

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

Joel S. Ario, Acting Insurance Commissioner of the Commonwealth of Pennsylvania, Plaintiff	:	No. 269 M.D. 2001
V.	:	
Reliance Insurance Company, Defendant	:	POC No. 1066751

**IN THE MATTER OF OBJECTIONS TO NOTICE OF DETERMINATION BY
LILLIE HILL AND RICHARD HILL
FOR PROOF OF CLAIM NUMBER 1066751
REFEREE FINDINGS AND RECOMMENDATIONS**

G. Alan Bailey, Esquire, duly appointed Referee in the Matter of Objection to Notice of Determination by Lillie Hill and Richard Hill for Proof of Claim Number 1066751 hereby recommends to the Honorable Judges of the Commonwealth Court of Pennsylvania, in that the Claimant's Objection to the Liquidator's Notice of Determination has been withdrawn with prejudice, the Liquidator's Notice of Determination be affirmed and in support thereof presents the following:

BACKGROUND

1. By Order of the Commonwealth Court of Pennsylvania ("Court") dated October 3, 2001 ("Liquidation Order"), Reliance Insurance Company ("Reliance") was found to be insolvent and placed into liquidation. M. Diane Koken, Insurance Commissioner of the Commonwealth of Pennsylvania ("Liquidator") was appointed Liquidator of Reliance.¹
2. By Order of the Court dated September 9, 2002 ("Claims Filing Order") the Honorable James Gardner Colins, established claims filing procedures, claims' filing deadlines and dispute resolution procedures for claims against the Reliance.
3. Lillie Hill and Richard Hill (referred to herein as "Claimant" or "Hill"), originally submitted Proof of Claim Number 1066751 ("POC 1066751") dated February 14, 2002, sought a claim for an unspecified amount for, according to a Claim Detail statement dated May 22, 2003, injuries related to a slip and fall of Lillie Hill at the Blue Beacon Truck Wash on May 29, 1999. Claimant also stated that a law suit had been filed against Reliance inured Blue Beacon Truck Wash in the Berrien County Circuit Court, State of Michigan Case # 00-3866-NO-T.
4. In response to POC 1066751 the Liquidator issued a Notice of Determination ("NOD") to Claimant, dated February 25, 2008, setting a claim priority level of (b) and a claim value of \$0.0. The stated basis for this determination was that "the claim was paid in full by Reliance prior to

¹ Joel S. Ario has been appointed by the Governor to serve as Insurance Commissioner, and, as such, replaces Ms. Koken as the statutory Liquidator.

"Referee Decision EXHIBIT A"

Liquidation." Reliance indicated it had paid \$319 in accidental total disability and \$3,663 in attendant medical benefits on behalf of Lillie Hill.

5. On April 11, 2008 Claimant filed an Objection to the Notice of Determination of the Liquidator to the Proof of Claim ("Objections").

6. In its Objections, Claimant argues that no payment was ever received from Reliance as suggested by the NOD.

7. On May 7, 2008 the Liquidator filed a response to Claimant's Objection to the NOD.

8. By Order of the Court dated May 16, 2008 the undersigned was appointed Referee to provide findings of fact and a recommendation to the Court regarding issues raised by Claimant.

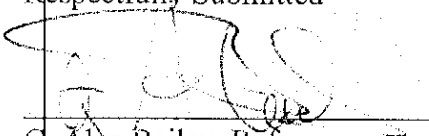
9. By agreement of the parties' representatives, a conference, via telephone, was scheduled for May 29, 2008. However, on May 28, 2008 counsel for the Claimant, Michael L. Battersby, Esquire, contacted the Referee and advised that the Hills wished to withdraw their claim.

10. On June 2, 2008 the Claimant, with the authorization of the Liquidator, filed with the Referee a Praecipe to Mark Withdrawn the Objection of Lillie Hill and Richard Hill to Notice of Determination on Proof of Claim Number 1066751.

11. In light of the above facts, and in consideration of the representations of Claimant's counsel and consent of the Liquidator, it is recommended to this Honorable Court that the Claimant's Objections to the Liquidator's NODs be marked withdrawn with prejudice, and that this matter be dismissed.

WHEREFORE, in that the Claimants have filed a Praecipe to Mark Withdrawn the Objection of Lillie Hill and Richard Hill to Notice of Determination on Proof of Claim Number 1066751 it is hereby respectfully recommended that the Objection of Lillie Hill and Richard Hill to Notice of Determination on Proof of Claim Number 1066751 be marked withdrawn with prejudice and that the Liquidator's Notice of Determination to Claimant's Proof of Claim Number 1066751 setting a claim priority level of (b) and a claim value of \$0.0 be affirmed, and that this matter be dismissed.

Respectfully Submitted



G. Alan Bailey, Referee

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Joel S. Ario,
Acting Insurance Commissioner of the
Commonwealth of Pennsylvania,

Plaintiff,

v.

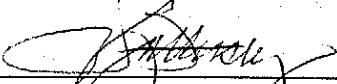
RELIANCE INSURANCE COMPANY,

Defendant.

DOCKET NO. 269 MD 2001

**PRAECIPE TO MARK WITHDRAWN THE OBJECTION OF
LILLIE HILL AND RICHARD HILL TO NOTICE OF
DETERMINATION ON PROOF OF CLAIM NO. 1066751**


Upon agreement of the parties, Lillie Hill and Richard Hill and Joel S. Ario, Acting Insurance Commissioner of the Commonwealth of Pennsylvania, through their respective counsel, please mark the following Objection to Notice of Determination to Proof of Claim No. 1066751 withdrawn with prejudice.



Michael L. Battersby, Esq.
Law Offices of Samuel D. Bernstein
31100 Northwestern Highway
Farmington Hills, Michigan 48334-2519

Attorneys for Lillie Hill and Richard Hill

Dated: May 28, 2008



S. Emry Poulad
Reliance Insurance Company (In Liquidation)
Three Parkway
Philadelphia, Pennsylvania 19102

Attorneys for Joel S. Ario, Acting Insurance
Commissioner of Pennsylvania

Dated: May 28, 2008

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Joel S. Ario,
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Plaintiff

No. 269 M.D. 2001

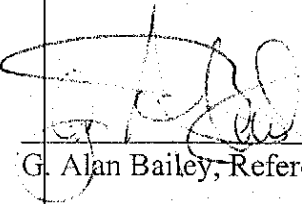
VI.

POC No. 1066751

Reliance Insurance Company,
Defendant

NOTICE TO PARTIES

As set forth in the Commonwealth Court Claims Filing Order of September 9, 2002, exceptions, if any, to the Referee's recommendations shall be filed with the Commonwealth Court of Pennsylvania within fifteen (15) days after service of the Referee's Recommendations. Exceptions should be accompanied by a supporting memorandum of law. Failure to file timely exceptions to the Referee's Recommendations shall be deemed a waiver of any and all exceptions and bars Claimant from raising any issues which could have been raised as exceptions.



G. Alan Bailey, Referee