

CAUSE NO. D-1-GN-18-001285

THE TEXAS DEPARTMENT OF	§	IN THE DISTRICT COURT OF
INSURANCE,	§	
<i>Plaintiff,</i>	§	
	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
ACCESS INSURANCE COMPANY,	§	
<i>Defendant.</i>	§	261 ST JUDICIAL DISTRICT

**SPECIAL DEPUTY RECEIVER’S
APPLICATION TO APPROVE COMMUTATION AND RELEASE AGREEMENT
(ALLIANZ RISK TRANSFER AG (BERMUDA BRANCH))**

TO THE HONORABLE JUDGE OF SAID COURT:

CANTILO & BENNETT, L.L.P., solely in its capacity as Special Deputy Receiver of Access Insurance Company (the “SDR” and “AIC,” respectively), files this Application to Approve Commutation and Release Agreement (Allianz Risk Transfer AG (Bermuda Branch)) (the “Application”).

I. INTRODUCTION

1.1 The SDR files this Application pursuant to TEX. INS. CODE § 443.154 (y) to request authority to enter into an agreement with Allianz Risk Transfer AG (Bermuda Branch) (Allianz) to settle its reinsurance agreements with AIC. The proposed Commutation Agreement is attached as Exhibit 1.

II. AUTHORITY

2.1 On March 13, 2018, the Court entered an *Agreed Order Appointing Liquidator, Permanent Injunction, and Notice of Automatic Stay* (the “Liquidation Order”), appointing the Texas Commissioner of Insurance as Liquidator of AIC. Effective March 13, 2018, the Texas Commissioner of Insurance, as Liquidator appointed CANTILO & BENNETT, L.L.P. as SDR of AIC. The SDR is authorized to file this Application pursuant to TEX. INS. CODE §443.154 (y).

2.2 This Court has jurisdiction over the subject matter of this Application and the parties herein pursuant to TEX. INS. CODE § 443.005. The Court has exclusive jurisdiction over property of the estate pursuant to TEX. INS. CODE § 443.005(c) and personal jurisdiction over all parties affected herein because this is a civil proceeding arising under and related to a delinquency proceeding under the Texas Insurer Receivership Act, Chapter 443 of the Texas Insurance Code.

2.3 Travis County is the mandatory, sole, and exclusive venue for this proceeding. TEX. INS. CODE § 443.005.

2.5 The subject matter of this Application has been referred to the Special Master appointed in this proceeding in accordance with Paragraph III of the *Order of Reference to Master*.

III. BACKGROUND

3.1 Allianz reinsured AIC before receivership under two quota share reinsurance agreements. Allianz was one of a group of reinsurers with varying percentages of AIC's ceded reinsurance. AIC and Allianz entered a Private Passenger Automobile Quota Share Treaty under which Allianz agreed to accept 10% of AIC's paid losses arising from November 1, 2014, to October 31, 2015. AIC and Allianz entered a second Private Passenger Automobile Quota Share Contract under which Allianz agreed to accept 5% of AIC's paid losses arising from November 1, 2015 to October 31, 2017. These two reinsurance agreements are collectively referred to as the "Allianz Reinsurance Contracts". Only Allianz' obligation for paid losses on claims remains to be resolved. Loss adjustment expenses ("LAE") were reinsured as a percentage of earned premium and were satisfied shortly after the inception of the receivership.

3.2 At the beginning of the receivership the SDR drew down on two letters of credit ("LOCs") totaling \$15,108,087 on behalf of AIC, securing Allianz' obligations under the Allianz Reinsurance Contracts. The money (the "Collateral") is held in a separate estate account at the

Texas Treasury. The SDR has withdrawn the amount Allianz owed AIC each month under the Allianz Reinsurance Contracts, if any, from the account. As of March 31, 2025, the Collateral totals approximately \$10.86 million.

3.3 Allianz filed a proof of claim (the “Allianz POC”) for \$10,452,268, which has not been adjudicated.

3.4 The SDR reported all AIC policy claims paid by guaranty associations after receivership and approved POCs covered by reinsurance contracts to AIC’s reinsurers, including Allianz. As of October 31, 2024, Allianz’ estimated exposure to AIC under the Allianz Reinsurance Contracts is \$3,646,645, which includes approximately \$3.6 million in liability for “incurred but not reported” (“IBNR”) claims, its proportionate share of the remaining claims reserves and a small amount of paid claims.

3.5 The SDR has completed marshaling the estate's assets except for the reinsurance. Claims against the estate are largely resolved. The guaranty associations have received early access distributions for all reported expenses and paid claims up to May 31, 2024.

IV. PROPOSED SETTLEMENT

4.1 The SDR and Allianz have agreed, subject to Receivership Court approval, to commute the Allianz Reinsurance Contracts under the following terms: 1) AIC receives \$3,150,000 (the “Commutation Amount”) from the Collateral; 2) after receipt of the Commutation Amount, the SDR releases the remaining Collateral (the “Excess Collateral”) to Allianz; 3) Allianz’ POC is withdrawn with prejudice to refiling it or any other POC against the estate; and 4) the parties mutually release each other from all other claims arising under the Allianz Reinsurance Contracts.

4.2 The SDR has determined that the proposed settlement is in the best interest of the receivership estate. The SDR's reinsurance subcontractor has analyzed the obligations under the Allianz Reinsurance Contracts extensively, and reviewed the remaining claims that might give rise to liability under those contracts. Based on this analysis, the SDR and its reinsurance subcontractor concluded that the proposed commutation represents an appropriate recovery under those contracts and will resolve the dispute with Allianz. TEX. INS. CODE § 443.007(e) places the burden of proof on any objecting party to show why the receivership court should not accept the SDR's decision. This Court reviews the Special Deputy Receiver's actions for abuse of discretion. See *Mine Safety Appliances Co., LLC v. Prime Tempus, Inc.*, 2024 WL 4750758 (Tex. App. – Austin, Nov. 6, 2024, no writ hist.); *American Benefit Life Ins. Co. v. Hill Country Life Ins. Co.*, 582 S.W.2d 227, 228 (Tex. Civ. App. - Fort Worth 1979, writ refused n.r.e.); *Tucker v. Universal Ins. Exch.*, 2010 Tex. App. LEXIS 6348, 2010 WL 3059201 (Tex. App.-Austin, August 5, 2010, Case No. 03-09-00390-CV, no writ).

V. NOTICE

5.1 Pursuant to TEX. INS. CODE § 443.007(d), this Application has been served on the entire service list for this proceeding, including applicable guaranty associations, in the manner shown on the Certificate of Service.

VI. OFFER OF PROOF AND VERIFICATION

6.1 This Application is verified by the affidavit and certification pursuant to TEX. INS. CODE § 443.017(b) of Susan E. Salch, designated representative of CANTILO & BENNETT, L.L.P., solely in its capacity as Special Deputy Receiver of Access Insurance Company.

VII. NOTICE OF ELECTRONIC SERVICE REQUIREMENT

7.1 All pleadings filed in response to this Application shall be served by e-mail on the undersigned counsel and all parties shown in the attached Certificate of Service.

PRAYER

WHEREFORE PREMISES CONSIDERED, CANTILO & BENNETT, L.L.P., solely in its capacity as Special Deputy Receiver of Access Insurance Company, respectfully requests this Court to set a hearing on the Application and upon such hearing,

1. Grant the Application;
2. Authorize the SDR to enter into the Commutation Agreement;
3. Order that the SDR is authorized to return the Excess Collateral to Allianz after payment of the Commutation Amount to the estate;
4. Grant the SDR such further relief to which it may show itself to be justly entitled.

Respectfully submitted,

FULLER LAW GROUP

By: /s/Christopher Fuller
Christopher Fuller
Texas Bar No. 07515500
4612 Ridge Oak Drive
Austin, Texas 78731
Telephone: (512) 470-9544
Email: cfuller@fullerlaw.org

**Attorney for CANTILO & BENNETT, L.L.P.,
solely in its capacity as Special Deputy Receiver of
Access Insurance Company**

CERTIFICATE OF SERVICE

I certify that on April 17, 2025, a true and correct copy of this *Application to Approve Commutation and Release Agreement (Allianz Risk Transfer AG (Bermuda Branch))* was served pursuant to the Order of Reference, the Texas Rules of Civil Procedure, and TEX. INS. CODE ANN. § 443.007 (d) on the following:

Via Email: specialmasterclerk@tdi.texas.gov

Tom Collins, Receivership Master
c/o Special Master's Clerk
RLO MC-FRD
PO Box 12030
Austin, TX 78711-2030

Via e-Service: Shawn.Martin@tdi.texas.gov

Shawn Martin
TEXAS DEPARTMENT OF INSURANCE
RLO MC-FRD
PO Box 12030
Austin, TX 78711-2030

Via Email: David.Carbajal@tdi.texas.gov

David Carbajal
TEXAS DEPARTMENT OF INSURANCE
RLO MC-FRD
PO Box 12030
Austin, TX 78711-2030

Via Email: Vane.Hugo@tdi.texas.gov

Vane Hugo
TEXAS DEPARTMENT OF INSURANCE
RLO MC-FRD
PO Box 12030
Austin, TX 78711-2030

Via e-Service: Zachary.Rhines@oag.texas.gov

Zachary L. Rhines
Assistant Attorney General
General Litigation Division
OFFICE OF THE TEXAS ATTORNEY GENERAL
P.O. Box 12548, Mail Stop 01901
Austin, TX 78711-2548
Counsel for Texas Department of Insurance

Via e-Service: bburner@mwlaw.com

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Executive Director
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Via Email: knations@tiga.net

Lorrie Brouse, Executive Secretary
Kerry Nations, Plan Administrator
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Via Email: rstroud@tpciga.org

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Via Email: Stanley.jason@aaa-texas.com

Jason Stanley
Subrogation Claims Team Manager
AAA TEXAS
Dallas, TX

Via First Class Mail

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Special Procedures Branch
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Mail Stop 5026AUS
Austin, TX 78701

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*Attorneys for Allianz Risk Transfer AG
(Bermuda Branch)*

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Annette Evans, Claims Director
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*Attorneys for Allianz Risk Transfer AG (Bermuda
Branch)*

APPLICANT'S NOTICE OF SUBMISSION

Pursuant to the terms of the Order of Reference to Master entered by the District Court in this cause, the SDR's *Application to Approve Commutation and Release Agreement (Allianz Risk Transfer AG (Bermuda Branch))* is hereby set for written submission before the Special Master, Tom Collins, on **May 5, 2025**.

The Special Master has asked that the following rules be provided you:

1. Any objection must be filed with the Travis County District Clerk at least three (3) calendar days before the submission date.
2. A copy of any objection shall be served by email by such date on:
 - (a) The Special Master's Docket Clerk, at specialmasterclerk@tdi.texas.gov;
 - (b) The undersigned counsel, Christopher Fuller at cfuller@fullerlaw.org; and
 - (c) All interested parties, including those listed on the SDR's Certificate of Service.
3. The objecting party shall coordinate with the SDR's counsel and the Docket Clerk [(512) 676-6915] to obtain an oral hearing setting for argument on the Application and Objection, and complete and attach an "Objecting Party's Notice of Oral Hearing" to the objection.
4. The written objection must specifically list all reasons for objection with supporting references to and discussion of statutory and case authorities. Reasons not stated in writing will not be considered orally.
5. **Please note that if an objection is not filed as described in the Notice of Submission, the Master may consider the Application without a hearing.**
6. **Failure to file timely a written objection before the Special Master constitutes a waiver of the right to object to the Special Master's recommendation to the District Court.**
7. Any Acknowledgment of Notice and Waiver to be filed by the Guaranty Association or other interested party should be filed at least three (3) calendar days before the submission or hearing date.

/s/ Christopher Fuller/
Christopher Fuller

**SPECIAL DEPUTY RECEIVER'S VERIFICATION AND CERTIFICATION
PURSUANT TO TEX. INS.CODE ANN. §443.017(b)**

AFFIDAVIT OF SUSAN E. SALCH

State of Texas

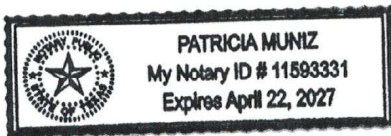
County of Travis

BEFORE ME, the undersigned authority appeared Susan E. Salch, who after being by me duly sworn, stated the following under oath:

1. "My name is Susan E. Salch. I am of sound mind, capable of making this affidavit, and am competent to testify to the matters contained in this affidavit.
2. I am a partner in CANTILO & BENNETT, L.L.P., the Special Deputy Receiver of Access Insurance Company (the "SDR" and "AIC" respectively), I am duly authorized to make this Affidavit on behalf of the SDR.
3. I have reviewed the SDR's Application to Approve Commutation and Release Agreement (Allianz Risk Transfer AG (Bermuda Branch)) (the "Application"). The facts stated therein are true and correct based on my personal knowledge, my review of estate records, and my consultation with the staff and subcontractors.
4. I certify that proposed Commutation Agreement is attached as Exhibit 1 to the Application, and any other records and documents attached hereto were produced pursuant to TEX. INS. CODE § 443.017, are either true and correct copies of records of AIC and were received from the custody of AIC or found among its effects, or were created by and filed with the Receiver's office in connection with the receivership of this delinquent company, and are held by the Special Deputy Receiver in its official capacity."

By: *Susan E. Salch*
Susan E. Salch

SUBSCRIBED AND SWORN TO BEFORE ME on April 14, 2025, by Susan E. Salch, Special Deputy Receiver of Access Insurance Company



Patricia Muniz

EXHIBIT 1

COMMUTATION AND RELEASE AGREEMENT

This **COMMUTATION AND RELEASE AGREEMENT** (“Commutation Agreement”) is effective as of XXX, 2025 (the “Effective Date”) by and between ALLIANZ RISK TRANSFER AG (BERMUDA BRANCH) (the “Reinsurer”) and ACCESS INSURANCE COMPANY (IN LIQUIDATION) (the “Company” or “AIC”), and together with the Reinsurer, the “Parties.”)

WHEREAS, the Reinsurer and the Company are parties to a Private Passenger Automobile Quota Share Reinsurance Treaty, effective as of 1 November 2014, reinsuring the period commencing on 1 November 2014 and ending on 31 October 2015, and a Private Passenger Automobile Quota Share Reinsurance Contract, effective as of 1 November 2015 reinsuring the period commencing on 1 November 2015 and ending on 31 October 2017 (the “Reinsurance Agreements”);

WHEREAS, the Reinsurer provided the Company with a letter of credit in the amount of \$4,043,691 and a letter of credit in the amount of \$11,064,396 for the benefit of the Company relating to the Reinsurance Agreements;

WHEREAS, On March 13, 2018, the 53d Judicial District Court of Travis County, Texas (the “Receivership Court”) entered an *Agreed Order Appointing Liquidator, Permanent Injunction, and Notice of Automatic Stay* appointing the Texas Commissioner of Insurance as Liquidator of AIC. Effective March 13, 2018, the Texas Commissioner of Insurance, as Liquidator, appointed CANTILLO & BENNETT, L.L.P. as Special Deputy Receiver (“SDR”) of AIC;

WHEREAS, on or about January 2019, the Company drew down each letter of credit in whole and presently holds approximately \$10,748,859.62 as collateral for liabilities arising from the Reinsurance Agreements (the “Collateral”);

WHEREAS, the Reinsurer has offered to pay the Commutation Amount and the Company has agreed to accept in full satisfaction of the Reinsurer’s liabilities under the Reinsurance Agreements the sum of \$3,150,000.00 (the “Commutation Amount”), which represents fair value for the liabilities being released and returned to the Company;

WHEREAS, the Company shall release and return to the Reinsurer collateral in excess of the Commutation Amount (the “Excess Collateral”), which is estimated, as of March 31, 2025 to be \$7,713,583.07;

WHEREAS, upon the payment of the Commutation Amount and return of the Excess Collateral, the Parties agree to fully and finally settle and commute any and all of their respective past, present and future rights, obligations and liabilities (whether known or unknown, discovered or undiscovered) under the Reinsurance Agreements effective as of the Effective Date;

NOW THEREFORE, IN CONSIDERATION OF THE COMMUTATION AMOUNT AND THE PROMISES SET FORTH BELOW, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES THAT:

1. Approval of this Commutation Agreement by the Receivership Court is a condition precedent to the Parties’ duty to perform their obligations under this Agreement. “Approval” for

purposes of this paragraph shall mean a decision of the Receivership Court that authorizes the SDR to accept the Commutation Amount and that authorizes the SDR to return the Excess Collateral to Reinsurer. The SDR agrees to expeditiously seek such approval.

2. The Reinsurer shall pay to the Company the Commutation Amount by authorizing the SDR to retain the Commutation Amount from the Collateral. The Company shall pay the Excess Collateral to the Reinsurer by wire transfer within 30 Business Days (being a day other than a Saturday or Sunday that the Banks in Bermuda are open for business) of execution of this Commutation Agreement by both Parties.

3. In consideration of the Commutation Amount, as of the Effective Date, the Company shall irrevocably and unconditionally release and forever discharge the Reinsurer, its owners, shareholders, affiliates and subsidiaries, its past, present and future directors, officers, employees, consultants, attorneys, agents, administrators, successors, assigns and receivers from any and all past, present and future claims, causes, causes of action, liabilities arising under or related directly or indirectly to the Reinsurance Agreements whether known or unknown, reported or unreported, and whether currently existing or arising in the future, including but not limited to, any and all present and future payment obligations, adjustments, setoffs, actions, omissions, causes of action, suits, debts, sums of money, accounts, demands, covenants, controversies, bonds, bills, promises, damages, judgments, claims, costs, expenses, losses, representations and warranties whatsoever, it being the intention of the Parties that this commutation and release shall operate as a full and final settlement of all the Reinsurer's past, current and future liabilities and obligations to the Company under and in respect of the Reinsurance Agreements. Notwithstanding anything herein to the contrary, the Company shall hold the Reinsurer harmless against any and all future claims by any insured under the Reinsurance Agreements and/or common account reinsurers of the Reinsurance Agreements.

4. Simultaneous with the release provided under paragraph 3, the Reinsurer shall completely release and forever discharge the Company, its Receiver, Special Deputy Receiver, owners, shareholders, affiliates and subsidiaries, its past, present and future directors, officers, employees, consultants, attorneys, agents, administrators, successors, assigns and receivers from any and all past, present and future claims, causes, causes of action, liabilities arising under or related directly or indirectly to the Reinsurance Agreements whether known or unknown, reported or unreported, and whether currently existing or arising in the future, including but not limited to, any and all present and future payment obligations, adjustments, setoffs, actions, omissions, causes of action, suits, debts, sums of money, accounts, demands, covenants, controversies, bonds, bills, promises, damages, judgments, claims, costs, expenses, losses, representations and warranties whatsoever, it being the intention of the Parties that this commutation and release shall operate as a full and final settlement of all the Company's past, current and future liabilities and obligations to the Reinsurer under and in respect of the Reinsurance Agreements.

5. As of the Effective Date, Reinsurer acknowledges and agrees that its Proof of Claim in the AIC receivership, which the SDR has labeled as POC No. 3940, shall be and hereby is withdrawn with prejudice and no further adjudication of POC No. 3940 is required. Reinsurer expressly waives all rights to object to or to appeal the withdrawal of POC No. 3940. Reinsurer agrees that it shall not file any other POCs in the AIC receivership.

6. Each Party hereto will pay all fees, costs and expenses it, he or she incurred in connection with the Commutation Agreement including fees, costs and expenses incident to its, his or her negotiation, preparation or compliance with this Commutation Agreement, and including any fees, expenses and disbursements of its, his or her counsel, accountants, and other advisors.

7. This Commutation Agreement is a complete accord and satisfaction, commutation and a full, final and complete settlement of any claims of the Parties against each other arising from, related to or under the Reinsurance Agreements. Each Party covenants that it shall forever refrain from making any claim or prosecuting, initiating, maintaining, or pressing any action, suit or claim based on any of the matters arising from, relating to the other Party under the Reinsurance Agreements.

8. The Parties agree that the Company will not indemnify or hold harmless Reinsurer from third party claims, causes of action, or demands (whether arising from agreement, statute, or other law) and that the Reinsurer will not indemnify or hold harmless the Company from third party claims, causes of action, or demands (whether arising from agreement, statute, or other law).

9. Each Party to this Commutation Agreement represents and warrants that the drafting and negotiation of this Commutation Agreement has been participated in by each Party and for all purposes this Commutation Agreement will be deemed to have been drafted jointly by all Parties.

10. Each Party to this Commutation Agreement represents and warrants to the other that (i) it is a company validly existing in good standing in its respective place of domicile; (ii) the execution of this Commutation Agreement is fully authorized by such Party and that the person or persons executing this Commutation Agreement have the necessary authority to do so; (iii) excepting the approval of the Receivership Court described in Paragraph 1 of this agreement, all judicial, statutory, regulatory, administrative, and/or ministerial actions necessary for the execution, delivery, and performance of this Commutation Agreement by such Party have been or will be duly taken, and that no further action, consent, or approval of any person, entity, court, or other governmental authority, is required for the lawful execution or delivery of this Commutation Agreement or the lawful performance and consummation of the transactions contemplated herein, nor will such transactions violate any provision of any law or conflict with any order, writ, injunction, or decree of any court or any other governmental authority; (iv) it has not assigned to third parties any claims intended to be released by this Commutation Agreement and it is not aware of any third party who might assert some interest in any claims intended to be released hereunder; (v) this Commutation Agreement is entered into freely, voluntarily, without duress, in good faith, at arm's length, in the regular course of business and in reliance on its own independent investigations and analyses of the facts underlying the subject matter of this Commutation Agreement; and (vi) except as set forth in writing in this Commutation Agreement, the decision to execute this Commutation Agreement is not predicated on or influenced by any declarations, representations, warranties or promises of any kind made directly or indirectly by the other Party, its subsidiaries, affiliated corporations, officers, directors, shareholders, employees, representatives, agents, or attorneys, if any, or their respective heirs, administrators, predecessors, successors and assigns.

11. The rights, duties and obligations under this Commutation Agreement shall inure to the benefit of and be binding upon the Parties hereto and any and all predecessors, parents, successors, affiliates, officers, directors, employees, subsidiaries, stockholders, liquidators, receivers and assigns of each of the Parties.

12. The Parties, as between and among themselves, understand that they may have sustained damages or incurred obligations that may not yet be manifest and that are presently unknown, but nevertheless, the Parties deliberately intend and do hereby release one another to the extent that this Commutation Agreement so provides. Furthermore, the Parties expressly accept and assume the risk that the factual or legal assumptions made by any Party in connection with this Commutation Agreement may be found hereafter to be different from the true facts or law, and the Parties agree that this Commutation Agreement will be and remain in full force and effect notwithstanding such differences in facts or law.

13. This Commutation Agreement shall be governed by and construed in accordance with the laws of Texas without giving effect to any conflict of law provisions that would cause the application of the laws of any jurisdiction other than Texas.

14. The exclusive jurisdiction and venue for any action to enforce any provision of this Commutation Agreement shall be the Receivership Proceeding where all Parties agree personal jurisdiction exists over them. If the Reinsurer or any of the Company brings a lawsuit to enforce any term of this Commutation Agreement, then the prevailing party in such litigation is entitled to receive from the non-prevailing parties any reasonable expenses, including without limitation, its reasonable attorneys' fees and costs incurred.

15. This Commutation Agreement may be executed and delivered in multiple counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same instrument and agreement.

Remainder of page intentionally blank

Signature page follows immediately

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives.

For and on behalf of the Reinsurer:

ALLIANZ RISK TRANSFER AG (BERMUDA BRANCH)

By _____
Printed Name _____
Title _____

For and on behalf of the Company:

ACCESS INSURANCE COMPANY (IN LIQUIDATION)

By _____
Printed Name _____
Title _____

THE TEXAS DEPARTMENT OF	§	IN THE DISTRICT COURT OF
INSURANCE,	§	
<i>Plaintiff,</i>	§	
	§	
v.	§	TRAVIS COUNTY, TEXAS
	§	
ACCESS INSURANCE COMPANY,	§	
<i>Defendant.</i>	§	261 ST JUDICIAL DISTRICT

**ORDER GRANTING SPECIAL DEPUTY RECEIVER'S
APPLICATION TO APPROVE COMMUTATION AND RELEASE AGREEMENT
(ALLIANZ RISK TRANSFER AG (BERMUDA BRANCH))**

On this date, the Court heard the Application to Approve Commutation and Release Agreement (Allianz Risk Transfer AG (Bermuda Branch)) (the "Application") filed by CANTILO & BENNETT, L.L.P., solely in its capacity as Special Deputy Receiver of Access Insurance Company (the "SDR" and "AIC," respectively). The SDR appeared by and through its counsel.

Having considered the Application, the Court finds as follows:

1. The *Order of Reference to Master* provides that motions filed pursuant to TEX. INS. CODE §§ 443.154 (y) are referred to the Special Master appointed in this proceeding;
 2. Notice of the Application was provided in accordance with TEX. INS. CODE § 443.007 and the *Order of Reference to Master*;
 3. The Texas Property and Casualty Insurance Guaranty Association filed its acknowledgment and waiver;
 4. No objections to the Application were filed;
 5. The Court has jurisdiction over the Application and the parties affected hereunder;
- and
6. The SDR's Application should be granted in all respects.

All capitalized terms used herein shall have the same meaning as in the Application.

IT IS, THEREFORE, ORDERED, ADJUDGED AND DECREED as follows:

- 1) The Application is GRANTED in all respects.
- 2) The SDR is authorized to enter into the Commutation Agreement.
- 3) The SDR is authorized to return the Excess Collateral to Allianz after payment of the Commutation Amount to the estate.
- 4) This Order constitutes a final order fully resolving all issues relating to the Application, provided that this Court shall retain jurisdiction to issue further orders pursuant to TEX. INS. CODE Chapter 443.

Signed on _____, 2025.

JUDGE PRESIDING

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Christopher Fuller on behalf of Christopher Fuller

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Filing Description: SPECIAL DEPUTY RECEIVER'S APPLICATION TO APPROVE COMMUTATION AND RELEASE AGREEMENT (ALLIANZ RISK TRANSFER AG (BERMUDA BRANCH))

Status as of 4/18/2025 9:28 AM CST

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