discretion, to reject any executory contracts to which EHNY is a party, in which case all liability under such contracts or agreements shall cease and be fixed as of the date of rejection.

14. I further respectfully request that the Court order that any bank, savings and loan association, other financial institution or any other entity or person, that has on deposit or in its possession, custody or control any of EHNY's funds, accounts (including escrow accounts) or assets shall immediately, upon the Liquidator's request and direction: (a) turn over custody and control of such funds, accounts or assets to the Liquidator; (b) transfer title of such funds, accounts or assets to the Liquidator; (c) change the name of such accounts to the name of the Liquidator; (d) transfer funds from such bank, savings and loan association or other financial institution; or (e) take any other action reasonably necessary for the proper conduct of the liquidation proceeding.

15. I further respectfully request that the Court order that all persons or entities having property, papers (including attorney work product and documents held by attorneys) and/or information, including, but not limited to, insurance policies, underwriting data, reinsurance policies, claims files (electronic or paper), software programs and/or bank records

owned by, belonging to or relating to EHNY shall preserve such property and/or information and immediately, upon the Liquidator's request and direction, assign, transfer, turn over and deliver such property and/or information to the Liquidator.

16. I further respectfully request that in accordance with Insurance Law Section 7405, the Court authorize, permit and allow the Liquidator to sell, assign or transfer any and all stocks, bonds, or other securities at the best price reasonably obtainable at such times and upon such terms and conditions as, in his discretion, he deems to be in the best interest of the creditors of EHNY, and further authorize the Liquidator 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, without the further approval of the Court.

17. I further respectfully request that the Court authorize the Liquidator to pay, without further order of this Court, the actual and necessary expenses incurred by the Liquidator in the administration of EHNY's liquidation. Pursuant to Insurance Law Section 7434, the Liquidator recommends and seeks court approval for distributions made by a domestic estate in liquidation. Distributions are made in accordance with the priority scheme set forth in Insurance Law Section 7434. The actual and necessary costs and expenses of administration incurred by the Liquidator are considered a class one claim under Insurance Law Section 7434, and are therefore given the highest priority in terms of payment.

18. I further respectfully request that the Court enter an order establishing the date that is five (5) months after the entry of the order placing EHNY into liquidation as the bar date by which all claims by any claimant against EHNY or its insureds, other than the Liquidator's claims for administrative expenses, must be actually received by the Liquidator, including all evidence supporting the liquidation of such claims. The establishment of a bar date is in accordance with Insurance Law Section 7417, which vests the courts with authority to grant such relief as the nature of the case and the policyholders, creditors or the public may require. The bar

date enables the Liquidator to determine the total amount and actual number of claims eligible to share in a potential distribution of estate assets. Because EHNy ceased writing business in 2011 and has zero unpaid claims as of March 31, 2014, it is unlikely that any other claims will be filed other than the claim of EHNy's ultimate parent company whose sole shareholder is L. John Doerr.

19. I further respectfully request that the Court order that the Superintendent as Liquidator of EHNy and his successors in office, the New York Liquidation Bureau, and their agents and employees, be granted immunity from any cause of action of any nature against them, individually or jointly, for any act or omission when acting in good faith, in accordance with the orders of the Court, or in the performance of their duties pursuant to Insurance Law Article 74. The Liquidator acts in a "judicial and private" capacity under the supervision of the Court pursuant to Article 74 of the Insurance Law. *See Dinallo v. DiNapoli*, 9 N.Y.3d 94, 103 (2007).

20. In accordance with Insurance Law Section 7417, this proceeding is being commenced by order to show cause.

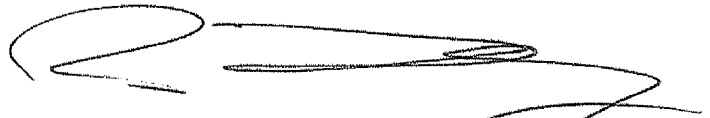
21. There has been no previous application for the relief requested herein.

WHEREFORE, it is respectfully requested that an order be made and entered pursuant to Article 74 of the Insurance Law: (1) appointing the Superintendent, and his successors in office, as Liquidator of EHNy; (2) directing the Liquidator to take possession of EHNy's property and to liquidate EHNy's business and affairs; (3) vesting title to all of EHNy's property, contracts and rights of action and all of its books and records, wherever located, with the Liquidator and his successors; (4) permitting the Liquidator to deal with the property and business of EHNy in EHNy's name or in the name of the Liquidator; (5) granting the injunctions provided for in Insurance Law Section 7419(a), permanently enjoining and restraining all persons from wasting the assets of EHNy, and permanently enjoining and restraining all persons, except as authorized by the Liquidator, from transacting EHNy's business (including the issuance of insurance

policies) or disposing of EHNY's property; (6) granting the injunctions provided for in Insurance Law Section 7419(b), permanently enjoining and restraining all parties from interfering with the Liquidator or this proceeding, obtaining any preferences, judgments, attachments or other liens, making any levy against EHNY, its assets or any part thereof, or commencing or prosecuting any actions or proceedings against the Liquidator, EHNY, or the New York Liquidation Bureau, or their present or former employees, attorneys or agents, relating to this proceeding or the discharge of their duties under Article 74 in relation thereto; (7) vesting all rights in EHNY's contracts and agreements, however described, with the Liquidator, and permitting the Liquidator, in his discretion, to reject any executory contracts to which EHNY is a party, in which case all liability under such contracts or agreements shall cease and be fixed as of the date of rejection; (8) requiring that any bank, savings and loan association, other financial institution or any other entity or person, that has on deposit or in its possession, custody or control any of EHNY's funds, accounts (including escrow accounts) or assets shall immediately, upon the Liquidator's request and direction: (a) turn over custody and control of such funds, accounts or assets to the Liquidator; (b) transfer title of such funds, accounts or assets to the Liquidator; (c) change the name of such accounts to the name of the Liquidator; (d) transfer funds from such bank, savings and loan association or other financial institution; and/or (e) take any other action reasonably necessary for the proper conduct of the liquidation proceeding; (9) requiring that all persons or entities having property, papers (including attorney work product and documents held by attorneys) and/or information, including, but not limited to, insurance policies, underwriting data, reinsurance policies, claims files (electronic or paper), software programs and/or bank records owned by, belonging to or relating to EHNY shall preserve such property and/or information and immediately, upon the Liquidator's request and direction, assign, transfer, turn over and deliver such property and/or information to the Liquidator; (10) authorizing, permitting and allowing the Liquidator to sell, assign or transfer any and all stocks, bonds, or other securities at the best price

reasonably obtainable at such times and upon such terms and conditions as, in his discretion, he deems to be in the best interest of the creditors of EHNY, and further authorizing the Liquidator 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, without the further approval of this Court; (11) authorizing the Liquidator to pay, without further order of this Court, the actual and necessary expenses incurred by the Liquidator in the administration of EHNY's liquidation; (12) establishing the date that is five (5) months after the entry of the order placing EHNY into liquidation as the bar date by which all claims by any claimant against EHNY or its insureds, other than the Liquidator's claim for administrative expenses, must actually be received by the Liquidator, including all evidence supporting the liquidation of such claims; (13) extending immunity to the Superintendent in his capacity as Liquidator of EHNY and his successors in office, the New York Liquidation Bureau, and their agents and employees, for any cause of action of any nature against them, individually or jointly, for any act or omission when acting in good faith, in accordance with the orders of this Court, or in the performance of their duties pursuant to Insurance Law Article 74; and (14) granting such other and further relief as the Court may deem proper and just.

Dated: New York, New York
October 17, 2014



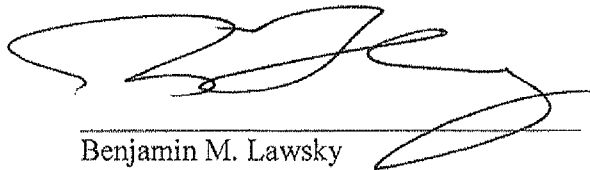
Benjamin M. Lawsky
Superintendent of Financial Services
of the State of New York

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

Benjamin M. Lawskey, being duly sworn, deposes and says:

That he is the Superintendent of Financial Services of the State of New York and that he executed the foregoing petition; that he is acquainted with the facts therein stated; that he knows the contents of the petition and that the same is true to his own knowledge, except as to the matters therein stated to be alleged upon information and belief and that as to those matters he believes them to be true.

Deponent says that the sources of information and the grounds of his belief as to the matters stated in said petition to be alleged upon information and belief are the records of the New York State Department of Financial Services and the affidavit of Stephen J. Wiest, Deputy Bureau Chief of the Health Bureau, sworn to on October 17, 2014, in support of the verified petition.


Benjamin M. Lawskey
Superintendent of Financial Services
of the State of New York

Sworn to before me this
17th day of October, 2014

Martha A. Lees
Notary Public

MARTHA A. LEES
Notary Public, State of New York
No. 02LE6129105
Qualified in Kings County
Commission Expires 06/20 17

EXHIBIT 1

[Form of Liquidation Order]

At IAS Part ____ of the Supreme Court of the State of New York, County of New York, at the courthouse located at _____, New York, New York, on the ____ day of _____, 2014.

P R E S E N T:

HON. _____, J.S.C
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In the Matter of

the Application of

Index No.

ORDER OF LIQUIDATION

Benjamin M. Lawsky, Superintendent of Financial Services of the State of New York, for an order to take possession and liquidate the business and affairs of

ESSENCE HEALTHCARE OF NEW YORK, INC.
-----X

Benjamin M. Lawsky, Superintendent of Financial Services of the State of New York (“Superintendent”), having moved this Court by order to show cause (“Order to Show Cause”) for an order appointing the Superintendent and his successors in office as liquidator (“Liquidator”) of Essence Healthcare of New York, Inc. (“EHNY”) and directing the Liquidator to take possession of the property of EHNY and to liquidate its business and affairs, and upon reading and filing the petition of the Superintendent, duly verified on October 17, 2014, the affidavit of Stephen J. Wiest, sworn to on October 17, 2014, and the exhibits annexed thereto, this Court finds that:

1. EHNY was a health maintenance organization (“HMO”) originally incorporated in the State of New York on February 27, 2009. The New York State Department of Health issued EHNY a conditional certificate of authority on or about May 15, 2009;

2. EHNY was licensed to operate as an HMO under the provisions of Article 44 of the New York Public Health Law;

3. EHNY's sole remaining office is located at 13900 Riverport Drive, St. Louis, Missouri 63043;

4. EHNY's board of directors has consented to the entry of an order of liquidation pursuant to Insurance Law Article 74 in the Supreme Court of the State of New York, County of New York, by signing a Joint Action By Written Consent of the Board of Directors and the Sole Shareholder of EHNY, effective as of January 1, 2014, which was later adopted by a resolution dated March 26, 2014;

5. EHNY is subject to the Insurance Law and, in particular, to Article 74 thereof;

6. It is in the best interest of all persons concerned that, based upon Article 74 of the Insurance Law, the Superintendent should be appointed Liquidator and directed to take possession of the property of EHNY, to liquidate its business and affairs, and be vested with title to all of EHNY's property, contracts and rights of action; and

NOW, on motion of the Honorable Eric T. Schneiderman, Attorney General of the State of New York, it is hereby

ORDERED as follows:

1. The relief requested in the petition for an order of liquidation ("Order") is granted.
2. The Superintendent and his successors in office are appointed Liquidator of EHNY.
3. The Liquidator is directed to take possession of EHNY's property and liquidate EHNY's business and affairs in accordance with Insurance Law Article 74.
4. The Liquidator is vested with all powers and authority expressed or implied under Insurance Law Article 74, in addition to the powers and authority set forth in this Order, and with title to EHNY's property, contracts, rights of action and all of its books and records, wherever located, as of the date of entry of this Order.

5. The Liquidator may deal with the property and business of EHNY in EHNY's name or in the name of the Liquidator.
6. All persons are permanently enjoined and restrained from wasting the assets of EHNY and all persons are permanently enjoined and restrained, except as authorized by the Liquidator, from transacting EHNY's business (including the issuance of insurance policies) or disposing of EHNY's property.
7. All parties are permanently enjoined and restrained from interfering with the Liquidator or this proceeding, obtaining preferences, judgments, attachments or other liens, making any levy against EHNY, its assets or any part thereof, or commencing or prosecuting any actions or proceedings against the Liquidator, EHNY, or the New York Liquidation Bureau, or their present or former employees, attorneys or agents, relating to this proceeding or the discharge of their duties under Article 74 in relation thereto.
8. The Liquidator is vested with all rights in EHNY's contracts and agreements, however described, and the Liquidator, is permitted, in his discretion, to reject any executory contracts to which EHNY is a party, in which case all liability under such contracts or agreements shall cease and be fixed as of the date of rejection.
9. Any bank, savings and loan association, other financial institution or any other entity or person, that has on deposit or in its possession, custody or control any of EHNY's funds, accounts (including escrow accounts) or assets shall immediately, upon the Liquidator's request and direction: (i) turn over custody and control of such funds, accounts or assets to the Liquidator; (ii) transfer title of such funds, accounts or assets to the Liquidator; (iii) change the name of such accounts to the name of the Liquidator; (iv) transfer funds from such bank, savings and loan association or other financial institution; and/or (v) take any other action reasonably necessary for the proper conduct of the liquidation proceeding.
10. All persons or entities having property, papers (including attorney work product and documents held by attorneys) and/or information, including, but not limited to, insurance policies, underwriting data, reinsurance policies, claims files (electronic or paper), software programs and/or bank records owned by, belonging to or relating to EHNY shall preserve such property and/or information and immediately, upon the Liquidator's request and direction, assign, transfer, turn over and deliver such property and/or information to the Liquidator.
11. The Liquidator is authorized, permitted and allowed to sell, assign or transfer any and all stocks, bonds, or other securities at the best price reasonably obtainable at such times and upon such terms and conditions as, in his discretion, he deems to be in the best interest of the creditors of EHNY, and is further authorized 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, without the further approval of this Court.

12. The Liquidator is authorized to pay, without further order of this Court, the actual and necessary expenses incurred by the Liquidator in the administration of EHNY's liquidation.
13. The date that is five (5) months after the entry of this order is established as the bar date by which all claims by any claimant against EHNY or its insureds, other than the Liquidator's claim for administrative expenses, must actually be received by the Liquidator, including all evidence supporting the liquidation of such claims.
14. Immunity is extended to the Superintendent in his capacity as Liquidator of EHNY and his successors in office, the New York Liquidation Bureau, and their agents and employees, for any cause of action of any nature against them, individually or jointly, for any act or omission when acting in good faith, in accordance with the orders of this Court, or in the performance of their duties pursuant to Insurance Law Article 74.
15. Any distribution of assets shall be in accordance with the priorities set forth in Insurance Law Article 74.
16. In accordance with Insurance Law Section 7432(b), all claims against EHNY must be presented to the Liquidator within four months of the date of entry of this order.
17. The Liquidator may at any time make further application to this Court for such further and different relief as he sees fit.
18. The Liquidator shall serve a copy of this Order upon: David Hardy Jones, President, at the only office currently maintained by Essence Healthcare of New York, Inc., located at 13900 Riverport Drive, Maryland Heights, Missouri 63043, by overnight delivery or by certified mail.
19. The Liquidator shall provide notice of this Order to all creditors, claimants and interested persons by: (i) publication of a notice of this Order in *The New York Post*, once a week for two consecutive weeks, commencing within thirty days of entry of this Order in a form substantially similar to the one attached hereto as Exhibit A; and (ii) posting this Order on the Internet web page maintained by the Bureau at <http://www.nylb.org> within 15 days after the entry of this Order.
20. Such notice shall inform all creditors, claimants and other interested persons that this Order has been entered.

21. The notice prescribed in decretal paragraphs 19 and 20 hereof is sufficient notice to all persons interested in EHNy.
22. This Court shall retain jurisdiction over this matter for all purposes.
23. The caption for this proceeding is hereby amended as follows:

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

-----X

In the Matter of

the Liquidation of

ESSENCE HEALTHCARE OF NEW YORK, INC.

-----X

24. All further papers in this proceeding shall bear the above amended caption.

E N T E R

J.S.C.

EXHIBIT A

[Form of Notice]

NEW YORK LIQUIDATION BUREAU
110 WILLIAM STREET
NEW YORK, NEW YORK 10038
(212) 341-6755
To all persons or entities
interested in the affairs of
ESSENCE HEALTHCARE OF NEW YORK, INC.
Notice is Hereby Given:

Benjamin M. Lawskey, Superintendent of Financial Services of the State of New York ("Superintendent"), has been appointed by an order (the "Order") of the Supreme Court of the State of New York, New York County ("Court"), entered _____, 2014, as the liquidator (the "Liquidator") of Essence Healthcare of New York, Inc. ("EHNY") and, as such, has been: (i) directed to take possession of EHNY's property and liquidate EHNY's business and affairs in accordance with New York Insurance Law ("Insurance Law") Article 74; and (ii) vested with all powers and authority expressed or implied under Insurance Law Article 74, in addition to the powers and authority set forth in the Order, and with title to EHNY's property, contracts, rights of action and all of its books and records, wherever located, as of the date of entry of the Order. The Liquidator has, pursuant to Insurance Law Article 74, appointed Scott D. Fischer, Acting Special Deputy Superintendent of Insurance (the "Acting Special Deputy") as his agent to carry out his duties as Liquidator. The Acting Special Deputy carries out his duties through the New York Liquidation Bureau, 110 William Street, New York, New York 10038. The Order provides:

- I. The Liquidator is permitted to deal with the property and business of EHNY in EHNY's name or in the name of the Liquidator;
- II. All persons are permanently enjoined and restrained from wasting the assets of EHNY, and all persons are permanently enjoined and restrained, except as authorized by the Liquidator, from transacting EHNY's business (including the issuance of insurance policies) or disposing of EHNY's property;
- III. All parties are permanently enjoined and restrained from interfering with the Liquidator or the proceeding, obtaining any preferences, judgments, attachments or other liens, making any levy against EHNY, its assets or any part thereof, or commencing or prosecuting any actions or proceedings against the Liquidator, EHNY, or the New York Liquidation Bureau, or their present or former employees, attorneys or agents, relating to the proceeding or the discharge of their duties under Article 74 in relation thereto;
- IV. The Liquidator is vested with all rights in EHNY's contracts and agreements, however described and is permitted, in his discretion, to reject any executory contracts to which EHNY is a party, in which case all liability under such contracts or agreements shall cease and be fixed as of the date of rejection;
- V. Any bank, savings and loan association, other financial institution or any other entity or person, that has on deposit or in its possession, custody or control any of EHNY's funds, accounts (including escrow accounts) or assets shall immediately, upon the Liquidator's request and direction: (a) turn over custody and control of such funds, accounts or assets to the Liquidator; (b) transfer title of such funds, accounts or assets to the Liquidator; (c) change the name of such accounts to the name of the Liquidator; (d) transfer funds from such bank, savings and loan association or other financial institution; and/or (e) take any other action reasonably necessary for the proper conduct of the liquidation proceeding;
- VI. All persons or entities having property, papers (including attorney work product and documents held by attorneys) and/or information, including, but not limited to, insurance policies, underwriting data, reinsurance policies, claims files (electronic or paper), software programs and/or bank records owned by, belonging to or relating to EHNY shall preserve such property

and/or information and immediately, upon the Liquidator's request and direction, assign, transfer, turn over and deliver such property and/or information to the Liquidator;

- VII. The Liquidator is authorized, permitted and allowed to sell, assign or transfer any and all stocks, bonds, or other securities at the best price reasonably obtainable at such times and upon such terms and conditions as, in his discretion, he deems to be in the best interest of the creditors of EHNY, and is further authorized 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, without the further approval of the Court;
- VIII. The Liquidator is authorized to pay, without further order of this Court, the actual and necessary expenses incurred by the Liquidator in the administration of EHNY's liquidation;
- IX. The date that is five (5) months after the entry of the Order is established as the bar date by which all claims by any claimant against EHNY or its insureds, other than the Liquidator's claim for administrative expenses, must actually be received by the Liquidator, including all evidence supporting the liquidation of such claims;
- X. Immunity is extended to the Superintendent in his capacity as Liquidator of EHNY and his successors in office, the New York Liquidation Bureau, and their agents and employees, for any cause of action of any nature against them, individually or jointly, for any act or omission when acting in good faith, in accordance with the orders of the Court, or in the performance of their duties pursuant to Insurance Law Article 74;
- XI. Any distribution of assets shall be in accordance with the priorities set forth in Insurance Law Article 74;
- XII. In accordance with Insurance Law Section 7432(b), all claims against EHNY must be presented to the Liquidator within four months of the date of entry of the Order;
- XIII. The Liquidator may at any time make further application to the Court for such further and different relief as he sees fit;
- XIV. The Court shall retain jurisdiction over this matter for all purposes; and
- XV. All communications relating to EHNY and to the liquidation proceeding thereof should be addressed to:

New York Liquidation Bureau
110 William Street, 15th Floor
New York, New York 10038
(212) 341-6400

BENJAMIN M. LAWSKY
Superintendent of Financial Services of
the State of New York as Liquidator
of Essence Healthcare of New York, Inc.

SCOTT D. FISCHER
Acting Special Deputy Superintendent
and Agent for the Superintendent as
Liquidator of Essence Healthcare of New York, Inc.

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

-----X

In the Matter of

Index No.

the Application of

AFFIDAVIT

Benjamin M. Lawskey, Superintendent of Financial
Services of the State of New York, for an order to take
possession and liquidate the business and affairs of

ESSENCE HEALTHCARE OF NEW YORK, INC.

-----X

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

Stephen J. Wiest, being duly sworn, deposes and says:

1. I am employed at the New York State Department of Financial Services ("DFS") as Deputy Bureau Chief of the Health Bureau. I submit this affidavit in support of the petition of the Superintendent of Financial Services of the State of New York ("Superintendent") for an order appointing the Superintendent and his successors in office as liquidator of Essence Healthcare of New York, Inc. ("EHNY") as authorized by Article 74 of the New York Insurance Law ("Insurance Law"). This affidavit is based upon personal knowledge, the sources of which are the records maintained by DFS.

2. EHNY, a health maintenance organization ("HMO"), was originally incorporated in the State of New York on February 27, 2009. The New York State Department of Health ("DOH") issued EHNY a conditional certificate of authority on or about May 15, 2009, pursuant to the provisions of Article 44 of the New York Public Health Law. The conditions were

removed from EHNy's certificate of authority as of November 16, 2009, at which time EHNy was eligible to commence enrolling Medicare-only members.

3. EHNy became a wholly-owned subsidiary of Essence Healthcare, Inc. ("Essence Healthcare") on the same date that it was incorporated. Essence Healthcare is a wholly-owned subsidiary of Essence Group Holdings Corporation ("Essence Group"). JDlinx, LLC, which is controlled by L. John Doerr, owns 10 percent or more of Essence Group's stock and holds 10 percent or more of the voting securities of Essence Group. Accordingly, the ultimate holding company of EHNy is L. John Doerr. *See* 10 NYCRR 98-1.2(j) and (u).

4. EHNy's certificate of authority permitted EHNy to operate as an HMO and provide Medicare Advantage and Part D Prescription Drug coverage to Medicare beneficiaries via a network of healthcare providers within Wayne and Monroe counties in New York State.

5. EHNy ceased writing business in 2011. On December 1, 2011, DOH reissued EHNy's certificate of authority with the condition that EHNy was precluded from enrolling individuals and offering managed care products. Instead, EHNy was limited to performing only those activities related to the payment of remaining liabilities. As of March 31, 2014, EHNy had zero unpaid claims and liabilities.

6. EHNy's board of directors consented to the entry of an order of liquidation pursuant to Insurance Law Article 74 in the Supreme Court of the State of New York, County of New York, by signing a Joint Action By Written Consent of the Board of Directors and the Sole Shareholder of EHNy, effective as of January 1, 2014, which was later adopted by a resolution dated March 26, 2014, copies of which are attached hereto as Exhibit A.

7. EHNy had two offices before it ceased writing business in 2011. The offices were located at 349 West Commercial Street, Suite 2278, East Rochester, New York, 14445 and

13900 Riverport Drive, St. Louis, Missouri 63043. After 2011, EHNY closed its New York office but maintained its office in Missouri.

Stephen J. Wiest

Stephen J. Wiest
Deputy Bureau Chief
Health Bureau

Sworn to before me this
17th day of October, 2014

Marion Kennedy
Notary Public

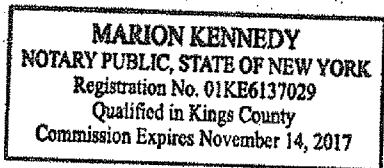


EXHIBIT A

**JOINT ACTION BY WRITTEN CONSENT OF THE
BOARD OF DIRECTORS AND THE SOLE SHAREHOLDER OF
ESSENCE HEALTHCARE OF NEW YORK, INC.**

The following actions are hereby taken and the following business transacted by the unanimous written consent of the Board of Directors and the sole Shareholder of Essence Healthcare of New York, Inc., a New York corporation (the "Company"), effective as of the 1st day of January, 2014, which consent and action are evidenced by the signatures of the Directors and sole Shareholder appended hereto or on counterparts hereof, and which consent and action are intended to have the same force and effect as unanimous votes at meetings duly called and held.

Approval of Dissolution


RESOLVED, that the Plan of Liquidation attached hereto as Exhibit A and incorporated herein by this reference (the "Plan"), be and hereby is adopted and approved in all respects, and the officers of the Company hereby are authorized and directed to take all such actions as they may deem appropriate to implement the Plan; and be it

FURTHER RESOLVED, that without limiting the generality of the foregoing, the officers of the Company (and each of them acting alone) hereby are authorized and directed for and on behalf and in the name of the Company to take or cause to be taken any and all actions and to negotiate, execute and deliver, and cause the Company to perform its obligations under, any and all contracts, agreements, documents, instruments and/or certificates, to incur such costs and expenses and to do such other things as any such officer(s) may deem necessary, appropriate or desirable (i) to effect the dissolution and liquidation of the Company at the earliest possible date pursuant to the laws of the State of New York, and (ii) otherwise to carry out the intent of these resolutions; and be it

FURTHER RESOLVED, that any and all actions heretofore taken by any officer(s) of the Company, including but not limited to the execution and delivery of such agreements, documents, instruments and/or certificates and the incurrence of such costs and expenses as any such officer(s) may have deemed necessary, appropriate or desirable in order to carry out the purposes of the foregoing resolutions, are hereby approved, authorized, ratified and confirmed in all respects; and be it

FURTHER RESOLVED, that this Joint Action by Consent may be executed in one or more counterparts, via electronic transmission or otherwise.

The undersigned, constituting all of the members of the Board of Directors of the Company and the sole shareholder of the Company, hereby unanimously consent to and adopt the actions and resolutions contained in the foregoing Joint Action by Written Consent, effective as of the date first above written.



Frank Ingari

Richard Jones

Jeffrey Dmochowski, M.D.

Constituting all of the members of the Board
of Directors of Essence Healthcare of New
York, Inc.

ESSENCE HEALTHCARE, INC.

By: _____
Name: Richard Jones
Title: President

Being the sole Shareholder of Essence
Healthcare of New York, Inc.

The undersigned, constituting all of the members of the Board of Directors of the Company and the sole shareholder of the Company, hereby unanimously consent to and adopt the actions and resolutions contained in the foregoing Joint Action by Written Consent, effective as of the date first above written.

Frank Ingari

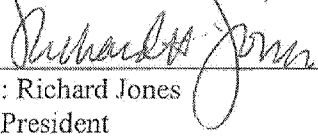


Richard Jones

Jeffrey Dmochowski, M.D.

Constituting all of the members of the Board
of Directors of Essence Healthcare of New
York, Inc.

ESSENCE HEALTHCARE, INC.

By: 


Name: Richard Jones
Title: President

Being the sole Shareholder of Essence
Healthcare of New York, Inc.

The undersigned, constituting all of the members of the Board of Directors of the Company and the sole shareholder of the Company, hereby unanimously consent to and adopt the actions and resolutions contained in the foregoing Joint Action by Written Consent, effective as of the date first above written.

Frank Ingari

Richard Jones


Jeffrey Dmochowski, M.D.

Constituting all of the members of the Board
of Directors of Essence Healthcare of New
York, Inc.

ESSENCE HEALTHCARE, INC.

By:

Name: Richard Jones

Title: President

Being the sole Shareholder of Essence
Healthcare of New York, Inc.

EXHIBIT A

ESSENCE HEALTHCARE OF NEW YORK, INC.

PLAN OF LIQUIDATION

1. Plan of Complete Liquidation. This Plan is intended to accomplish the dissolution of Essence Healthcare of New York, Inc. (the "Company"), immediately following the distribution by it of all of its assets in complete liquidation.

2. Date of Adoption. This Plan shall be considered adopted when it has been approved and adopted by the affirmative vote of the shareholders of the Company.

3. Authorization and Terms of Liquidation. After the Plan has been adopted and approved as provided herein, the Company's officers shall seek to accomplish the dissolution of the Company and the complete liquidation of its assets and properties by a transfer of all of its assets and properties of every description, real and personal, to Essence Healthcare, Inc., a Missouri corporation, or its designee.

4. Distribution of Assets. As soon as practicable, the Company shall:

(a) make to Essence Healthcare, Inc. one or more distributions of the Company's assets (less assets retained (if any) to meet claims, including unascertained or contingent liabilities or expenses, and specifically set aside for such purposes, which assets may be distributed in trust to Essence Healthcare, Inc. to administer for such purposes); and

(b) be formally dissolved in accordance with the laws of the State of New York.



March 27, 2014

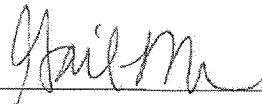
Honorable Benjamin M. Lawskey
Superintendent
New York State Department of Financial Services
One State Street
New York, New York 10004

Dear Mr. Lawskey:

Pursuant to the authority vested in me by the Board of Directors of Essence Healthcare of New York, Inc. (the "Company"), I hereby confirm that the Company consents to the entry of an order of liquidation pursuant to Article 74 of the New York Insurance Law. The Company also consents to the Superintendent filing an application for such order in the Supreme Court of the State of New York, County of New York, at any time after January 1, 2014.

Attached hereto is a certified copy of the resolutions of the Board of Directors which authorized the undersigned to make this consent.

Essence Healthcare of New York,
Inc.

By: 

Name: Gail Halterman
Title: Secretary

Attachment

13900 Riverport Drive
Maryland Heights, MO 63043
Tel 314.209.2700
Fax 314.209.2801
www.essencehealthcare.com

Essence Healthcare of New York, Inc.

RESOLUTION

The following actions were approved by action by written consent of the Board of Directors (attached) and the sole shareholder:

RESOLVED, that the corporation by action of an appropriate officer, consents to the entry of an Order of Liquidation for Essence Healthcare of New York, Inc. and it is further

RESOLVED, that the corporation authorizes management to consent to said proceeding being brought in the Supreme Court of the State of New York, County of New York, at any time after January 1, 2014, and it is further

RESOLVED, that the Secretary is authorized to certify a copy of such resolutions as having been adopted by this board in accordance with this resolution and the Secretary is hereby directed to affix a copy thereof to these minutes, and it is further

RESOLVED, that the President be and hereby is authorized and directed to execute and deliver to the Superintendent such further documents as may be necessary or desirable to carry out the purpose and intent of the foregoing resolutions.

I have compared the foregoing with the resolutions adopted by written consent of the board of directors and the sole shareholder of Essence Healthcare of New York, Inc. on January 1, 2014, as recorded in the minute book of said company, and I hereby certify that the same is a true, correct and complete copy thereof and that the same has not been rescinded or modified.

Dated 3/26/14



Secretary