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COMMONWEALTH COURT  
OF PENNSYLVANIA

13 MAY 2016 09 50

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

TERESA D. MILLER,  
INSURANCE COMMISSIONER OF  
THE COMMONWEALTH OF  
PENNSYLVANIA,

Plaintiff,

v.

WESTMORELAND CASUALTY  
COMPANY,

Defendant.

No. 2645 C.D. 1987

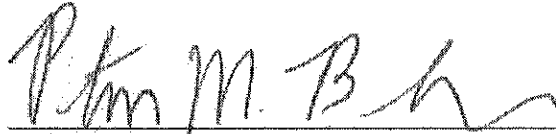
PRAECIPE TO SUBSTITUTE

TO THE PROTHONOTARY:

On January 20, 2016, an Application to Approve the Final Determined Amounts of Claims of Guaranty Associations Affected by the Insolvency of Westmoreland Casualty Company was filed in this liquidation proceeding. Exhibit B to said Application currently consists of eighteen

(18) pages (the pages are not numbered). Please replace the seventh, eighth, and ninth pages of Exhibit B with the two pages attached hereto.

Respectfully submitted:



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

Governor's Office of General Counsel

Pennsylvania Insurance Department

Capitol Associate Building

901 North 7<sup>th</sup> Street

Harrisburg, PA 17102

(717) 787-6009

Attorney for Teresa D. Miller, Insurance  
Commissioner of the Commonwealth of  
Pennsylvania, in her official capacity as Statutory  
Liquidator of Westmoreland Casualty Company

Dated: \_\_\_\_\_

5/13/16

## **Buckman, Preston**

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**From:** Haag, Dennis  
**Sent:** Wednesday, May 11, 2016 10:50 AM  
**To:** Buckman, Preston  
**Subject:** FW: Westmoreland Casualty Company

See below.

**From:** Barry Miller [mailto:bmiller@deiga.com]  
**Sent:** Friday, September 25, 2015 10:21 AM  
**To:** Haag, Dennis <c-dhaag@pa.gov>  
**Subject:** RE: Westmoreland Casualty Company

Mr. Haag,

We were involved with the "testing" of the handling of Management Fees and are aware of the court decision, therefore we are in agreement with the exclusion of Management Fees from our Class "A" claim.

Regards,  
Barry

Barry Miller  
Executive Director  
Delaware Insurance Guaranty Association  
(302) 456-3656 ext. 5  
[bmiller@deiga.com](mailto:bmiller@deiga.com)

**From:** Haag, Dennis [mailto:c-dhaag@pa.gov]  
**Sent:** Wednesday, September 23, 2015 8:30 AM  
**To:** Barry Miller  
**Subject:** Westmoreland Casualty Company

Mr. Miller

On June 30, 2015, Mr. Andrew Rothseid of RunOff ReSolve Re wrote to you regarding the finalization of Westmoreland Casualty Company. You wrote back on July 21, 2015 accepting our figures for your Class "A" claim in the amount of \$96,809.05 and your class "B" claim in the amount of \$536,849.17.

We continue to creep closer to closing out the Westmoreland Estate but in doing so, we have encountered an issue. In June, 2007 the Office of Liquidations issued GA Reimbursement Guidelines which spelled out various items that the liquidator would not recognize. One of those items, Investment Manager Fees, was tested in Commonwealth Court and the court found in favor of the liquidator.

Based on this, we have determined that in the Westmoreland Estate, we would allow investment manager fees up until the date of the GA Reimbursement Guidelines but disallow any fees incurred after that date. As of June 30, 2007, you had recorded \$0.00 in Inception to Date Investment Manager Fees. This amount will be allowed as part of your class "A"

administrative claim. As of June 30, 2015, your inception to date Investment Manager Fees had grown to \$9,258.87. This \$9,258.87 will be a disallowed item, thereby decreasing your class "A" claim to \$87,550.18.

I know this adjustment seems trivial, but we must make it to be consistent across the board.

Please reply with your agreement to this adjustment.

Thank you.

**Dennis Haag** | Chief  
Insurance Department | Bureau of Liquidations & Rehabilitations  
901 N. 7th Street | Harrisburg PA 17102  
Phone: 717.787.7823 | Fax 717.783-9326  
[www.insurance.pa.gov](http://www.insurance.pa.gov) | [www.chipcoverspakids.com](http://www.chipcoverspakids.com)

## 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  
1001 Liberty Avenue, Room 112  
Pittsburgh, PA 15222-4003

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

Barry Miller, Executive Director  
Delaware Insurance Guaranty Association  
220 Continental Drive, Suite 309  
Newark, DE 19713-4311

Arthur Russell, Executive Director  
Mississippi Insurance Guaranty Association  
713 South Pear Orchard Road, Suite 200  
Ridgeland, MS 39157-4823

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

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

Stephen F. Perrone, Executive Director  
Pennsylvania P&C Insurance Guaranty  
Corporation  
1617 John F. Kennedy Blvd., Suite 1850  
Philadelphia, PA 19103

Laura Keller, Claims Manager  
Pennsylvania Workers Compensation  
Security Fund  
901 North 7<sup>th</sup> Street  
Harrisburg, PA 17102

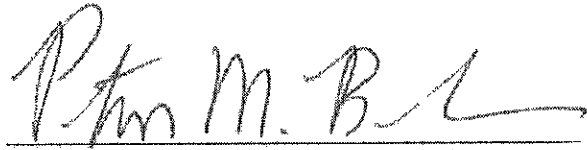
Pennsylvania Department of Revenue  
ATTN: Marianne I. Rempe, Esquire  
Office of Chief Counsel  
Department 281061  
Harrisburg, PA 17128-1061

Joseph J. Horvath, Executive Director  
Pennsylvania Life & Health Insurance  
Guaranty Association  
290 King of Prussia Road  
Radnor, PA 19087

Desiree Worsley  
Louisiana Insurance Guaranty Association  
2142 Quail Run Drive  
Baton Rouge, LA 70808

Becky Tafoya, Director  
New Mexico P&C Insurance Guaranty  
Association  
Integrion Group  
P.O. Box 27815  
Albuquerque, NM 87125

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



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

Counsel for Teresa D. Miller, Pennsylvania  
Insurance Commissioner, in her capacity as  
Statutory Liquidator of Westmoreland  
Casualty Company (In Liquidation)

DATED:

5/13/16



GOVERNOR'S OFFICE OF GENERAL COUNSEL

May 13, 2016

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

*Re: Teresa D. Miller, Insurance Commissioner of the Commonwealth of  
Pennsylvania v. Westmoreland Casualty Company  
No. 2645 C.D. 1987*

Dear Mr. Krimmel:

Attached for filing please find a copy of a Praecept to Substitute with regard to the above-referenced liquidation.

Thank you for your assistance in this matter.

Very truly yours,

Preston M. Buckman  
Insurance Department Counsel

PMB:drh

Enclosure