

DEC 18 2013

At 4:30 PM.  
Amalia Rodriguez-Mendoza, Clerk

CAUSE NO. D-1-GV-12-001713

THE STATE OF TEXAS	§	IN THE DISTRICT COURT OF
	§	
VS.	§	TRAVIS COUNTY, TEXAS
	§	
GRAMERCY NSURANCE COMPANY	§	53RD JUDICIAL DISTRICT

**ORDER APPROVING APPLICATION TO APPROVE SETTLEMENT AGREEMENT  
AND RELEASE OF TRUST FUNDS**

**(Companion Property and Casualty Insurance Company and Kemper Cost Management)**

On this day came on to be heard the *Application to Approve Settlement Agreement and Release of Trust Funds (Companion Property and Casualty Insurance Company and Kemper Cost Management)* filed by Resolution Oversight Corporation, Special Deputy Receiver for Gramercy Insurance Company (the "SDR" and "Gramercy", respectively), for authority to settle claims pursuant to TEX. INS. CODE § 443.154(y). The SDR represented to the Court that it is in the best interests of the receivership estate and its policyholders and creditors to enter into a Compromise Settlement Agreement and Release (the "Agreement") and to settle the claim as set forth in the Application.

Having considered the Application and the recommendations of the Master acting under the *Supplemental Order of Reference to Master* entered on August 26, 2013 ("Supplemental Order of Reference"), the Court finds as follows:

1. This Court has exclusive jurisdiction over the subject matter of the Application under TEX. INS. CODE § 443.005;
2. The Application was submitted to the Master appointed in this proceeding in accordance with the Supplemental Order of Reference entered by this Court on August 26, 2013;
3. Notice of the submission of the Application to all persons who have requested to be placed on the Certificate of Service was provided in accordance with the requirements of TEX. INS. CODE § 443.007(d) and the notice requirements in the Supplemental Order of Reference, and no objections to the Application were filed;

4. Notice of the submission of the Application was provided to all parties in interest as that term is defined in TEX. INS. CODE § 443.004(17)(a) as shown on the Certificate of Service and is sufficient;

5. The Master determined that grounds exist for expedited consideration and that sufficient notice was provided to all parties;

6. The Master has issued a recommendation that the Application should be granted pursuant to Rule 171 of the Texas Rules of Civil Procedure; and

7. The recommendation of the Master should be confirmed, and the Application should be GRANTED.

It is therefore ORDERED, ADJUDGED and DECREED that:

1. The Application is GRANTED in all respects;
2. The Agreement, a copy of which is attached as Exhibit A to the Application, is approved;
3. The Receivership Court shall retain jurisdiction of any disputes between the SDR and Companion Property and Casualty Insurance Company and between the SDR and Kemper Cost Management relating directly or indirectly to the Agreement; and
4. Any disputes involving Gramercy relating directly or indirectly to the Agreement shall be heard in this proceeding, and referred to the master appointed by this Court in accordance with the Supplemental Order of Reference, and any amendments to such order.

SIGNED this 18<sup>th</sup> day of DECEMBER, 2013.

PROPER NOTICE GIVEN  
ACKNOWLEDGMENT OF NOTICE AND WAIVER  
OF OBJECTION PRESENTED  
SUBMITTED  
RECOMMENDED  
SIGNED ON 17<sup>th</sup> DAY OF Dec, 2013

Original Signed by  
TOM COLLINS, RECEIVERSHIP SPECIAL MASTER

Original Signed by  
JUDGE PRESIDING  
TIM SULAK