

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: Rockwood Insurance Company,       :  
In Liquidation                                :                       No. 1 ROC 1990

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

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

1. Rockwood Insurance Company (hereinafter "Rockwood") was placed in liquidation by Order of this Court effective August 26, 1991.
2. On May 19, 2021, the Liquidator filed with this Court her Final Accounting, Proposal for Final Distribution and Application for Approval of Notice ("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 August 11, 2021, after approval by this Court by Order dated August 3, 2021. 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. The Liquidator has responded to all Application-related claimant inquiries and has made all necessary address and information corrections to the claimant mailing list and stands ready to begin paying claims.

6. Accordingly, the Liquidator now files this Application for Approval of Final Accounting, Final Distribution and Recommendation for Disposition of Records Pursuant to 40 P.S. § 221.50, seeking this Court's approval of her final accounting and final distribution, 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 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 Rockwood Insurance Company ("Rockwood") (In Liquidation), be approved and confirmed absolutely.

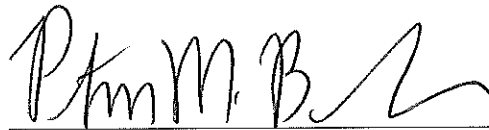
2. The Liquidator be authorized to make distribution of the assets of Rockwood in accordance with paragraph 6 of the Liquidator's Final Accounting, Proposal for Final Distribution and Application for Approval of Notice, as follows:

- a. Priority class "a" claims will be paid at 100%. The Liquidator has already received \$6,464,755.27 in administrative expenses.
- b. Priority class "b" claims will be paid at least 19.67%.
- c. There are no priority class "c" claims.
- d. Priority class "d" claims will not be paid.
- e. Priority class "e" claims will not be paid.
- f. Priority class "f" claims will not be paid.
- 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.

3. The Liquidator be authorized to destroy the records of Rockwood in accordance with the recommendation attached as Exhibit C to this Application for Approval of Final Accounting, Final Distribution and Recommendation for Disposition of Records Pursuant to 40 P.S. § 221.50.

4. 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)

[pbuckman@pa.gov](mailto:pbuckman@pa.gov)

Insurance Department Counsel

Governor's Office of General Counsel

Capital Associates Building

901 North 7<sup>th</sup> Street, Suite 201

Harrisburg, PA 17102

(717) 886-2080

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

Dated: October 26, 2021

# **EXHIBIT A**

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: Rockwood Insurance Company :  
In Liquidation : No. 1 ROC 1990

PER CURIAM

ORDER

NOW, August 3, 2021, upon consideration of the Liquidator's Application to Approve Notice of Final Accounting and Proposal for Final Distribution, which requests approval of the Notice (as amended and 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 of the Application.

Certified from the Record

AUG 03 2021

And Order Exit

# **EXHIBIT B**

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: Rockwood Insurance Company, :  
In Liquidation : No. 1 ROC 1990

August 11, 2021

**NOTICE TO ALL CLAIMANTS OF  
ROCKWOOD 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 Rockwood Insurance Company (In Liquidation) (“Rockwood”) (“Liquidator”), has filed for approval of her Final Accounting and Proposal for Final Distribution, which sets forth the steps taken in this liquidation.

PLEASE TAKE FURTHER NOTICE that the total for class “a”, “b”, “d”, “e”, “f”, “g”, “h” and “i” priority claims that has been approved and allowed is \$378,650,206.94. There are no class “c” claims. The total net assets available for distribution, after payment of administrative expenses incurred by the Liquidator and a reserve of \$116,000 for future pre- and post-discharge administrative expenses of the Liquidator, are \$103,999,468.97.

The Liquidator requests, or will subsequently request, that:

1. The Final Accounting and Proposal for Final Distribution be approved and confirmed absolutely.
2. The Liquidator be authorized to make a distribution of the assets of Rockwood as follows:
  - a. Priority class “a” claims will be paid at 100%. The Liquidator has already received \$6,464,755.27 in administrative expenses.
  - b. Priority class “b” claims will be paid at least 19.67%.
  - c. There are no priority class “c” claims.

- d. Priority class "d" claims will not be paid.
- e. Priority class "e" claims will not be paid.
- f. Priority class "f" claims will not be paid.
- g. Priority class "g" claims will not be paid.
- h. Priority class "h" claims will not be paid.
- i. Priority class "i" claims will not be paid.

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 Rockwood 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 and Proposal for Final Distribution.

5. Jessica K. Altman, in her official capacity as Insurance Commissioner of the Commonwealth of Pennsylvania, and her predecessors-in-office, be discharged as Statutory Liquidator of Rockwood, 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 of the Statutory Liquidator upon completion of the final distribution.

TAKE FURTHER NOTICE that objections to the Final Accounting and Proposal for Final Distribution must be filed in writing with the Commonwealth Court of Pennsylvania, Office of the Prothonotary, 601 Commonwealth Avenue, Suite 2100, P.O. Box 69185, Harrisburg, Pennsylvania 17106-9185. In the event of such a filing, please refer to Docket No. 1 ROC 1990.

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 and Proposal for Final Distribution are available to interested parties for inspection at the Commonwealth Court of Pennsylvania, Office of the Prothonotary, 601 Commonwealth Avenue, Suite 2100, Harrisburg, Pennsylvania 17106-9185; and the PA Insurance Department, 901 North 7th Street, Harrisburg, Pennsylvania 17102. Please note that due to office closures related to the pandemic, alternative arrangements may need to be made to inspect this Final Accounting and Proposal for Final Distribution.

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 RECOMMENDATION FOR DISPOSITION OF RECORDS PURSUANT TO 40 P.S. §221.50

#### RECOMMENDATION FOR THE DISPOSITION OF RECORDS

The Rockwood Insurance Company ("Rockwood") (In Liquidation) estate currently has the following categories of records:

- Underwriting Files including:
  - Policy Forms
  - Correspondence
  - Active policies at liquidation
  - Terminated policies
- Pre-liquidation administrative files
- 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 Reinsurance files – both ceded and assumed
- 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 including:
  - Corporate Records
  - Personnel files
  - Corporate Insurance files
  - Correspondence 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 Rockwood 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 Rockwood liquidation proceeding. 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.

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 Rockwood 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 Rockwood estate as well.

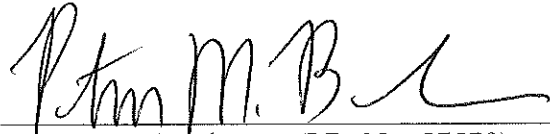
In keeping with the foregoing, the Liquidator seeks this Court's approval of the following recommendation for the disposition of Rockwood records:

1. The Liquidator be authorized to destroy the pre-liquidation records, with the exception of the accounting files that contain tax records;

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. No. 57570)  
[pbuckman@pa.gov](mailto:pbuckman@pa.gov)  
Insurance Department Counsel  
Governor's Office of General Counsel  
Capital Associates Building  
901 North 7<sup>th</sup> Street, Suite 201  
Harrisburg, PA 17102  
(717) 886-2080

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

Dated: October 26, 2021

## 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

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

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

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

Lawrence G. McMichael, Esq.  
Dilworth Paxson, LLP  
1500 Market Street, 3500E  
Philadelphia, PA 19102

Carole H. Haynes, President  
Architectural Contractors, Inc.  
P.O. Box 9043  
Albuquerque, NM 87119-6622

Kay, Casto & Chaney  
P.O. Box 2031  
Charleston, WV 25327

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

Charles V. Contrada, Esq.  
Contrada & Associates  
6641 Sylvania Avenue, Suite 8  
Sylvania, OH 43560

Patrick C. McGinley, Esq.  
737 South Hills Drive  
Morgantown, WV 26505-6243

James W. Graves, Esq.  
Graves & Graves  
3500 Rue De Lac Street  
Shreveport, LA 71107-7662

Debora Fajer-Smith, Esq.  
6404 Ivy Lane, Suite 400  
Greenbelt, MD 20770-1417

Don J. Mros, Esq.  
Chadbourne & Parke  
1200 New Hampshire Avenue, N.W.  
Washington, DC 20036

Francisco Velasquez, Esq.  
510 Slate Avenue, N.W.  
Albuquerque, NM 87102-2157

Philip S. Kift, Jr., Esq.  
John Yediny, President  
Rockwood Casualty Insurance Company  
654 Main Street  
Rockwood, PA 15557-1029

James R. Snyder, Esq.  
Jackson & Kelly  
500 Lee Street, Suite 1600  
P.O. Box 553  
Charleston, WV 25322

D. Kay Tennyson, Esq.  
Nelson, Mullens, Riley & Scarborough, LLP  
Meridian, 17<sup>th</sup> Floor  
1320 Main Street  
Columbia, SC 29201

Louis C. Long, Esq.  
Pietragallo Gordon Alfano Bosick  
and Raspanti, LLC  
The Thirty-Eighth Floor  
One Oxford Centre  
Pittsburgh, PA 15219

Bogin, Munns & Munns, P.A.  
P.O. Box 2807  
Orlando, FL 32802-2807

John J. Sarchio, Esq.  
Chadbourne & Parke  
30 Rockefeller Plaza  
New York, NY 10120

Edward F. Mannino, Esq.  
Mannino Law Firm  
600 West Germantown Pike, Suite 400  
Plymouth Meeting, PA 19462

Marilyn E. Zilli, Esq.  
Fetterhoff & Zilli  
218 Pine Street  
Harrisburg, PA 17101-1350

Thomas Whitney Rodd, Esq.  
The Calwell Practice, PLLC  
Law and Arts Center, West  
500 Randolph Street  
P.O. Box 113  
Charleston, WV 25302

R.E. Thompson, Esq.  
Modrall Sperling Roehl Harris & Sisk  
500 4<sup>th</sup> Street, N.W., Suite 1000  
P.O. Box 2168  
Albuquerque, NM 87103

C. Cotesworth Pinckney, Esq.  
1001 Haxall Point  
Richmond, VA 23219

S. Ault Hootsell, III, Esq.  
Phelps Dunbar, LLP  
Suite 2000, Canal Place  
365 Canal Street  
New Orleans, LA 70130-6534

Robert F. Cohen, Jr., Esq.  
Cohen Abate & Cohen  
P.O. Box 846  
Morgantown, WV 26507-0846

Andrew Rothseid, Principal  
RunOff Re.Solve, LLC  
Two Bala Plaza, Suite 300  
Bala Cynwyd, PA 19004



Sue Pease, Claims Manager  
Pennsylvania Workers' Compensation  
Security Fund  
901 North 7<sup>th</sup> Street, Suite 201  
Harrisburg, PA 17102

Andrea Lentine, Executive Director  
Alabama Insurance Guaranty Association  
600 University Park Place, Suite 200  
Birmingham, AL 35209

Steve A. Uhrynowycz, Administrator  
Arkansas Property & Casualty  
Guaranty Fund  
1023 West Capitol Avenue, Suite 2  
Little Rock, AR 72201

Barry Miller, Executive Director  
Delaware Insurance Guaranty Association  
220 Continental Drive, Suite 309  
Newark, DE 19713

Sandra J. Robinson, President  
Florida Workers' Compensation Insurance  
Guaranty Association  
P.O. Box 15159  
Tallahassee, FL 32317-5159

Michael C. Marchman, Executive Director  
Georgia Insurers Insolvency Pool  
Gwinnett Commerce Center  
3700 Crestwood Parkway, Suite 400  
Duluth, GA 30096

Steven M. Augspurger, General Counsel  
Iowa Insurance Guaranty Association  
801 Grand Avenue, Suite 3700  
Des Moines, IA 50309-8004

John Wells, Executive Director  
Louisiana Insurance Guaranty Association  
2142 Quail Run Drive  
Baton Rouge, LA 70808-4126

John R. Spielberger, President  
Maryland P&C Insurance  
Guaranty Association  
305 Washington Avenue, Suite 600  
Towson, MD 21204-4715

Chad Anderson, President  
Montana and Nebraska Guaranty  
Associations  
Western Guaranty Fund Services  
1720 South Bellaire Street, Suite 408  
Denver, CO 80222

Steven Vanetsky, Interim Executive  
Director  
New Mexico Insurance Guaranty  
Association

Integrion Group  
P.O. Box 27815  
Albuquerque, NM 87125

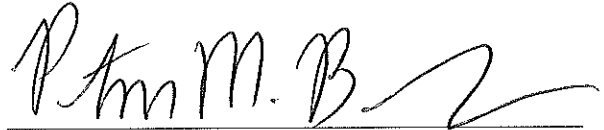
Amanda Barbera, General Manager  
Oklahoma P&C Insurance  
Guaranty Association  
2601 Northwest Expressway, Suite 330E  
Oklahoma City, OK 73112

Edwin E. Evans, Managing Secretary  
South Dakota P&C Insurance  
Guaranty Association  
P.O. Box 2790  
Sioux Falls, SD 57101-2790

David Broemel, Executive Secretary  
Tennessee Insurance Guaranty Association  
3100 West End Avenue, Suite 670  
Nashville, TN 37203-5805

Marvin Kelly, Executive Director  
Texas P&C Insurance Guaranty Association  
9120 Burnet Road  
Austin, TX 78758

Paul M. Gulko, President  
Virginia Guaranty Association  
Guaranty Fund Management Services  
One Bowdoin Square  
Boston, MA 02114-2916



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

[pbuckman@pa.gov](mailto:pbuckman@pa.gov)

Insurance Department Counsel

Governor's Office of General Counsel

Capital Associates Building

901 North 7<sup>th</sup> Street, Suite 201

Harrisburg, PA 17102

(717) 886-2080

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

Dated: October 26, 2021

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: Rockwood Insurance Company, :  
In Liquidation : No. 1 ROC 1990

**ORDER**

AND NOW, this \_\_\_\_ day of \_\_\_\_\_ 2021, upon consideration of the foregoing Application for Approval of Final Accounting, Final Distribution 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 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 Rockwood Insurance Company (“Rockwood”) (In Liquidation), is approved and confirmed absolutely.

2. The Liquidator is authorized to make distribution of the assets of Rockwood in accordance with paragraph 6 of the Liquidator’s Final Accounting, Proposal for Final Distribution and Application for Approval of Notice, as follows:

- a. Priority class “a” claims will be paid at 100%. The Liquidator has already received \$6,464,755.27 in administrative expenses.
- b. Priority class “b” claims will be paid at least 19.67%.
- c. There are no priority class “c” claims.
- d. Priority class “d” claims will not be paid.
- e. Priority class “e” claims will not be paid.
- f. Priority class “f” claims will not be paid.

- 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.

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

4. 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,  
President Judge Emerita



COMMONWEALTH OF PENNSYLVANIA  
GOVERNOR'S OFFICE OF GENERAL COUNSEL

October 26, 2021

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: Rockwood Insurance Company (In Liquidation)  
No. 1 ROC 1990***

Dear Mr. Krimmel:

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

Thank you for your assistance in this matter.

Very truly yours,

A handwritten signature in black ink that reads "P. M. Buckman".

Preston M. Buckman  
Insurance Department Counsel

PMB:drh

Enclosure