

**JAMES J. DONELON,
COMMISSIONER OF INSURANCE
FOR THE STATE OF LOUISIANA**

VERSUS

**ACCESS HOME INSURANCE
COMPANY**

NUMBER: C-713124 SEC: 26

19th JUDICIAL DISTRICT COURT

PARISH OF EAST BATON ROUGE

STATE OF LOUISIANA

ORDER OF LIQUIDATION AND FINDING OF INSOLVENCY

CONSIDERING the “Motion for the Liquidation of Access Home Insurance Company and Finding of Insolvency” filed by James J. Donelon, Commissioner of Insurance for the State of Louisiana (“**Commissioner**” or “**Rehabilitator**”), in his capacity as Rehabilitator of Access Home Insurance Company (“**AHIC**”), the exhibits attached thereto, the preliminary and permanent Orders of Rehabilitation, the arguments of counsel, the record herein, and the law and evidence entitling the Rehabilitator to the relief sought therein, and finding that the defendant, Access Home Insurance Company, is insolvent within the meaning of La. R.S. 22:2003(3); that further efforts to rehabilitate AHIC would be futile and would result in loss to AHIC’s creditors and policyholders; that the law and evidence favor granting the relief requested by the Commissioner herein; and that the directors of Access Home Insurance Company and its sole owner, Cypress Property and Casualty Insurance Company, have consented to the entry of this Order,

IT IS ORDERED, ADJUDGED AND DECREED that the Commissioner’s motion is GRANTED; this Court finds that Access Home Insurance Company is insolvent under La. R.S. 22:2003(3) and sufficient cause exists for its liquidation in accordance with La. R.S. 22:2001 *et seq.*;

IT IS FURTHER ORDERED that the Commissioner is appointed as Liquidator of AHIC with all of the powers and authority provided by law and is directed to liquidate the property, business and affairs of AHIC in accordance with La. R.S. 22:2001 *et seq.*;

IT IS FURTHER ORDERED that Billy J. Bostick shall remain as Receiver, and Arlene Knighten shall remain as Deputy Receiver, of AHIC;

IT IS FURTHER ORDERED that the Commissioner and his successor and successors in office shall be vested by operation of law with the title to all property, contracts, and rights of action of AHIC as of November 10, 2021;

IT IS FURTHER ORDERED that all of the contracts, covenants, bonds or policies, evidences, or certificates of coverage or insurance issued by or in the name of AHIC, under which any guarantee or insurance is provided, shall be cancelled as follows:

(a) All insurance policies issued by AHIC in the State of South Carolina are cancelled upon the earlier of (i) thirty (30) days after the date this Order of Liquidation is entered, at 12:01 a.m. local time of the insured or policyholder of such direct policy or certificate of insurance; (ii) the expiration date of any such direct policy and/or certificate of insurance for which timely notice was given by AHIC, if the expiration date is sooner than thirty (30) days after the entry of this Order of Liquidation; or (iii) the date the insured or policyholder of any such direct policy and/or certificate of insurance replaces the direct policy and/or certificate of insurance, or effects cancellation, if the insured or policyholder does so within thirty (30) days after the entry of the Order of Liquidation;

(b) All insurance policies issued by AHIC in the States of Louisiana and Texas (“**Assumed Policies**”) were extinguished as a matter of law upon Safepoint Insurance Company’s assumption of these policies with a novation; however, should a court find that the Assumed Policies were not extinguished by the assumption and novation, then the Assumed Policies shall be deemed to remain in effect solely for the purpose of preserving the Assumed Policies and binding the policyholders and Safepoint Insurance Company to the terms and conditions therein, until the expiration, cancellation or termination of these Assumed Policies in accordance with the policy provisions, unless otherwise ordered by this Court; however, the preservation of these Assumed Policies shall not obligate AHIC, as all such obligations owed under such policies have been assumed by Safepoint Insurance Company; and

(c) All executory contracts of AHIC may be enforced, cancelled, or modified by the Liquidator or Receiver in their discretion or as otherwise ordered by this Court;

IT IS FURTHER ORDERED that the rights and liabilities of AHIC and of its creditors, except those holding contingent claims, and of its policyholders, stockholders, or members and of all other persons interested in its assets shall, unless otherwise ordered by this court, be fixed as of the date of the entry of this Order of Liquidation; the rights of claimants holding contingent claims on the date of the entry of this Order shall be determined in accordance with La. R.S. 22:2001 *et*

seq.;

IT IS FURTHER ORDERED that the Liquidator shall notify every holder of a certificate of coverage or contract of insurance issued by AHIC, and every known creditor of AHIC, of this Order of Liquidation within sixty (60) days of the date of this order, notwithstanding the provisions of La. R.S. 22:2010 and 22:2011;

IT IS FURTHER ORDERED that the Liquidator is authorized to notify persons who may have claims against AHIC pursuant to La. R.S. 22:2027 in the following manner:

(a) By sending notice to all persons who, according to AHIC's books and records, have or may have claims against AHIC, its property, or assets to present and file with the Receiver completed proofs of claim in the form required by this Order on or before 4:30 p.m. CDT on April 29, 2022, at a place specified in the notice. Said notice by the Liquidator shall specify April 29, 2022, at 4:30 p.m. CDT to be the last day by which a proof of claim may be received by the Receiver for purposes of participating in any distribution of assets that may be made on timely filed claims that are allowed in these proceedings ("**Claim-filing Deadline**"); and

(b) By providing notice to all persons who have or may have claims against AHIC, its property, or assets by publication in the New Orleans Times Picayune/Advocate, the Baton Rouge Advocate, and any other publications as deemed necessary by the Receiver. The published notice shall: (1) advise all such persons of their right to present their claim or claims against AHIC, its property, or assets to the Receiver; (2) advise all such persons of the procedure by which they may present their claims to the Receiver; (3) advise all such persons of the address of the Receiver's office where they must present their claims; and (4) specify the Claim-filing Deadline for purposes of participating in any distribution of assets that may be made on timely filed claims allowed in these proceedings;

IT IS FURTHER ORDERED that all persons having, or claiming to have, any accounts, debts, claims or demands against AHIC, its property, or assets shall present their claims to the Receiver at the place specified in the notice, on or before the Claim-filing Deadline, by way of a properly completed proof of claim. A proof of claim must consist of a statement, under oath, in writing, signed by the claimant, setting forth the following: (1) the specific claim and the consideration given; (2) whether any payments have been made on the claim, and, if so, what

payments; and (3) that the sum claimed is justly owing from AHIC to the claimant. Whenever a claim is founded upon an instrument in writing, such instrument, unless lost or destroyed, shall be filed with the proof of claim and, if such instrument is lost or destroyed, a statement of such fact and the circumstances of the loss or destruction shall be filed under oath with the claim. If the claim is secured, the claimant shall identify the claim as a secured claim and shall list all securities held;

IT IS FURTHER ORDERED that the Liquidator, the Receiver, and the Deputy Receiver are granted all powers and authority afforded to them by La. R.S. 22:2001 *et seq.* and other applicable law, including the following:

- (a) To liquidate the property, business, and affairs of AHIC;
- (b) To deal with the property and business of AHIC in his name as commissioner of insurance, in the name of the Receiver, or in the name of AHIC;
- (c) To sell or otherwise dispose of the property, or any part thereof, of AHIC;
- (d) To sell or compromise all doubtful or uncollectible debts or claims owing to or by AHIC;
- (e) To avoid preferences and liens;
- (f) To avoid fraudulent transfers;
- (g) To audit the books and records of all agents, including producers, of AHIC insofar as those records relate to the business activities of AHIC;
- (h) To enter into agreements or contracts as necessary to carry out the order to liquidate;
- (i) To affirm or disavow any contracts to which AHIC is a party; and
- (j) All powers and authority previously conferred to the Commissioner as Rehabilitator, the Receiver, and the Deputy Receiver in the preliminary and permanent Orders of Rehabilitation to the extent such powers and authority do not conflict with this Order of Liquidation or Louisiana law governing the liquidation of insurers;

IT IS FURTHER ORDERED that the Liquidator is authorized to coordinate the operation of the Receivership with the Louisiana Insurance Guaranty Association and, in the Liquidator's discretion, to enter into such contracts with the Louisiana Insurance Guaranty Association or any applicable guaranty association as may be required to effectuate the liquidation of AHIC;

IT IS FURTHER ORDERED that all individuals and entities are enjoined and stayed from obtaining preferences, judgments, attachments, or other like liens or the making of any levy against AHIC, its property, or assets until further order of this Court;

IT IS FURTHER ORDERED that all individuals and entities are enjoined from instituting or taking further action in any suit or proceeding, and from pursuing, obtaining or executing a judgment, against AHIC, its property, or assets, the Commissioner in his capacity as Liquidator of AHIC, the Receiver, and the Deputy Receiver except with the concurrence of the Liquidator, Receiver or Deputy Receiver or until further written order of this Court;

IT IS FURTHER ORDERED that all suits, proceedings, seizures and any other legal actions against AHIC or its policyholders, or relating to AHIC's possible obligation to provide a defense to any party in any court pursuant to any policy of insurance or certificate of coverage issued or assumed by AHIC, or the ownership, operations, management, or control of AHIC, except with the concurrence of the Liquidator, Receiver or Deputy Receiver or until further written order of this Court;

IT IS FURTHER ORDERED that there shall be no liability on the part of, and no cause of action of any nature shall exist against, the Louisiana Department of Insurance or its employees; the Commissioner as Liquidator; the Receiver; the Deputy Receiver; their assistants, contractors, or attorneys; or the attorney general's office for any action taken by them in performance of their powers and duties under the law;

IT IS FURTHER ORDERED that all individuals and entities are enjoined from interfering with these proceedings, the conduct of the business of AHIC by the Liquidator, Receiver, or Deputy Receiver, and their management, possession and control of AHIC or any title, rights or interest therein, and from wasting the assets of AHIC, until further order of this Court;

IT IS FURTHER ORDERED that the Commissioner as Liquidator, the Receiver, and the Deputy Receiver shall be granted all legal and equitable relief as may be necessary to fulfill their duties and for such other relief as the nature of the case and the interest of AHIC's policyholders, creditors, or the public, may require; and except as expressly provided herein, nothing in this Order shall limit the powers, authority and protections granted to the Liquidator, Receiver, or Deputy Receiver in connection with this proceeding under Louisiana law; and

IT IS FURTHER ORDERED that all provisions set forth in this Court's prior orders issued in this proceeding, including the preliminary order of rehabilitation issued on November 10, 2021, and the permanent Order of Rehabilitation issued on November 18, 2021, shall remain in full force and effect to the extent they do not conflict with this Order of Liquidation or Louisiana law governing the liquidation of insurers.

SO ORDERED, READ AND SIGNED at Baton Rouge, Louisiana, this 13 day of January, 2022.



THE HONORABLE RICHARD "CHIP" MOORE, III
JUDGE, 19TH JUDICIAL DISTRICT COURT