

19TH JUDICIAL DISTRICT COURT
STATE OF LOUISIANA
PARISH OF EAST BATON ROUGE

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

Plaintiff

VERSUS

STATE NATIONAL FIRE
INSURANCE COMPANY
COLUMBUS UNDERWRITERS LLC,
and COLUMBUS HOLDINGS LLC,

Defendants

* NUMBER: 713,121

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* SECTION: 24

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PERMANENT ORDER OF REHABILITATION

CONSIDERING the verified petition filed under the provisions of La. R.S. 22:2001, *et seq.*, the affidavit, and the law and the evidence entitling the Commissioner to the relief sought herein, and the Court being satisfied from the allegations therein and finding that the defendants named herein constitute an insurer as defined in and under Louisiana law and that the interests of creditors, policyholders, and the public are likely to be endangered by delay, and the unanimous consent of the directors of State National Fire Insurance Company, and all members of Columbus Underwriters LLC and Columbus Holdings LLC, and the Court finding that the law and the evidence is in favor of granting the permanent relief prayed for herein:

IT ORDERED, that State National Fire Insurance Company ("SNFIC"), Columbus Underwriters LLC ("CULLC"), and Columbus Holdings LLC ("CHLLC" and sometimes collectively "Defendant Insurance Entities"), be and hereby are permanently placed in rehabilitation under the direction and control of the Commissioner of Insurance for the State of Louisiana, his successors and assigns in his office and his agents, designees, or employees ("Commissioner"), subject to the further written orders of this Court;

IT IS FURTHER ORDERED, that the Commissioner be and hereby is appointed Rehabilitator, that Billy J. Bostick be and hereby is permanently appointed Receiver, and that Arlene D. Knighten be and is hereby permanently appointed Deputy Receiver of SNFIC, CULLC, and CHLLC;

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IT IS FURTHER ORDERED, that the Commissioner be and hereby is permanently vested by operation of law with the title to all property, business, affairs, accounts, bank accounts, safety deposit boxes, statutory deposits, computers, all primary and secondary storage media, social media (including, but not limited to Facebook and Twitter accounts), documents, claims files, records, including any keys, codes, logins, or passwords necessary to gain or secure access to such property or premises, and all other assets of SNFIC, CULLC, and CHLLC, as of the date of this order of rehabilitation and he is ordered to direct the rehabilitation of same, until further written orders of this Court;

IT IS FURTHER ORDERED, that pursuant to La. R.S. 22:2006, the Commissioner, his agents and employees are directed to immediately and permanently maintain possession and control of the property, business, affairs, transactions, bank accounts, safety deposit boxes, computers, all primary and secondary storage media, documents, claims files, software, electronic data, e-mail, websites, copying rights, trademarks, patents, books, records, accounts, contracts, and rights of action and all other assets of SNFIC, CULLC, and CHLLC, including all of the property real or personal, whether in the possession of SNFIC, CULLC, or CHLLC, or their officers, owners, directors, employees, consultants, service providers, attorneys, accountants, subsidiaries, affiliates, managing general agents, or agents, and any other person, and of the premises occupied by SNFIC, CULLC, or CHLLC for their business, conduct all of the business and affairs of SNFIC, CULLC, and CHLLC or so much thereof as he may deem appropriate, manage the affairs of SNFIC, CULLC, and CHLLC, and rehabilitate SNFIC, CULLC, and CHLLC, until further written orders of the Court;

IT IS FURTHER ORDERED, that the Rehabilitator, Receiver or Deputy Receiver may permit such further operation of SNFIC, CULLC, and CHLLC as he/she may deem necessary and appropriate;

IT IS FURTHER ORDERED, that all authority of all owners or persons acting on their behalf, officers, shareholders, directors, employees, members, and managers of SNFIC, CULLC, and CHLLC is hereby permanently suspended and such authority is vested with the Rehabilitator, Receiver, and Deputy Receiver until further written orders of this Court;

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IT IS FURTHER ORDERED, that SNFIC, CULLC, and CHLLC shall not engage in any advertising or solicitation whatsoever;

IT IS FURTHER ORDERED, that SNFIC, CULLC, and CHLLC, and their policyholders, owners, shareholders, officers, directors, managing general agents, agents, attorneys, accountants, actuaries, consultants, service providers, servants, employees, banks, savings and loan associations, and any other partnership, company, or entity controlled by same or persons acting for or on behalf of said individuals and companies, or any others acting on their behalf and any other person, including but not limited to Jay Pellegrini, Jr., Michael Louis Toffoli, William Peter Gabel, Michael Alan Culbertson, Warren Jackson Williamson, Jr., and Jerry Leigh Wilcoxon, be and are hereby ordered to immediately surrender and turn over to the Rehabilitator, Receiver, or Deputy Receiver all property, business, affairs, transactions, bank accounts of SNFIC, CULLC, and CHLLC, all keys to SNFIC, CULLC, and CHLLC premises and to safety deposit boxes, to advise the Receiver or Deputy Receiver of the combinations to any safes, safe-keeping devices or restricted access entries, any passwords to electronic information or online accounts with vendors, computers, all primary and secondary storage media, documents, claim files, software, electronic data, e-mail, websites, copyrights, trademarks, patents, books, records, accounts, contracts and rights of action, and all other assets of SNFIC, CULLC, and CHLLC, including all real property, and the premises occupied or leased by SNFIC, CULLC, and CHLLC and are hereby permanently enjoined from the transaction of the business of SNFIC, CULLC, and CHLLC;

IT IS FURTHER ORDERED, that SNFIC, CULLC, and CHLLC, their policyholders, owners, shareholders, officers, directors, managing general agents, agents, accountants, attorneys, actuaries, consultants, service providers, servants, employees, banks, savings and loan associations, actuaries and any other partnership, company or entity controlled by same or other persons acting for or on their behalf and any other person, including but not limited to Jay Pellegrini, Jr., Michael Louis Toffoli, William Peter Gabel, Michael Alan Culbertson, Warren Jackson Williamson, Jr., and Jerry Leigh Wilcoxon, be and hereby are permanently enjoined from disposing of the property or assets of SNFIC, CULLC, and CHLLC, and from the transaction of their business;



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IT IS FURTHER ORDERED, that all persons and entities are permanently enjoined and stayed from obtaining preferences, judgments, attachments or other like liens or the making of any levy against SNFIC, CULLC, and CHLLC, their property or assets while in the Rehabilitator, Receiver, and Deputy Receiver's possession and control as of this date of this Permanent Order of Rehabilitation;

IT IS FURTHER ORDERED, that SNFIC, CULLC, and CHLLC, their policyholders, owners, shareholders, officers, directors, managing general agents, agents, attorneys, accountants, actuaries, servants, employees, banks, savings and loan associations and any other partnership, company or entity controlled by same or other persons acting for or on behalf of said individuals and companies, or subject to their control, and all other persons or entities who have access to, control or possession of the property, assets, and affairs of SNFIC, CULLC, or CHLLC, including but not limited to Jay Pellegrini, Jr., Michael Louis Toffoli, William Peter Gabel, Michael Alan Culbertson, Warren Jackson Williamson, Jr., and Jerry Leigh Wilcoxon, be and hereby are permanently enjoined further as follows:

- (1) from disposing of or encumbering any of the property or assets of SNFIC, CULLC, or CHLLC;
- (2) from disposing of any records or other documents belonging to SNFIC, CULLC, or CHLLC, or relating to the business and affairs of SNFIC, CULLC, or CHLLC;
- (3) from the transaction of any business by, for, or on behalf of SNFIC, CULLC, or CHLLC, including, but not limited to:
 - (a) the writing, issuance or renewal of any certificate of coverage, insurance policy, binder, or endorsement to an existing policy or certificate of coverage;
 - (b) the payment of claims and of any policy or certificate of coverage benefits;
 - (c) the incurring of any claim or loss adjustment expense;
 - (d) the incurring of any debt or liability, except with the concurrence of the Rehabilitator, Receiver, and Deputy Receiver, or until further order of this Court; and,
 - (e) the interfering with the acquisition of possession by the exercise of dominion and control over the property of SNFIC, CULLC, or CHLLC by the Rehabilitator, Receiver, or Deputy Receiver, or the Rehabilitator, Receiver or Deputy Receiver's conduct of the business and affairs of SNFIC, CULLC, or CHLLC;

IT IS FURTHER ORDERED, that the Rehabilitator, Receiver, and Deputy Receiver be and hereby are entitled to permit such further operation of SNFIC, CULLC, or CHLLC as they

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may deem necessary to be in the best interests of the policyholders and creditors of SNFIC, CULLC, or CHLLC;

IT IS FURTHER ORDERED, that the Rehabilitator, Receiver, or Deputy Receiver be permanently allowed and authorized to:

- (1) employ and authorize the compensation of accountants, clerks, professionals, and such assistants as he deems necessary, and authorize the payment of the expenses of these proceedings and the necessary incidents thereof, as approved by the Commissioner, to be paid out of the funds or assets of SNFIC, CULLC, or CHLLC in the possession of the Rehabilitator, Receiver, or Deputy Receiver or coming into the possession of the Rehabilitator, Receiver, or Deputy Receiver or SNFIC, CULLC, or CHLLC;
- (2) defend or not defend legal actions wherein SNFIC, CULLC, or CHLLC or the Rehabilitator, Receiver, or Deputy Receiver is a party defendant, commenced prior to or subsequent to the entry of the order herein, without the authorization of the Court, except, however, in actions where SNFIC, CULLC, or CHLLC is a nominal party, as in certain foreclosure actions and the action does not affect a claim against or adversely affect the assets of SNFIC, CULLC, or CHLLC, the Rehabilitator, Receiver, or Deputy Receiver may file appropriate pleadings in his discretion;
- (3) commence and maintain all legal actions necessary, wherever necessary, for the proper administration of this receivership proceeding;
- (4) collect all debts, which are economically feasible to collect and which are due and owing to SNFIC, CULLC, or CHLLC;
- (5) take possession of all SNFIC, CULLC, and CHLLC's securities and certificates of deposit on deposit with the Treasurer of the State of Louisiana or any other person or entity, if any, and convert to cash so much of the same as may be necessary, in his/her judgment, to pay the expenses of administration of this receivership; and,
- (6) issue endorsements on existing policies, or certificates of coverage;

IT IS FURTHER ORDERED, that any officer, owner, director, manager, trustee, managing general agent, agent servant, attorney, accountant, actuary adjuster, consultant, or service provider of SNFIC, CULLC, or CHLLC, and any person who possesses or possessed any executive authority over, or who exercises or exercised any control over any segment of SNFIC, CULLC, or CHLLC's affairs, including but not limited to Jay Pellegrini, Jr., Michael Louis Toffoli, William Peter Gabel, Michael Alan Culbertson, Warren Jackson Williamson, Jr., and Jerry Leigh Wilcoxon, is required to fully cooperate with the Receiver, the Deputy Receiver and the Commissioner, notwithstanding their dismissal pursuant to this Permanent Order of Rehabilitation entered herein;

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IT IS FURTHER ORDERED, that all attorneys employed by SNFIC, CULLC, or CHLLC as of the date of this Permanent Order of Rehabilitation entered herein shall, within ten (10) days' notice of this Permanent Order of Rehabilitation, report to the Receiver or Deputy Receiver the name, company, claim number and status of each file they are handling on behalf of SNFIC, CULLC, or CHLLC; said report shall also include an account of any funds received from or on behalf of SNFIC, CULLC, or CHLLC; all attorneys described herein are hereby discharged as of the date of the order entered herein unless the Receiver or Deputy Receiver retains their services in writing; all attorneys employed by SNFIC, CULLC, or CHLLC who are in possession of litigation files or other material, documents or records belonging to or relating to work performed by the attorney on behalf of SNFIC, CULLC, or CHLLC shall deliver such litigation files, material, documents or records intact and without purging to the Receiver or Deputy Receiver notwithstanding any claim of a retaining lien, which, if otherwise valid, shall not be extinguished by such turn-over of documents;

IT IS FURTHER ORDERED, that reinsurance premiums due to or payable by SNFIC, CULLC, or CHLLC shall be withheld from, remitted to, or disbursed by the Receiver or Deputy Receiver or to another party at the Receiver or Deputy Receiver's discretion; the Receiver or Deputy Receiver shall handle reinsurance losses recoverable or payable by SNFIC, CULLC, or CHLLC; all correspondence concerning reinsurance shall be between the Receiver or Deputy Receiver and the reinsuring company or intermediary unless requested by the Receiver or Deputy Receiver;

IT IS FURTHER ORDERED, that upon request by the Receiver or Deputy Receiver, any company providing telephone services to SNFIC, CULLC, or CHLLC shall provide a reference of calls from the number presently assigned to SNFIC, CULLC, or CHLLC to any such number designated by the Receiver or Deputy Receiver or perform any other services or changes necessary to the conduct of the receivership of SNFIC, CULLC, or CHLLC;

IT IS FURTHER ORDERED, that any bank, savings and loan association, financial institution, and any other person which has on deposit, in its possession, custody or control any funds, accounts and any other assets of SNFIC, CULLC, or CHLLC, shall immediately and permanently transfer title, custody and control of all such funds, accounts, or assets to the Receiver

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and Deputy Receiver, and are hereby instructed that the Receiver and Deputy Receiver has absolute control over such funds, accounts and all other assets; the Receiver and Deputy Receiver may change the name of such accounts and other assets, withdraw them from such bank, savings and loan association or other financial institution or take such action necessary for the proper conduct of this receivership; no bank, savings and loan association, or other financial institution shall exercise any form of set-off, alleged set-off, lien, any form of self-help whatsoever, or refuse to transfer any funds or assets to the Receiver or Deputy Receiver's control without the permission of this Court;

IT IS FURTHER ORDERED, that any entity furnishing telephone, water, electric, cable, internet, sewage, garbage or trash removal services to SNFIC, CULLC, or CHLLC shall maintain such service and permanently transfer any such accounts to the Receiver or Deputy Receiver as of the date of the order entered herein, unless instructed to the contrary by the Receiver or Deputy Receiver;

IT IS FURTHER ORDERED, that any document storage or data processing service which has custody or control of any data processing information and records, including, but not limited to, source documents, data processing cards, input tapes, all types of storage information, master tapes or any other recorded information relating to SNFIC, CULLC, or CHLLC shall transfer permanent custody and control of such records to the Receiver and Deputy Receiver; the Receiver and Deputy Receiver shall compensate any such entity for the actual use of hardware and software, which the Receiver and Deputy Receiver finds to be necessary to this proceeding; compensation shall be based upon the monthly rate provided for in contracts or leases with SNFIC, CULLC, or CHLLC which were in effect when this proceeding was instituted, or based upon such contracts as may be negotiated by the Receiver or Deputy Receiver, for the actual time such equipment and software is used by the Receiver and Deputy Receiver;

IT IS FURTHER ORDERED, that SNFIC, CULLC, and CHLLC shall each immediately and permanently provide the following to the Receiver, the Deputy Receiver or their designees:

- (a) **Administrator-Level UserIDs and Passwords:** Provide a complete and up-to-date secure list of all administrator-level accounts ("UserID"), passwords, and encryption keys, herein referred to as "**Admin Accounts**", that provide full and complete control of all active and inactive systems and services that capture, store, archive, delete, update, communicate, scan, or transmit "**Data**," or provide

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communications of any kind, herein referred to as “Systems”. In lieu of providing existing Admin Accounts, new administrator-level “Admin Accounts” may be added and provided at the discretion of the Commissioner, as Rehabilitator, or his designees, that delivers parallel administrator-level control for each of the Systems. “Systems” includes all: servers, virtual hosts, virtual machines, appliances, desktops, laptops, tablets, smartphones, storage devices (of any kind), proprietary devices, telephone systems, cellular services, network devices (of any kind), firewalls, routers, wireless access points, wireless bridges, hotspots, remote desktop servers, remote access services (such as Virtual Private Networks (“VPN”), Citrix, TeamViewer, Log Me In, etc.), software, applications (including Insuresoft), third-party administrative services, application service providers, cloud services, cloud storage, multifactor authentication services, encryption services, backup and restoration services, shared storage, removable storage (of any kind), hosting services, hosted applications, domain services, domain name registries, web sites, Internet service providers, application service providers, email systems (including email archives, email archive services, email security services, email gateways, email service providers, all email transport services and systems (including inhouse email systems and vendor systems, such as Microsoft Office 365, Gmail, Barracuda, Mimecast, etc.)), messaging systems, conferencing systems, purchasing portals (including Amazon, Google, etc.), banking and credit card portals, employee benefit portals, facilities security/access control systems, security alarm systems, and all work-at-home devices. Provide for each Admin Accounts and System combination: the location, URL, IP Address, link, portal, vendor, or device that provides the entry of Admin Accounts information to control access to the System. Provide a description of the business purpose or use for each Admin Accounts and System combination. Provide a list of authorized administrators by System. “Data” as set forth above, includes: (1) all data (all Defendant Insurance Entities or personal) stored on any Defendant Insurance Entity-owned or any Defendant Insurance Entity leased devices, (2) all data (all Defendant Insurance Entities or personal) stored on any Defendant Insurance Entity-paid for services, (3) all data (all Defendant Insurance Entities or personal) captured, stored, deleted, updated, or communicated during business hours or on any Defendant Insurance Entity-paid time or on behalf of the any Defendant Insurance Entity-stored on any Defendant Insurance Entity-owned or any Defendant Insurance Entity-leased devices or stored on personally owned devices, such as personal computers, personal smartphones, and personal storage devices. Examples of Data include: policy, claims, reinsurance, payables, receivables, financials, agents, commission, customer service systems, management meeting information, board agendas and minutes, human resource information, employee benefits, payroll, bonus data, banking, credit cards, loans of any kind, spreadsheets, documents, presentations, diagrams, files, lists, emails, email attachments, text messages, etc. Provide immediate notification via email of all future revisions to administrative-level access or control to a Systems or Admin Accounts as defined above. Access or revisions are prohibited to the Admin Accounts provided to the Commissioner, as Rehabilitator, or his designees, unless approved in advance and in writing by the Commissioner, as Rehabilitator, or his designees. The Defendant Insurance Entities must ensure all emails (past, present, future, deleted, sent, saved, archived, etc.) are permanently retained. The Commissioner, as Rehabilitator, or his designees, are authorized to verify and/or configure all emails to be held permanently, sometimes referred to as a “Legal Hold.” All configuration additions and revisions implemented by the Commissioner, as Rehabilitator, or his designees, must not be altered or removed by the Defendant Insurance Entities or their respective IT contractors.

- (b) **Systems and Data Backups:** Provide a complete and up-to-date “Backup” of each of the Systems and all Data as defined above as of the date of this Order. “Backups” includes readable, full bare metal restorable, complete, and full copy of



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each System and all Data as defined above. Ensure all past, present, or future backup media and storage is retained, until further notice or until released in writing by the Commissioner, as Rehabilitator, or his designees. **Provide** a complete list of backups, including System name or Data name, backup software, backup device(s), backup media, backup type (full, incremental, partial, etc.), backup frequency, backup retention schedule, backup rotation (onsite-to-offsite) schedule, onsite backup locations, and offsite backup locations. **Provide** a list of Systems or Data not backed up. Provide immediate notification via email of all future revisions to Backups as defined above.

- (c) **Disaster Recovery Plan:** **Provide** a complete and up-to-date Disaster Recovery/Business Continuity Plan. **Provide** the date and outcome of the last Disaster Recovery test. **Provide** immediate notification via email of any future revisions to Disaster Recovery/Business Continuity plans.
- (d) **Security Incidents or System Outages:** **Provide** a complete and up-to-date list and description of all Security Incidents that occurred in the past year impacting any Systems or Data as defined above. **"Security Incidents"** include unauthorized Systems access or breach, communications breach, facilities breach, unauthorized network device, unauthorized software (program, macro, etc.), compromised **"Accounts,"** compromised UserIDs, compromised credit cards, compromised bank accounts, non-prevented viruses, malware, or ransomware, etc., loss of Data; or System outages. **Provide** immediate notification via email of all future Security Incidents as defined above.
- (e) **IT Policies, Procedures, and Maintenance Task List:** **Provide** complete and up-to-date policies, procedures, and operations and maintenance task lists for Information Technology.
- (f) **Physical Access:** **Provide** continuous (24 hours/day, 7 days/week) physical access to all Systems, Data, Backups, and office locations to the Commissioner, as Rehabilitator, or his designees. **Provide** physical, private work area for the Commissioner, as Rehabilitator, and his designees.

IT IS FURTHER ORDERED, that the United States Postal Service is directed to provide any information requested by the Receiver or Deputy Receiver regarding SNFIC, CULLC, or CHLLC and to handle future deliveries of SNFIC, CULLC, or CHLLC;

IT IS FURTHER ORDERED, that the Rehabilitator, Receiver, or Deputy Receiver may conduct an investigation of SNFIC, CULLC, or CHLLC, and its subsidiaries and affiliates to uncover and make fully available to the Court the true state of SNFIC, CULLC, and CHLLC's financial affairs; in furtherance of this investigation, SNFIC, CULLC, and CHLLC, and parent corporations, subsidiaries, affiliates and third party administrators, and any other persons shall make all books, documents, accounts, records and affairs, which either belong to or pertain to SNFIC, CULLC, or CHLLC, available for full, free and unhindered inspection and examination by the Receiver or Deputy Receiver during normal business hours (9:00 a.m. to 5:00 p.m.) Monday through Friday, or such other times as the Commissioner deems necessary, from the date of the

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order entered herein; SNFIC, CULLC, and CHLLC, and the above-specified entities shall fully cooperate with the Commissioner, the Receiver, and the Deputy Receiver; such cooperation shall include, but not be limited to, the taking of oral testimony under oath of SNFIC, CULLC, or CHLLC's policyholders, shareholders, owners, officers, directors, managing general agents, agents, accountants, actuaries, attorneys, servants, managers, trustees, adjusters, employees, or independent contractors of SNFIC, CULLC, or CHLLC, parents, affiliates and subsidiaries and any other person or entity who possesses or possessed any authority over, or who exercises or exercised any control over, any segment of the affairs of SNFIC, CULLC, or CHLLC in either their official, representative, or individual capacities and the production of all documents needed to disclose the true state of SNFIC, CULLC, or CHLLC;

IT IS FURTHER ORDERED, that any and all individuals and entities be and hereby are permanently enjoined from instituting or taking further action in any suits, proceedings, and seizures against SNFIC, CULLC, and CHLLC, the Commissioner in his capacity as Rehabilitator of SNFIC, CULLC, and CHLLC, the Receiver, and the Deputy Receiver, and any affiliates, subsidiaries, insurers, officers, directors, representatives, managing general agents, agents, employees, accountants, or attorneys of same, to prevent any preference, judgment, seizure, levy, attachment, or lien being rendered against SNFIC, CULLC, or CHLLC, their estate or assets, or their policyholders, the Commissioner in his/her capacity as Rehabilitator, the Receiver, and the Deputy Receiver, any affiliates, subsidiaries, insurers, officers, directors, representatives, managing general agents, agents, employees, or attorneys of same, and the making of any levy against SNFIC, CULLC, or CHLLC, their property or assets;

IT IS FURTHER ORDERED, that, all suits, proceedings, and seizures against SNFIC, CULLC, or CHLLC, or its respective policyholders in any court, are hereby permanently stayed in order to prevent the obtaining of any preference, judgment, seizure, levy, or lien, and to preserve the property and assets of SNFIC, CULLC, and CHLLC, including, but not limited to, suits and proceedings and all litigation involving:

- (1) SNFIC, CULLC, or CHLLC as a party;
- (2) a policyholder or any other person who is named as a party to the litigation or claims insurance coverage under any policy of insurance, or certificate of coverage issued or assumed by SNFIC, CULLC, or CHLLC;

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- (3) the possible adjudication of liability or determination of any possible rights or obligations of any policyholder or person as to any insurance policy, or certificate of coverage issued or assumed by SNFIC, CULLC, or CHLLC, or the determination of any possible future liability of SNFIC, CULLC, or CHLLC with regard to any insurance policy, or certificate of coverage issued or assumed by SNFIC, CULLC, or CHLLC;
- (4) SNFIC, CULLC, or CHLLC'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 SNFIC, CULLC, or CHLLC;
- (5) the ownership, operations, management or control of SNFIC, CULLC, or CHLLC; and
- (6) any party is seeking to create, perfect or enforce any preference, judgment, attachment, lien, or levy against SNFIC, CULLC, or CHLLC or their assets or against any or policyholder of SNFIC, CULLC, or CHLLC;

IT IS FURTHER ORDERED, that there shall be no liability on the part of and that no cause of action of any nature shall exist against the Commissioner in his capacity as Rehabilitator, the Receiver, the Deputy Receiver, or the regulator of SNFIC, CULLC, or CHLLC, or the Attorney General of the State of Louisiana in his capacity as attorney for the Commissioner in his capacity as Rehabilitator, the Receiver, the Deputy Receiver, or the regulator of SNFIC, CULLC, or CHLLC, or the Receiver, the Deputy Receiver, their representatives, managing general agents, agents, employees, accountants, or attorneys, for any action taken by them when acting in accordance with the written orders of this Court or as Rehabilitator, Receiver, Deputy Receiver, or Regulator of SNFIC, CULLC, or CHLLC, and that such actions shall be barred;

IT IS FURTHER ORDERED, that after payment of all administrative expenses of Rehabilitation or Receivership, all obligations of SNFIC, CULLC, and CHLLC will be paid pursuant to the written orders of this Court, according to the applicable law;

IT IS FURTHER ORDERED, that all contracts between SNFIC, CULLC, or CHLLC, and any and all persons or entities providing services to SNFIC, CULLC, or CHLLC and their policyholders remain in full force and effect unless cancelled by the Receiver or Deputy Receiver;

IT IS FURTHER ORDERED, that any and all individuals and entities be and hereby are permanently enjoined from interfering with these proceedings, or with the Rehabilitator, Receiver, or Deputy Receiver's possession and control or title, rights or interest; from interfering with the conduct of the business of SNFIC, CULLC, or CHLLC by the Rehabilitator, Receiver, or Deputy Receiver; from wasting the assets of SNFIC, CULLC, or CHLLC, and from obtaining preferences,

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judgments, attachments or other like liens or the making of any levy against SNFIC, CULLC, or CHLLC or their property or assets while in the possession and control of the Rehabilitator, Receiver, or Deputy Receiver;

IT IS FURTHER ORDERED, that all authority of all officers, owners, directors, and managers of SNFIC, CULLC, and CHLLC or others acting on their behalf, including but not limited to Jay Pellegrini, Jr., Michael Louis Toffoli, William Peter Gabel, Michael Alan Culbertson, Warren Jackson Williamson, Jr., and Jerry Leigh Wilcoxon, are hereby permanently suspended and is vested in the Commissioner, Receiver, and Deputy Receiver until further written orders of this Court;

IT IS FURTHER ORDERED, that SNFIC, CULLC, and CHLLC, and their respective officers, owners, directors, policyholders, shareholders, managing general agents, agents, attorneys, accountants, actuaries, consultants, service providers, servants, adjusters, employees, independent contractors, their parent, affiliates and subsidiaries and all those acting in concert with or in participation with them or subject to their control, and all other persons or entities who have access to control or possession of the property, assets and affairs of SNFIC, CULLC, or CHLLC, including but not limited to Jay Pellegrini, Jr., Michael Louis Toffoli, William Peter Gabel, Michael Alan Culbertson, Warren Jackson Williamson, Jr., and Jerry Leigh Wilcoxon, be and hereby are permanently enjoined further, as follows:

- (1) from disposing of or encumbering any of the property or assets of SNFIC, CULLC, or CHLLC;
- (2) from disposing of any records or other documents belonging to SNFIC, CULLC, or CHLLC or relating to the business and affairs of SNFIC, CULLC, or CHLLC;
- (3) from the transaction of any business by, for, or on behalf of or relating to SNFIC, CULLC, or CHLLC, including, but not limited to:
 - (a) the writing, issuance, or renewal of any insurance policy, or certificate of coverage, binder, or endorsement to an existing policy, or certificate; and
 - (b) the incurring of any debt or liability of SNFIC, CULLC, or CHLLC except with the concurrence of the Commissioner, the Receiver, or Deputy Receiver;

IT IS FURTHER ORDERED, that all individuals and entities are permanently enjoined from instituting or taking further action in any suit or proceeding against SNFIC, CULLC, or CHLLC, the Commissioner in his capacity as Rehabilitator of SNFIC, CULLC, or CHLLC, the

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Receiver, the Deputy Receiver, any affiliates, subsidiaries, insurers, officers, directors, representatives, agents, employees, or attorneys of the Commissioner, SNFIC, CULLC, or CHLLC, their estate and assets, and their policyholders, and from making any levy or seizure against SNFIC, CULLC, or CHLLC or its estates or assets while under rehabilitation;


IT IS FURTHER ORDERED, that all premiums and other debts due to SNFIC, CULLC, or CHLLC shall be paid to the Rehabilitator, Receiver, or Deputy Receiver as directed, until further written orders of this Court;

IT IS FURTHER ORDERED, that unless and until this Court determines and finds SNFIC, CULLC, and CHLLC to be insolvent, the Rehabilitator, Receiver, and Deputy Receiver shall not be required to notify the holders of a contract of insurance issued by SNFIC, CULLC, and CHLLC of this Permanent Order of Rehabilitation;

IT IS FURTHER ORDERED, that the Commissioner shall be granted all legal and equitable relief as may be necessary to fulfill his duties as Rehabilitator and for such other relief as the nature of the case and the interest of SNFIC, CULLC, or CHLLC's policyholders, creditors, or the public, may require; and,

IT IS FURTHER ORDERED, that Billy J. Bostick, Arlene D. Knighten, Philip D'Antonio, Mathew Stewart, Norie Falgoust, and Heath Soileau be and each is hereby appointed as a private process server of this Permanent Order of Rehabilitation.

SO ORDERED, READ AND SIGNED at Baton Rouge, Louisiana, this 17 day of November, 2021, at 4:42 o'clock p.m.



Honorable Donald R. Johnson
Judge, 19th Judicial District Court



