

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

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

Re: Liquidator's Amended Application for Approval of Report and Recommendations on Excalibur Reinsurance Corporation Claims Undisputed and Resolved from July 18, 2016 to June 30, 2017

MEMORANDUM AND ORDER

Presently before the Court is the Liquidator's Amended Application for Approval of Report and Recommendations on Excalibur Reinsurance Corporation Claims Undisputed and Resolved from July 18, 2016 to June 30, 2017 (Application). The Liquidator has provided summary information on 67 undisputed claims with a recommended allowed amount of \$11,118,804.68. No responses have been filed to the Application.

Pursuant to Pa. R.A.P. 3784(a) (addressing reports of the Liquidator) and Section 545(a) of The Insurance Department Act of 1921 (Act), Act of May 17, 1921, P.L. 789, 40 P.S. § 221.45(a) (pertaining to the Liquidator's report containing recommendations on claims),¹ the Liquidator is required to present to the Court a report of the claims against the Excalibur estate along with her recommendations. The Liquidator's Report, which contains only undisputed claims, is attached to the Application.² For each claim listed, the Report details the

¹ Section 545 of the Act was added by the Act of December 14, 1977.

² The Report actually covers the period September 30, 2016, through June 30, 2017. Undisputed claims are those that are determined and finalized without an objection. There were no resolved claims during the reporting period.

claimant's name and address, the date the proof of claim was received, the proof of claim number assigned, the priority classification assigned, the total amount claimed and ultimately allowed, and a brief description of the nature of the claim. According to the Liquidator, she "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." Application, ¶ 8. The Liquidator has further represented that:

[T]he 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.

Application, ¶ 10.

It is well settled that the Liquidator has broad discretion to administer the Excalibur estate in order to protect the interests of its policyholders, creditors and the general public. Considering that the Liquidator is statutorily authorized to "comport, compromise or in any other manner negotiate the amount for which claims will be recommended to the court," *see* Section 545(a) of the Act, and her representations set forth above, the Court will grant the Application and approve the Report as directed in the following Order.

AND NOW, this 26th day of October, 2017, upon consideration of the Liquidator's Amended Application for Approval of Report and Recommendations on Excalibur Reinsurance Corporation Claims Undisputed and Resolved from July 18, 2016 to June 30, 2017 (Application), the Application is GRANTED as follows:

1. The claims listed in the Undisputed Claims Report (Report), attached to the Application, are approved and allowed both as to the classification and amount 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 Section 544 of The Insurance Department Act of 1921, Act of May 17, 1921, P.L. 789, added by the Act of December 14, 1977, P.L. 280, 40 P.S. §221.44, at the time and in the manner as approved by this Court.


P. KEVIN BROBSON, Judge

Certified from the Record

OCT 26 2017

And Order Ext