

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

In Re: Senior American Insurance               :  
Company (In Liquidation)                       :               No. 1 SAI 2018

**ORDER**

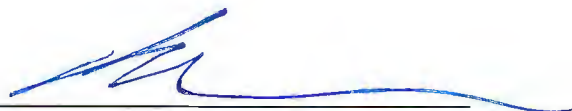
AND NOW, this 8th day of November, 2021, upon consideration of the Liquidator's Proposal to Distribute Assets to State Guaranty Associations Pursuant to 40 P.S. § 221.36 (Proposal), to which no objections have been filed, it is hereby ORDERED:

Pursuant to Section 536 of Article V of The Insurance Department Act of 1921,<sup>1</sup> 40 P.S. § 221.36, the Liquidator is authorized to distribute \$6 million in cash and special/statutory deposits to the Participating Associations, as identified in the Early Access Agreement attached to the Proposal as Exhibit A, through the National Organization of Life and Health Guaranty Associations in partial payment of the Participating Associations' claims for administrative costs and claims

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<sup>1</sup> Act of May 17, 1921, P.L. 789, added by the Act of December 14, 1977, P.L. 280, 40 P.S. § 221.36. Section 536 of Article V directs the Liquidator to apply to this Court for approval of a proposal to disburse an insolvent insurer's marshalled assets to guaranty associations to assist them in fulfilling their statutory obligation to pay claims against the estate. The proposal must include provisions for (1) reserving amounts for the payment of administrative expenses and secured claims; (2) disbursement of assets marshalled to date and future disbursements; (3) equitable allocation of disbursements to each guaranty association; (4) the securing of agreements with each guaranty association to return disbursed assets if necessary to ensure pro rata distributions amongst members of the same class of creditors; and (5) the filing of reports by the associations at the Liquidator's request. Section 536(b) of Article V, 40 P.S. § 221.36(b). The Early Access Agreement attached to the Proposal as Exhibit A complies with the requirements of Section 536(b). Pursuant to Section 536(d) of Article V, 40 P.S. § 221.36(d), notice of the Proposal was provided on July 1, 2021, to the guaranty associations and commissioners of insurance of each of the states where Senior American Insurance Company was licensed.

payments that they will incur in the liquidation of Senior American Insurance Company.



P. Kevin Brobson, President Judge