

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: Commonwealth Insurance Company, :
In Liquidation : No. 1 CIC 2014

**COMPLIANCE REPORT REGARDING NOTICE OF LIQUIDATION ORDER
AND PROCEDURES FOR FILING CLAIMS**

Michael F. Consedine, Insurance Commissioner of the Commonwealth of Pennsylvania, in his capacity as Statutory Liquidator (“Liquidator”) of Commonwealth Insurance Company (“CIS”), through undersigned counsel, respectfully offers the following:

1. By order dated March 20, 2014, this Court placed CIS in liquidation (“Liquidation Order”) and appointed Michael F. Consedine, Insurance Commissioner of the Commonwealth of Pennsylvania, as Statutory Liquidator.

2. In addition to the notice requirements pertaining to the entry of a liquidation order that are contained in Section 524 of the Insurance Department Act of 1921, Act of May 17, 1921 (“Act”), P.L. 789, *as amended*, added by the Act of December 14, 1977, P.L. 280, 40 P.S. §§ 221.1—221.63, paragraph 17 of the Liquidation Order directs the Liquidator to publish notice about the procedures for filing claims against the estate of CIS.

3. Moreover, paragraph 18 of the Liquidation Order directs the Liquidator to file a compliance report with the Court within 30 days of giving notice of the Liquidation Order, as set

forth in Section 524 of the Act, and of the procedures for filing claims noting, in reasonable detail, the date that and manner by which these notices were given.

4. On April 2, 2014, the Liquidator sent notice of the Liquidation Order by first-class mail to all known policyholders (which in the case of CIS, equates to bondholders), principles, obliges, creditors (which includes agents) and claimants of CIS. Notice to other Insurance Commissioners was not needed, as CIS was only licensed to do business in Pennsylvania. Moreover, none of Pennsylvania's guaranty associations cover surety business, and thus there was no need to notify any of the Pennsylvania guaranty associations.

5. The mailing referenced in paragraph 4 included, in addition to notice of the Liquidation Order, a proof of claim form and answers to frequently asked questions.

6. The Liquidator also caused the procedures for filing claims, including the date of the last day for filing, to be published in the Philadelphia Inquirer and the Patriot News on March 27, 2014.

Respectfully submitted:

By: 

PRESTON M. BUCKMAN (I.D. #57570)
Insurance Department Counsel
Governor's Office of General Counsel
Pennsylvania Insurance Department
Capitol Associates Building
901 North 7th Street
Harrisburg, PA 17102
(717) 787-6009

Attorney for Michael F. Consedine, Insurance Commissioner of the Commonwealth of Pennsylvania, in his official capacity as Statutory Liquidator of Commonwealth Insurance Company

Dated: 4/14/14

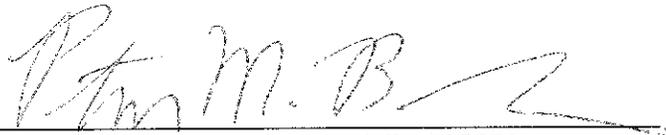
CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the foregoing document upon all parties of record in this proceeding in accordance with the requirements of 1 Pa. Code Chapter 33 in the following manner:

Service via eservice through PACFile, addressed as follows:

William R. Balaban, Esquire
WBalaban@BalabanAndAssociates.com
27 North Front Street
Harrisburg, PA 17101-1606
(717) 695-2901
(717) 695-7914 (fax)

Jodi A. Frantz, Esquire
jodfrantz@pa.gov
1341 Strawberry Square
Harrisburg, PA 17120
(717) 787-2567
(717) 772-1969 (fax)



PRESTON M. BUCKMAN (I.D. #57570)

Insurance Department Counsel
Office of Liquidations, Rehabilitations
& Special Funds
Governor's Office of General Counsel
Capital Associates Building
901 North 7th Street
Harrisburg, PA 17102
(717) 787-6009

Counsel for the Statutory Liquidator of
Commonwealth Insurance Company

DATED: _____

4/14/14



COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S OFFICE OF GENERAL COUNSEL

April 14, 2014

Michael F. Krimmel, Chief Clerk
Commonwealth Court of Pennsylvania
601 Commonwealth Avenue, Suite 2100
P.O. Box 69185
Harrisburg, PA 17120-9185

***Re: In Re: Commonwealth Insurance Company (In Liquidation)
No. 1 CIC 2014***

Dear Mr. Krimmel:

Attached please find the Compliance Report of the Liquidator regarding the Liquidation Order with regard to the above-referenced matter.

Thank you for your assistance in this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "P. M. Buckman", with a long horizontal flourish extending to the right.

Preston M. Buckman
Insurance Department Counsel

PMB:drh

Enclosures