



GOVERNOR'S OFFICE OF GENERAL COUNSEL

November 3, 2010

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COMMONWEALTH COURT
OF PENNSYLVANIA
2010 NOV -3 A 9:53

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

Re: *Robert L. Pratter, Acting Insurance Commissioner of the Commonwealth of Pennsylvania v. White Hall Mutual Insurance Company*
No. 231 M.D. 2003

Dear Mr. Krimmel:

Enclosed for filing please find an original and two copies of Liquidator's Final Accounting and Petition for Distribution and Discharge, together with a Praeceptum to Substitute Insurance Commissioner with regard to the above-referenced matter.

Thank you for your assistance in this matter.

Very truly yours,

Preston M. Buckman
Special Funds Counsel

PMB:drh

Enclosures

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

ROBERT L. PRATTER, ACTING	:	
INSURANCE COMMISSIONER OF THE	:	
COMMONWEALTH OF	:	
PENNSYLVANIA,	:	
	:	
Plaintiff,	:	
	:	No. 231 M.D. 2003
v.	:	
	:	
WHITE HALL MUTUAL INSURANCE	:	
COMPANY,	:	
	:	
Defendant.	:	

ORDER

AND NOW, this ____ day of _____, 2010, upon consideration of the Final Accounting and Petition for Distribution and Discharge of Robert L. Pratter, in his official capacity as Insurance Commissioner of the Commonwealth of Pennsylvania, as Statutory Liquidator of White Hall Mutual Insurance Company (In Liquidation), Plaintiff's form of Notice to be sent by first-class mail to claimants is APPROVED.

BY THE COURT:

_____ J.

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

ROBERT L. PRATTER, ACTING :
INSURANCE COMMISSIONER OF :
THE COMMONWEALTH OF :
PENNSYLVANIA, :
 :
Plaintiff, :
 :
v. :
 :
WHITE HALL MUTUAL INSURANCE :
COMPANY, :
 :
Defendant. :

No. 231 M.D. 2003

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**LIQUIDATOR'S FINAL ACCOUNTING AND
PETITION FOR DISTRIBUTION AND DISCHARGE**

Robert L. Pratter, Acting Insurance Commissioner of the Commonwealth of Pennsylvania, in his official capacity as Statutory Liquidator (“Liquidator”) of White Hall Mutual Insurance Company (“White Hall”), by his attorney, Preston M. Buckman, pursuant to 40 P.S. § 221.46 and 40 P.S. § 221.48, respectfully files this final accounting and petitions the Court to approve the distribution of White Hall’s assets to its policyholders and creditors and discharge the Liquidator to complete the liquidation of White Hall, and thus represents:

1. By Order of this Court effective April 10, 2003, White Hall was ordered liquidated, and the Insurance Commissioner of the Commonwealth of Pennsylvania was

appointed Liquidator and was directed to take possession of its property and to liquidate its business and affairs. Robert L. Pratter is the current Commissioner, in an acting capacity, and thus is the current Liquidator of the White Hall estate.

2. An inventory of the assets of White Hall as of April 10, 2003 disclosed net assets of \$6,703,829.73. (See the Liquidator's final accounting for the White Hall estate, which is attached hereto as Exhibit A).

3. Changes in the net assets for the period from April 10, 2003 through June 30, 2010 indicate an increase of \$1,162,005.40 to \$7,865,835.13. The total net assets available for distribution as of June 30, 2010, after payment of administrative expenses incurred by the Liquidator, are \$7,865,835.13. (See Exhibit A.)

4. All claims have been evaluated and there are no unresolved objections to the amount allowed for any claim.

5. The total for class "a", "b", "c", "e", and "g" priority claims that has been approved and allowed is \$8,218,711.64. There are no "d", "f", "h" or "i" claims.

6. Attached hereto as Exhibit "B" is a list of all White Hall claimants who had claims approved and the amount allowed for each claim. The Liquidator requests this Court's approval of the following distribution of the assets of White Hall as follows:

- a. Priority class "a" claims will be paid at 100%. The Liquidator has already received \$1,633,117.25 in administrative expenses.
- b. Priority class "b" claims will be paid at 100%.
- c. Priority class "c" claims will be paid at 100%.
- d. There are no priority class "d" claims.
- e. Priority class "e" claims will be paid at 82%.
- f. There are no priority class "f" claims.
- g. Priority class "g" claims will not be paid.

- h. There are no priority class “h” claims.
- i. There are no priority class “i” claims.

7. The Liquidator has collected all the assets deemed worthy of pursuit, except for approximately \$79,000 in reinsurance recoverables.

8. Rather than continuing to keep the White Hall estate open in order to recover the reinsurance referenced in paragraph 7, the Liquidator recommends that the collection of those reinsurance recoverables be assigned to the Deputy Insurance Commissioner for the Office of Liquidations, Rehabilitations and Special Funds (“Deputy Commissioner”) of the Pennsylvania Insurance Department following the final distribution and discharge proposed in this petition, and that the Deputy Commissioner be authorized to utilize any amounts recovered to offset future administrative expenses.

9. Attached hereto as Exhibit “C” is a copy of the Notice of the filing of this Final Accounting and Petition for Distribution and Discharge, to be sent to all claimants in this matter upon this Court’s approval of the form of Notice.

10. All claimants listed on Exhibit “B” will be served with the Notice and provided 30 days from the date of the Notice to file objections, if any, to the Final Accounting and Petition for Distribution and Discharge.

11. Once all objections to the Final Accounting and Petition for Distribution and Discharge, if any, have been resolved, the Liquidator will file a final Motion with this Court seeking an order as set forth in Exhibit “D” approving his Final Accounting and Petition for Distribution and Discharge.

12. The Liquidator believes that no useful purpose will be served in preserving the records of White Hall, other than limited administrative files and records within the Liquidator’s discretion, and therefore, recommends pursuant to Section 550 of the Insurance Department Act

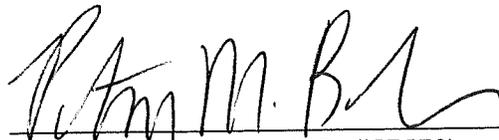
of 1921, Act of May 17, 1921, P.L. 789, No. 285, as amended, 40 P.S. §221.50, that the Liquidator be authorized to destroy records no longer considered useful.

13. The Liquidator believes that there are no other remaining assets of the company beyond the reinsurance recoverables referenced above, but respectfully requests that in the event any unanticipated funds are received, such additional funds be used to satisfy any unreimbursed administrative expenses incurred by the Liquidator.

14. The Liquidator respectfully requests that Robert L. Pratter, in his official capacity as Acting Insurance Commissioner of the Commonwealth of Pennsylvania, and his predecessors and successors in office, be discharged as Statutory Liquidator of White Hall, and thereby released from any liability to make payment of any further claims following the distribution of White Hall's assets as proposed in this petition.

WHEREFORE, the Liquidator prays Your Honorable Court that the form of Notice to be sent by first-class mail to claimants be approved.

Respectfully submitted,



Preston M. Buckman (I.D. #57570)
Governor's Office of General Counsel
Pennsylvania Insurance Department
901 North 7th Street
Harrisburg, PA 17109
(717) 787-6009

Counsel for Robert L. Pratter, Acting Insurance
Commissioner of the Commonwealth of
Pennsylvania, in his official capacity as Statutory
Liquidator of White Hall Mutual Insurance
Company (In Liquidation)

Dated: _____

11/3/10

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the foregoing document upon the person(s) and in the manner indicated below.

Service by first-class mail, addressed as follows:

Donna J. Pankowski, District Counsel
Internal Revenue Service
Mid-Atlantic Region
Liberty Center, Suite 601C
1001 Liberty Avenue
Pittsburgh, PA 15222

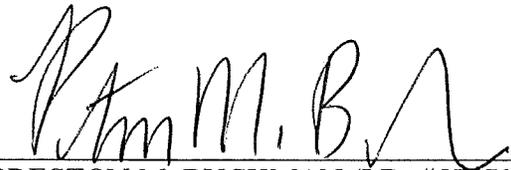
Internal Revenue Service
Special Procedures Department
P.O. Box 12051
Philadelphia, PA 19105

Sandra P. Spooner, Deputy Director
Commercial Litigation Branch
Department of Justice, Civil Division
P.O. Box 875
Ben Franklin Station
Washington, DC 20044

Pennsylvania Department of Revenue
ATTN: Marianne I. Rempe, Esquire
Office of Chief Counsel
Department 281061
Harrisburg, PA 17128-1061

Richard Sponseller, Assistant U.S. Attorney
Federal Building
Harrisburg, PA 17102

Internal Revenue Service
Taxpayer Services
600 Arch Street
Philadelphia, PA 19105



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

Counsel for Robert L. Pratter, Pennsylvania
Insurance Commissioner, in his capacity as
Statutory Liquidator of White Hall Mutual
Insurance Company (In Liquidation)

DATED: _____

11/3/10