

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: Regis Insurance Company :
In Liquidation : No. 1 REG 2015

**APPLICATION FOR APPROVAL OF FINAL ACCOUNTING,
FINAL DISTRIBUTION AND FINAL CLAIMS REPORT,
AND RECOMMENDATION FOR DISPOSITION OF RECORDS
PURSUANT TO 40 P.S. § 221.50**

Jessica K. Altman, Insurance Commissioner of the Commonwealth of Pennsylvania, as Statutory Liquidator of Regis Insurance Company (hereinafter, "Liquidator"), by her undersigned counsel, respectfully represents that:

1. By Order of this Court dated October 30, 2015, Regis Insurance Company (hereinafter "Regis") was ordered liquidated, and Teresa D. Miller, the then Insurance Commissioner of the Commonwealth of Pennsylvania, and her successor-in-office, was appointed Liquidator and directed to take possession of Regis' property and to liquidate its business and affairs. Jessica K. Altman has succeeded Ms. Miller as the Insurance Commissioner, and thus is the current Liquidator of the Regis estate.

2. On September 24, 2018, the Liquidator filed with this Court her Application for Approval of Notice of Final Accounting, Final Distribution and Discharge, and for Approval of

Final Claims Report¹ (“Application”), seeking to make a final distribution of those assets she has collected, in accordance with 40 P.S. § 221.44.

3. The Liquidator provided notice to all known claimants of the Application, which Notice was mailed on October 19, 2018, after approval by this Court by Order dated October 18, 2018. Copies of the Order and Notice are attached hereto as Exhibits A and B, respectively.

4. In response to her Notice, the Liquidator did not receive any objections.

5. More than 30 days has passed since the Liquidator issued her Notice on October 19, 2018, and the Liquidator has responded to all Application-related inquiries.

6. Accordingly, the Liquidator now files this Application for Approval of Final Accounting, Final Distribution and Final Claims Report, and Recommendation for Disposition of Records Pursuant to 40 P.S. § 221.50, seeking this Court’s approval of her final accounting, final distribution and final claims report, and her recommendation regarding the disposition of records, which is attached hereto as Exhibit C.

WHEREFORE, the Liquidator prays your Honorable Court that:

1. The Application for Approval of Final Accounting, Final Distribution and Final Claims Report, and Recommendation for Disposition of Records Pursuant to 40 P.S. § 221.50 of Jessica K. Altman, in her official capacity as Insurance Commissioner of the Commonwealth of Pennsylvania as Statutory Liquidator (“Liquidator”) of Regis Insurance Company (“Regis”) (In Liquidation) be approved and confirmed absolutely.

¹The Liquidator typically files for approval of her final report and recommendations on claims separately, and prior to, seeking approval of notice of a final accounting, final distribution and discharge application. However, the Liquidator combined in one application her request for approval of the final claims report with her application for approval of notice of her final accounting, final distribution and discharge due to the very limited amount of assets that are available to pay administrative expenses in the Regis estate.

2. The Liquidator be authorized to make distribution of the assets of Regis in accordance with paragraph 8 of the Application for Approval of Notice of Final Accounting, Final Distribution and Discharge, and for Approval of Final Claims Report, as follows:

- a. Priority class "a" claims will be paid at 70.5%. The Liquidator has already received \$120,344 in administrative expenses.
- b. Priority class "b" claims will not be paid.
- c. There are no priority class "c" claims.
- d. There are no priority class "d" claims.
- e. Priority class "e" claims will not be paid.
- f. There are no priority class "f" claims.
- g. There are no priority class "g" claims.
- h. There are no priority class "h" claims.
- i. There are no priority class "i" claims.

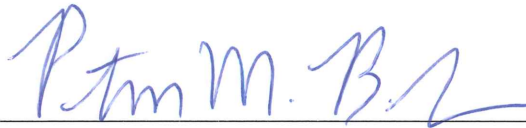
3. The claims in the Liquidator's Final Claims Report, attached as Exhibit D to the Application for Approval of Notice of Final Accounting, Final Distribution and Discharge, and for Approval of Final Claims Report, be approved and allowed both as to classification and amount as listed.

4. The Liquidator be authorized to destroy the records of Regis in accordance with the recommendation attached to this Application as Exhibit C.

5. In accordance with 40 P.S. § 221.48(a), following the completion of the final distribution of assets, the Liquidator shall file an application seeking discharge of the Liquidator, which will also seek approval of the final disposition of any assets remaining in the Liquidator's

possession at the time of discharge, or that may be unexpectedly received by the Liquidator post-discharge.

Respectfully submitted,



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) 886-2080

Attorney for Jessica K. Altman, Insurance
Commissioner of the Commonwealth of Pennsylvania,
in her capacity as Statutory Liquidator of Regis
Insurance Company, In Liquidation

Dated: _____

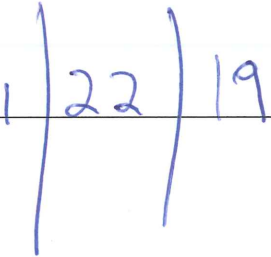


EXHIBIT A

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

In Re: Regis Insurance Company :
in Liquidation :
: No. 1 REG 2015
:

*IN RE: Liquidator's Application for Approval of Notice of Final Accounting,
Final Distribution and Discharge, and for Approval of Final Claims
Report*

ORDER

AND NOW, this 18th day of October, 2018, upon consideration of the Liquidator's Application for Approval of Notice of Final Accounting, Final Distribution and Discharge, and for Final Approval of Final Claims Report (Application), which requests approval of the Notice (attached to the Application as Exhibit C) to claimants regarding the filing of the Application, the form of Notice is approved. The Liquidator shall mail the Notice by first-class mail to all claimants listed in Exhibit B to the Application.



BONNIE BRIGANCE LEADBETTER,
Senior Judge

Certified from the Record

OCT 18 2018

And Order Exit

EXHIBIT B

Dated 10/19/2018

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

In Re: Regis Insurance Company
In Liquidation

: No. 1 REG 2015
:

**NOTICE TO ALL CLAIMANTS OF
REGIS INSURANCE COMPANY**

PLEASE TAKE NOTICE that Jessica K. Altman, in her official capacity as Insurance Commissioner of the Commonwealth of Pennsylvania, and as such, Statutory Liquidator of Regis Insurance Company (In Liquidation) ("Liquidator"), has filed for approval of her Final Accounting, Final Distribution and Discharge and her Final Report and Recommendations on Claims as of August 31, 2018, which sets forth the steps taken in this liquidation during this period of time.

PLEASE TAKE FURTHER NOTICE that the total for class "a", "b" and "e" priority claims that has been approved and allowed is \$2,306,554. There are no class "c", "d", "f", "g", "h" or "i" claims. The total net assets available for distribution, after payment of administrative expenses incurred by the Liquidator and a reserve of \$15,500 for future pre and post discharge administrative expenses of the Liquidator, are \$297,238.

The Liquidator requests that:

1. The Final Accounting, Final Distribution and Discharge and Final Report and Recommendations on Claims as of August 31, 2018, of Jessica K. Altman, in her official capacity as Insurance Commissioner of the Commonwealth of Pennsylvania, as Statutory Liquidator of Regis Insurance Company (In Liquidation) ("Regis"), be approved and confirmed absolutely.

2. The Liquidator be authorized to make a distribution of the assets of Regis as follows:

- a. Priority class "a" claims will be paid at 70.5%. The Liquidator has already received \$120,344 in administrative expenses.
- b. Priority class "b" claims will not be paid.
- c. There are no priority class "c" claims.
- d. There are no priority class "d" claims.
- e. Priority class "e" claims will not be paid.
- f. There are no priority class "f" claims.
- g. There are no priority class "g" claims.

- h. There are no priority class "h" claims.
- i. There are no priority class "i" claims.
- 3. The Liquidator's form of Notice to be sent by first class mail to claimants be approved.
- 4. The Liquidator be authorized to destroy records of Regis in accordance with a recommendation to be filed by the Liquidator with the Court after the issuance of the Notice and the resolution of any objections received to the Final Accounting, Final Distribution and Discharge and the Final Report and Recommendations on Claims as of August 31, 2018.

5. Jessica K. Altman, in her official capacity as Insurance Commissioner of the Commonwealth of Pennsylvania, and her predecessor in office, be discharged as Statutory Liquidator of Regis, and thereby released from any liability to make payment of any further claims, subject to the filing of an application by the Liquidator with this Court seeking the discharge upon completion of the final distribution.

TAKE FURTHER NOTICE that objections to the Final Accounting, Final Distribution and Discharge and Final Report and Recommendations on Claims as of August 31, 2018, must be filed in writing with the Commonwealth Court of Pennsylvania, Office of the Chief Clerk, 601 Commonwealth Avenue, Suite 2100, Harrisburg, Pennsylvania 17106-9185. In the event of such a filing, please refer to Docket No. 1 REG 2015.

Objections must be filed within 30 days of the date of this Notice, or they shall be forever barred. Objections must be clearly and concisely written.

Copies of this Final Accounting, Final Distribution and Discharge and Final Report and Recommendations on Claims as of August 31, 2018, are available to interested parties for inspection at the Commonwealth Court of Pennsylvania, Office of the Chief Clerk, 601 Commonwealth Avenue, Suite 2100, Harrisburg, Pennsylvania 17106-9185; and the PA Insurance Department, 901 North 7th Street, Harrisburg, Pennsylvania 17102.

If you have any questions, please call the Bureau of Liquidations Claims, 901 North 7th Street, Harrisburg, Pennsylvania 17102, (717) 787-7823.


Laura L. Slaymaker
Deputy Insurance Commissioner

EXHIBIT C

EXHIBIT C

TO THE LIQUIDATOR'S APPLICATION FOR APPROVAL OF FINAL ACCOUNTING, FINAL DISTRIBUTION AND FINAL CLAIMS REPORT, AND RECOMMENDATION FOR DISPOSITION OF RECORDS PURSUANT TO 40 P.S. §221.50

RECOMMENDATION FOR THE DISPOSITION OF RECORDS

The Regis Insurance Company (Regis) estate currently has the following categories of records:

- Pre-liquidation underwriting and policy files
- Pre-liquidation insurance department examiner papers
- Pre-liquidation files containing annual statements
- Pre-liquidation accounting files with correspondence
- Pre-liquidation accounting files containing payables
- Pre-liquidation accounting files containing tax records
- Pre-liquidation closed claim files
- Pre-liquidation open claim files closed post liquidation
- Pre-liquidation marketing files
- Pre-liquidation legal correspondence files
- Post liquidation administrative files
- Post liquidation proof of claim files

Pre-liquidation records are important in the early stages of a liquidation proceeding, as they inform the Liquidator about, inter alia, the company's assets and financial arrangements, the identity of policyholders and creditors, the identity and status of claims, agent and reinsurance arrangements, and the identity and status of ongoing or contemplated litigation. These records, however, become less and less utilized as the liquidation progresses, as the Liquidator's staff creates and maintains their own records, such that the original, pre-liquidation records of the company lose, to a large extent, their usefulness in the final stages of a liquidation proceeding. Accordingly, now that the Regis liquidation proceeding is nearing its conclusion, the Liquidator is

recommending that most of the pre-liquidation records be destroyed, as they no longer serve any purpose and will not be required in the future to respond to any post-discharge inquiries that may be received concerning the Regis liquidation proceeding. This would include the closed claim and underwriting files. The Liquidator would, however, retain the pre-liquidation accounting files that contain tax records, as they could contain information that would possibly be needed to file the post-discharge final tax return with the IRS, post liquidation administrative files and post liquidation proof of claim files, along with corresponding distribution data.

The Liquidator is also recommending that all post liquidation files be retained until such time post discharge that she believes they are no longer needed to respond to any future inquiries concerning the Regis liquidation, or for any other purpose, at which time the Liquidator respectfully requests that this Court grant her the discretion to destroy those records.

Finally, the Liquidator would note that certain key records of any liquidation proceeding, such as Court orders, final executed settlement agreements, legal filings, certain significant reports and memoranda, inter alia, are maintained in perpetuity. That will be the case with the Regis estate as well.

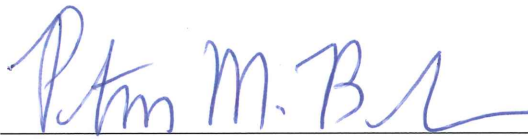
In keeping with the foregoing, the Liquidator seeks this Court's approval of the following recommendation for the disposition of Regis records:

1. The Liquidator be authorized to destroy the pre-liquidation records, including closed claim and underwriting files, with the exception of the accounting files that contain tax records, post liquidation administrative files and post liquidation proof of claim files, along with corresponding distribution data.

2. That the Liquidator be granted the discretion to prospectively destroy records that she believes no longer need to be retained for any post discharge purpose.

**CERTIFICATION OF COMPLIANCE
WITH PUBLIC ACCESS POLICY**

I certify that this filing complies with the provisions of the Public Access Policy of the Unified Judicial System of Pennsylvania: Case Records of the Appellate and Trial Courts that require filing confidential information and documents differently than non-confidential information and documents.



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) 886-2080

Counsel for the Statutory Liquidator of Regis
Insurance Company

DATED: _____

1/22/19

CERTIFICATE OF SERVICE

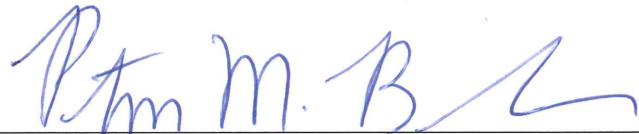
I hereby certify that I am this day serving the foregoing document upon all parties of record in this proceeding in accordance with the requirements of 1 Pa. Code Chapter 33 in the following manner:

Service via regular U.S. Mail addressed as follows:

Richard A. DiLoreto
Tiber Holding Corporation
831 North Tatnall Street, Suite 200
Wilmington, DE 19801

Stephen F. Perrone, Executive Director
Pennsylvania P&C Insurance Guaranty Association
1617 John F. Kennedy Blvd., Suite 1850
Philadelphia, PA 19103

Andrea Lentine, Executive Director
Alabama Insurance Guaranty Association
2020 Canyon Road, Suite 200
Birmingham, AL 35216



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) 886-2080

Counsel for the Statutory Liquidator of Regis
Insurance Company

DATED: _____

1/22/19



COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S OFFICE OF GENERAL COUNSEL

January 22, 2019

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

Re: *Regis Insurance Company (In Liquidation)*
No. 1 REG 2015

Dear Mr. Krimmel:

Attached please find the Liquidator's Application for Approval of Final Accounting, Final Distribution and Final Claims Report, and Recommendation for Disposition of Records Pursuant to 40 P.S. § 221.50, with regard to the above-referenced liquidation.

Thank you for your assistance in this matter.

Very truly yours,

A handwritten signature in blue ink, appearing to read "P. M. Buckman".

Preston M. Buckman
Insurance Department Counsel

PMB:drh

Enclosure

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: Regis Insurance Company
In Liquidation

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No. 1 REG 2015

ORDER

AND NOW, this _____ day of _____ 2019, upon consideration of the foregoing Application for Approval of Final Accounting, Final Distribution and Final Claims Report, and Recommendation for Disposition of Records Pursuant to 40 P.S. § 221.50, IT IS ORDERED AND DECREED that:

1. The Application for Approval of Final Accounting, Final Distribution and Final Claims Report, and Recommendation for Disposition of Records Pursuant to 40 P.S. § 221.50 of Jessica K. Altman, in her official capacity as Insurance Commissioner of the Commonwealth of Pennsylvania as Statutory Liquidator (“Liquidator”) of Regis Insurance Company (“Regis”) (In Liquidation), is approved and confirmed absolutely.

2. The Liquidator is authorized to make distribution of the assets of Regis in accordance with paragraph 8 of the Application for Approval of Notice of Final Accounting, Final Distribution and Discharge, and for Approval of Final Claims Report, as follows:

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- g. There are no priority class "g" claims.
- h. There are no priority class "h" claims.
- i. There are no priority class "i" claims.

3. The claims in the Liquidator's Final Claims Report, attached as Exhibit D to the Application for Approval of Notice of Final Accounting, Final Distribution and Discharge, and for Approval of Final Claims Report, are approved and allowed both as to classification and amount as listed.

4. The Liquidator is authorized to destroy the records of Regis in accordance with the recommendation attached as Exhibit C to the Application for Approval of Final Accounting, Final Distribution and Final Claims Report, and Recommendation for Disposition of Records Pursuant to 40 P.S. § 221.50.

5. In accordance with 40 P.S. § 221.48(a), following the completion of the final distribution of assets, the Liquidator shall file an application seeking discharge of the Liquidator, which shall also seek approval of the final disposition of any assets remaining in the Liquidator's possession at the time of discharge, or that may be unexpectedly received by the Liquidator post-discharge.

BY THE COURT:

BONNIE BRIGANCE LEADBETTER,
SENIOR JUDGE