

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: Excalibur Reinsurance Corporation, :
In Liquidation : No. 1 ERC 2016

**APPLICATION FOR APPROVAL OF REPORT AND RECOMMENDATIONS
ON EXCALIBUR REINSURANCE CORPORATION CLAIMS
UNDISPUTED AND RESOLVED FROM JULY 1, 2017 TO JUNE 30 2018**

Applicant, Jessica K. Altman, Insurance Commissioner of the Commonwealth of Pennsylvania, in her official capacity as the Statutory Liquidator (“Liquidator”) of Excalibur Reinsurance Corporation (“Excalibur”), pursuant to Pa.R.A.P. 3784(a) and 40 P.S. § 221.45, respectfully applies to this Court for an Order approving her Report and Recommendations on Excalibur Reinsurance Corporation Claims Undisputed and Resolved from July 1, 2017 to June 30, 2018. In support of her Application, the Liquidator avers the following:

BACKGROUND

1. The Insurance Commissioner of the Commonwealth of Pennsylvania was appointed Liquidator of Excalibur pursuant to this Court’s Order dated July 18, 2016 (“Liquidation Order”).

2. The Liquidation Order provided that, “In addition to the notice requirements of Section 524 of Article V,¹ 40 P.S. § 221.24, the Liquidator shall publish notice in newspapers of general circulation where Excalibur has its principal places of business that: (a) explains the procedure by which claims against the estate of Excalibur may be submitted to the Liquidator; (b)

¹The Insurance Department Act of 1921, Act of May 17, 1921, P.L. 789, as amended. Article V was added by the Act of December 14, 1977, P.L. 280, as amended, 40 P.S. §§ 221.1 – 221.63 (“Act”). (This footnote is added here, and is not contained in the text of the Liquidation Order that is being quoted in paragraph 2).

provides the address of the Liquidator's office for the submission of claims; and (c) notifies the public of the right to present a claim, or claims, to the Liquidator." See Liquidation Order, ¶7. The Liquidator provided Notice of the Liquidation Order and a Q&A document that, *inter alia*, informed all interested parties to download a Proof of Claim ("POC") form from the Insurance Department's website, or call for a copy of the POC form. The Notices and Q & A documents were mailed on a staggered basis between August 12, 2016, and September 30, 2016, as the records containing the relevant claimant information became available.

3. 40 P.S. § 221.45 requires the Liquidator to present to the Court a report of the claims against the insurer with recommendations, including the name and address of each claimant, the particulars of the claim, and the amount of the claim finally recommended, if any. Pa.R.A.P. 3784(a) further refines 40 P.S. § 221.45, and requires that at least annually, the Liquidator present to the Court a report of the claims against the insurer's estate that have been resolved, with recommendations, including the information required by 40 P.S. § 221.45, as well as the priority class, and whether the claim determination was finalized because no objection was filed, no exceptions were taken to a referee's recommended decision, a recommended decision was sustained by the Court or the parties agreed to a settlement.

**REPORT AND RECOMMENDATIONS ON CLAIMS
UNDISPUTED AND RESOLVED AS OF JUNE 30, 2018**

4. The Liquidator's Report and Recommendations on Excalibur Reinsurance Corporation Claims Undisputed and Resolved from July 1, 2017 to June 30, 2018, is comprised of two parts and attached hereto as Exhibits A and B (collectively referred to as "Report"). The

claims are sorted alphabetically, within each class, by the claimant's last name or company name. The amount claimed by the claimant, *inter alia*, is also included in the Report.²

5. The first part of the Report, which addresses claims that were determined and finalized without objection, and are referred to as "Undisputed Claims", reflects Notices of Determination ("NOD") issued by the Liquidator for which the objection period expired on or before June 30, 2018. The total number of Undisputed Claims is 45 with an allowed amount of \$41,018,669.33. The list of Undisputed Claims is attached hereto as Exhibit A.

6. The second part of the Report, which addresses claims that were determined and finalized because no exceptions were taken to a referee's recommended decision, a recommended decision was sustained by the Court or the parties agreed to a settlement, and are referred to as "Resolved Claims", is a list of the disputed claims to which objections were filed and resolved on or before June 30, 2018. The total number of Resolved Claims is 0, with an allowed amount of \$0. This is memorialized in Exhibit B, which is attached hereto.

7. As set forth in Exhibits A and B, the Liquidator respectfully submits her recommendations for a total of 45 claims with a total allowed amount of \$41,018,669.33 in accordance with Pa.R.A.P. 3784(a) and 40 P.S. § 221.45 for this Court's approval.

8. In fulfilling her statutory requirements, the Liquidator carefully reviewed all documentation submitted by the claimants in support of the claims and independently determined the merit, classification and value of each claim, as required by the Act. See 40 P.S. §§ 221.37, 221.38, 221.44, 221.45.

9. Given the discretion afforded the Liquidator pursuant to 40 P.S. § 221.45(a) to "comport, compromise, or in any other manner negotiate the amount for which claims will be

² If the claimant did not indicate a specific claim amount on the Proof of Claim, the claimed amount is noted as \$0.

recommended to the court,” the Liquidator believes that the classification and amounts she has determined for the reported claims are appropriate, fair and equitable and consistent with the relevant provisions of the Act. The Liquidator further believes that the approval of the claims listed in the attached Report is in the best interests of the Excalibur estate, claimants and other creditors.

11. Pursuant to Pa.R.A.P. 3784(a) and 40 P.S. § 221.45(b), the Liquidator respectfully requests that this Court approve the classification and allowed amount of the claims listed in the Report and allow the claimants listed in the Report or their lawful assignees to receive a distribution in accordance with 40.P.S. § 221.44 at the time and in the manner as approved by this Court.

WHEREFORE, the Liquidator respectfully requests that this Court grant her Application and approve and allow the claims as listed in the Report attached as Exhibits A and B, enter an Order in the form attached hereto, and grant such other relief as the Court shall determine appropriate and just.

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
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(717) 787-6009

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

Dated: _____

7/11/18

EXHIBIT A

Undisputed and Resolved Claims
Undisputed Claims

EXCALIBUR REINSURANCE CORPORATION

Report Period: 07/01/2017 thru 06/30/2018

Name	Address	POC #	POC Received Dt	Class	Total Claimed Amt	Total Allowed Amt	Claim Particulars
ACE AMERICAN INSURANCE COMPANY	ACE AMERICAN INSURANCE COMPANY 436 WALNUT ST PHILADELPHIA, PA 19106	172	11/29/2016	E	2,134,034.34	1,620,137.00	REINSURER
ACE FIRE UNDERWRITERS INSURANCE COMPANY	ACE FIRE UNDERWRITERS INSURANCE COMPANY 436 WALNUT ST PHILADELPHIA, PA 19106	174	11/29/2016	E	628,131.19	108,176.00	REINSURER
ACE INA OVERSEAS INSURANCE COMPANY, LTD	ACE INA OVERSEAS INSURANCE COMPANY, LTD ACE BLDG 17 WOODBOURNE AVE HAMILTON, HM08 BERMUDA	69	11/22/2016	E	58,833.58	37,339.00	REINSURER
ACE TEMPEST REINSURANCE LTD	ACE TEMPEST REINSURANCE LTD CHUBB BLDG 17 WOODBOURNE AVE HAMILTON, HM08 BERMUDA	74	11/22/2016	E	2,188,000.61	1,876,889.00	REINSURER
ADMIRAL INSURANCE COMPANY	ADMIRAL INSURANCE COMPANY 16305 SWINGLEY RIDGE ROAD STE 450 CHESTERFIELD, MO 63017	72	11/22/2016	E	49,600.00	0.00	REINSURER
ADMIRAL INSURANCE COMPANY	ADMIRAL INSURANCE COMPANY 16305 SWINGLEY RIDGE ROAD STE 450 CHESTERFIELD, MO 63017	71	11/22/2016	E	0.00	0.00	REINSURER
AIPSO	AIPSO 302 CENTRAL AVE JOHNSTON, RI 02919	254	06/20/2017	E	2,060.00	2,060.00	GEN CRED
AMERICAN INTERSTATE INSURANCE COMPANY	AMERICAN INTERSTATE INSURANCE COMPANY 2301 HIGHWAY 190 WEST DERIDDER, LA 70634	146	11/29/2016	E	167,656.00	0.00	REINSURER
AMERISURE MUTUAL INSURANCE COMPANY	AMERISURE MUTUAL INSURANCE COMPANY 26777 HALSTED ROAD FARMINGTON HILLS, MI 48331	143	11/29/2016	E	39,742.18	28,600.00	REINSURER
ASSOCIATED INDUSTRIES INSURANCE COMPANY INC	ASSOCIATED INDUSTRIES INSURANCE COMPANY INC 903 NW 65TH STREET STE 300 BOCA RATON, FL 33487	38	11/14/2016	E	3,029,184.81	2,352,994.00	GEN CRED
ATLANTIC EMPLOYERS INSURANCE COMPANY, INC	ATLANTIC EMPLOYERS INSURANCE COMPANY, INC 10 EXCHANGE PLACE 9TH FL JERSEY CITY, NJ 07302	171	11/29/2016	E	20,640.10	18,818.00	REINSURER

Undisputed and Resolved Claims
Undisputed Claims

EXCALIBUR REINSURANCE CORPORATION

Report Period: 07/01/2017 thru 06/30/2018

Name	Address	POC #	POC Received Dt	Class	Total Claimed Amt	Total Allowed Amt	Claim Particulars
ATLANTIC STATES INSURANCE COMPANY	ATLANTIC STATES INSURANCE COMPANY 1195 RIVER ROAD PO BOX 302 MARIETTA, PA 17547	62	11/21/2016	E	0.00	4,500.00	REINSURER
CENTURY INDEMNITY COMPANY	CENTURY INDEMNITY COMPANY 436 WALNUT ST PHILADELPHIA, PA 19106	165	11/29/2016	E	2,824,922.39	2,673,583.00	REINSURER
DONEGAL MUTUAL INSURANCE COMPANY	DONEGAL MUTUAL INSURANCE COMPANY 1195 RIVER ROAD PO BOX 302 MARIETTA, PA 17547	60	11/21/2016	E	0.00	4,500.00	REINSURER
DONEGAL MUTUAL INSURANCE COMPANY	DONEGAL MUTUAL INSURANCE COMPANY 1195 RIVER ROAD PO BOX 302 MARIETTA, PA 17547	59	11/21/2016	E	0.00	70,000.00	REINSURER
DONEGAL MUTUAL INSURANCE COMPANY	DONEGAL MUTUAL INSURANCE COMPANY 1195 RIVER ROAD PO BOX 302 MARIETTA, PA 17547	61	11/21/2016	E	0.00	205,000.00	REINSURER
EMPLOYERS INSURANCE OF WAUSAU A MUTUAL COMPANY	EMPLOYERS INSURANCE OF WAUSAU A MUTUAL COMPANY 500 3RD ST 6TH FLOOR WAUSAU, WI 54403	249	03/03/2017	E	200,040.00	500,100.00	REINSURER
ESSEX INSURANCE COMPANY	ESSEX INSURANCE COMPANY IVAN JAFFA 250 COMMERCIAL ST STE 5000 MANCHESTER, NH 03101	225	11/30/2016	E	0.00	0.00	REINSURER
HIGHLANDS INSURANCE COMPANY IN RECEIVERSHIP	HIGHLANDS INSURANCE COMPANY IN RECEIVERSHIP 10200 RICHMOND AVE STE 265 HOUSTON, TX 770424140	57	11/18/2016	E	9,387.54	0.00	REINSURER
HIGHLANDS INSURANCE COMPANY IN RECEIVERSHIP	HIGHLANDS INSURANCE COMPANY IN RECEIVERSHIP 10200 RICHMOND AVE STE 265 HOUSTON, TX 770424140	52	11/18/2016	E	28,725.20	24,052.68	REINSURER
HIGHLANDS INSURANCE COMPANY IN RECEIVERSHIP	HIGHLANDS INSURANCE COMPANY IN RECEIVERSHIP 10200 RICHMOND AVE STE 265 HOUSTON, TX 770424140	54	11/18/2016	E	549,231.08	497,773.79	REINSURER

Undisputed and Resolved Claims
Undisputed Claims

EXCALIBUR REINSURANCE CORPORATION

Report Period: 07/01/2017 thru 06/30/2018

Name	Address	POC #	POC Received Dt	Class	Total Claimed Amt	Total Allowed Amt	Claim Particulars
HIGHLANDS INSURANCE COMPANY IN RECEIVERSHIP	HIGHLANDS INSURANCE COMPANY IN RECEIVERSHIP 10200 RICHMOND AVE STE 265 HOUSTON, TX 770424140	55	11/18/2016 E		756,932.84	688,113.23	REINSURER
HIGHLANDS INSURANCE COMPANY IN RECEIVERSHIP	HIGHLANDS INSURANCE COMPANY IN RECEIVERSHIP 10200 RICHMOND AVE STE 265 HOUSTON, TX 770424140	53	11/18/2016 E		86,433.95	77,790.56	REINSURER
IAT GROUP	IAT GROUP 702 OBERLIN ROAD RALEIGH, NC 27605	255	09/07/2017 E		21,574.03	21,574.03	REINSURER
ILLINOIS UNION INSURANCE COMPANY	ILLINOIS UNION INSURANCE COMPANY 525 W. MONROE ST STE 700 CHICAGO, IL 60661	173	11/29/2016 E		553,268.86	420,288.00	REINSURER
INDEMNITY INSURANCE COMPANY OF NORTH AMERICA	INDEMNITY INSURANCE COMPANY OF NORTH AMERICA 436 WALNUT ST PHILADELPHIA, PA 19106	162	11/29/2016 E		13,129,835.74	9,259,560.00	REINSURER
INDUSTRIAL UNDERWRITERS INSURANCE COMPANY	INDUSTRIAL UNDERWRITERS INSURANCE COMPANY 436 WALNUT ST PHILADELPHIA, PA 19106	167	11/29/2016 E		0.00	0.00	REINSURER
INSURANCE COMPANY OF NORTH AMERICA	INSURANCE COMPANY OF NORTH AMERICA 436 WALNUT ST PHILADELPHIA, PA 19106	163	11/29/2016 E		304,101.58	78,886.00	REINSURER
LUMBER INSURANCE COMPANIES	LUMBER INSURANCE COMPANIES 1661 WORCESTER RD STE FRAMINGHAM, MA 01701	132	11/28/2016 E		0.00	39,000.00	REINSURER
LUMBER INSURANCE COMPANIES	LUMBER INSURANCE COMPANIES 1661 WORCESTER RD STE FRAMINGHAM, MA 01701	134	11/28/2016 E		0.00	36,000.00	REINSURER
LUMBER INSURANCE COMPANIES	LUMBER INSURANCE COMPANIES 1661 WORCESTER RD STE FRAMINGHAM, MA 01701	133	11/28/2016 E		0.00	33,000.00	REINSURER
NAUTILUS INSURANCE COMPANY	NAUTILUS INSURANCE COMPANY 7233 EAST BUTHEREUS DR SCOTTSDALE, AZ 85260	73	11/22/2016 E		304,305.51	304,305.51	REINSURER

Undisputed and Resolved Claims
Undisputed Claims

EXCALIBUR REINSURANCE CORPORATION

Report Period: 07/01/2017 thru 06/30/2018

Name	Address	POC #	POC Received Dt	Class	Total Claimed Amt	Total Allowed Amt	Claim Particulars
PACIFIC EMPLOYERS INSURANCE COMPANY	PACIFIC EMPLOYERS INSURANCE COMPANY 436 WALNUT ST PHILADELPHIA, PA 19106	169	11/29/2016	E	2,285,292.91	588,289.00	REINSURER
PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY	PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY ATTN: MICHAEL BUGGY TWO NORTH SECOND ST	127	11/28/2016	E	25,140.97	25,235.84	REINSURER
PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY	PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY ATTN: MICHAEL BUGGY TWO NORTH SECOND ST	128	11/28/2016	E	770,630.16	927,184.00	REINSURER
SAFETY NATIONAL CASUALTY CORPORATION	SAFETY NATIONAL CASUALTY CORPORATION 1832 SCHUETZ RD ST LOUIS, MO 63146	12	09/22/2016	E	369,805.26	268,000.00	REINSURER
SOUTHERN GUARANTY INSURANCE COMPANY	SOUTHERN GUARANTY INSURANCE COMPANY QBE, ATT: ANDREW HOFFMAN 55 WATER ST 19 FLOOR NEW YORK, NY 10041	65	11/21/2016	E	275,218.00	275,218.00	REINSURER
THE BAR PLAN MUTUAL INSURANCE COMPANY	THE BAR PLAN MUTUAL INSURANCE COMPANY 1717 HIDDEN CREEK COURT ST LOUIS, MO 63131	6	09/02/2016	E	55,416.53	0.00	REINSURER
THE HANOVER INSURANCE GROUP	THE HANOVER INSURANCE GROUP BARRY RUPARD 440 LINCOLN ST WORCESTER, MA 01653	129	11/28/2016	E	164,439.23	22,890.00	REINSURER
TIG INSURANCE COMPANY	TIG INSURANCE COMPANY 250 COMMERCIAL ST STE 5000 MANCHESTER, NH 03101	179	11/30/2016	E	16,941,193.37	14,592,000.00	REINSURER
UNIGARD INSURANCE COMPANY	UNIGARD INSURANCE COMPANY QBE, ATT: ANDREW HOFFMAN 55 WATER ST 19TH FLOOR NEW YORK, NY 10041	64	11/21/2016	E	2,966.00	2,966.00	REINSURER
VANLINER INSURANCE COMPANY	VANLINER INSURANCE COMPANY 3250 INTERSTATE DR RICHFIELD, OH 44286	144	11/29/2016	E	40,577.96	85,000.00	REINSURER

Undisputed and Resolved Claims
Undisputed Claims

EXCALIBUR REINSURANCE CORPORATION

Report Period: 07/01/2017 thru 06/30/2018

Name	Address	POC #	POC Received Dt	Class	Total Claimed Amt	Total Allowed Amt	Claim Particulars
VIRGINIA SURETY COMPANY INS	VIRGINIA SURETY COMPANY INS DOREEN GIARDINA 175 W. JACKSON CHIGAGO, IL 60604	252	03/23/2017	E	185,837.50	186,800.00	REINSURER
WESTCHESTER FIRE INSURANCE COMPANY	WESTCHESTER FIRE INSURANCE COMPANY 436 WALNUT ST PHILADELPHIA, PA 19106	166	11/29/2016	E	2,241,129.97	3,055,117.00	REINSURER
WESTCHESTER SURPLUS LINES INSURANCE C	WESTCHESTER SURPLUS LINES INSURANCE COMPANY 11575 GREAT OAKS WAY STE 300 ALPHARETTA, GA 30022	168	11/29/2016	E	6,929.69	6,929.69	REINSURER

EXHIBIT B

Undisputed and Resolved Claims

Resolved Claims

EXCALIBUR REINSURANCE CORPORATION

Report Period: 07/01/17 thru 06/30/2018

Number of Resolved Claims:	Amount Claimed:	Amount Approved:
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CERTIFICATE OF SERVICE

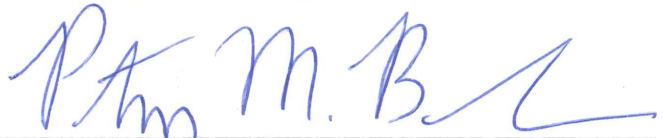
I hereby certify that I am this day serving the foregoing document upon all parties of record in this proceeding in accordance with the requirements of 1 Pa. Code Chapter 33 in the following manner:

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

Keith E. Kaplan, Esq.
Chief Liquidation Officer
c-kkaplan@pa.gov
Excalibur Reinsurance Corporation,
In Liquidation
1880 JFK Blvd., Suite 801
Philadelphia, PA 19103

Robert W. Blazer, III, Managing
Director of Reinsurance
Markel Corporation
310 Highway 35 South
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(732) 391-8863

William D. Goddard, Esq.
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PRESTON M. BUCKMAN (I.D. #57570)
Insurance Department Counsel
Office of Liquidations, Rehabilitations
& Special Funds
Governor's Office of General Counsel
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Harrisburg, PA 17102
(717) 787-6009

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

Dated: _____

7/11/18

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: Excalibur Reinsurance Corporation, :
In Liquidation : No. 1 ERC 2016

ORDER

RE: Liquidator's Report and Recommendations on Excalibur Reinsurance Corporation Claims Undisputed and Resolved from July 1, 2017 to June 30, 2018.

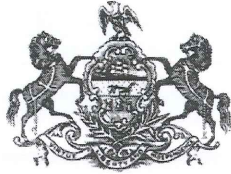
AND NOW, this ____ day of _____, 2018, upon consideration of the Liquidator's Application for Approval of Report and Recommendations on Excalibur Reinsurance Corporation Claims Undisputed and Resolved from July 1, 2017 to June 30, 2018 ("Application"), it is hereby ORDERED and DECREED:

1. The Application is GRANTED and the claims listed in the Report and Recommendations on Excalibur Reinsurance Corporation Claims Undisputed and Resolved from July 1, 2017 to June 30, 2018 ("Report"), are APPROVED and ALLOWED both as to classification and amount as listed;

2. The Report is incorporated herein by reference; and

3. The Claimants listed in the Report or their lawful assignees shall receive a distribution in accordance with 40.P.S. § 221.44 at the time and in the manner as approved by this Court.

P. KEVIN BROBSON, Judge



COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S OFFICE OF GENERAL COUNSEL

July 11, 2018

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: Excalibur Reinsurance Corporation (In Liquidation)
No. 1 ERC 2016***

Dear Mr. Krimmel:

Attached for filing please find the Liquidator's Application for Approval of Report and Recommendations on Excalibur Reinsurance Corporation Claims Undisputed and Resolved from July 1, 2017 to June 30 2018, with regard to the above-referenced matter.

Thank you for your assistance in this matter.

Very truly yours,

A handwritten signature in blue ink that reads "Ptm M. B." followed by a stylized flourish.

Preston M. Buckman
Insurance Department Counsel

PMB:drh

Enclosure