IN THE COMMONWEALTH COURT OF PENNSYLVANIA

M. Diane Koken,
Insurance Commissioner of the
Commonwealth of Pennsylvania,
Plaintiff

v.

Reliance Insurance Company,
Defendant : No. 269 M.D. 2001

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IN RE: *Baptist Health South Florida, Inc. objection to the Liquidator's denial of a direct payment request; Palm Springs General Hospital objection to the Liquidator's denial of a direct payment request; the Exceptions to the Report of Referee James Schwartzman*

ORDER

AND NOW, this 18th day of March 2004, the factual findings of Referee are adopted as set forth in the opinion filed this date. However, due to the Court's disagreement with the Referee's legal conclusions, detailed in the preceeding opinion, the Court concludes that the objectors are entitled to direct access of the reinsurance proceeds; the Liquidator's motion to dismiss is DENIED.

JAMES GARDNER COLINS, President Judge