

FILED
07-07-2025
CIRCUIT COURT
DANE COUNTY, WI
2023CV001310

STATE OF WISCONSIN

CIRCUIT COURT
BRANCH 15

DANE COUNTY

In the Matter of the Liquidation of:

Wisconsin Reinsurance Corporation and 1st
Auto & Casualty Insurance Company

Case No.: 2023CV1310
Case Code: 30701

DECLARATION OF JESSICA KWAIN

I, Jessica Kwain, pursuant to Wis. Stat. Sec. 887.015 and under the penalty of perjury, hereby do declare and state the following:

1. I am an adult resident of the state of Virginia and make this declaration on my own personal knowledge.
2. I am a Claims Recovery Representative at Sedgwick. Sedgwick is the third-party claims administrator for the claim of Dollar Tree Stores, Inc. ("Dollar Tree") in this matter.
3. Dollar Tree is self-insured for certain workers' compensation claims in Missouri.
4. On February 1, 2021, Sharon Hostetler, a Dollar Tree employee, was injured on Dollar Tree premises in Springfield, Missouri, when she was struck by a customer's vehicle. Attached hereto as Exhibit A is a true and correct copy of a Missouri Department of Labor and Industrial Relations Injury Report pertaining to Ms. Hostetler's injury.
5. Ms. Hostetler filed a workers' compensation claim against Dollar Tree. Sedgwick is the third-party claims administrator for Ms. Hostetler's workers' compensation claim.
6. The customer whose vehicle struck Ms. Hostetler was insured by 1st Auto & Casualty Company ("1st Auto").

7. Dollar Tree, through Sedgwick, made payments totaling \$120,002.49 to Ms. Hostetler pursuant to her workers' compensation claim.

8. In October 2022, Sedgwick, on behalf of Dollar Tree, began collection efforts against 1st Auto, seeking to recover in subrogation the funds paid to Ms. Hostetler.

9. I was assigned to the subrogation claim as of February 2024. From February 2024 onward, I was in consistent contact with 1st Auto representatives, by both phone and email.

10. 1st Auto did not inform me of the liquidation until October 30, 2024. This was the first notice I had received regarding the liquidation. I never received a mailed notice regarding the liquidation.

11. There is no indication in the claim file that my predecessor on the file had received notice of the liquidation.

12. On October 30, 2024, the same day that I learned of the liquidation, I contacted the 1st Auto Assistant Liquidation Manager via email to inform them of the claim.

13. Attached to that email, I submitted a letter, along with medical bills and a payment ledger, detailing the nature and dollar amount of the claim. The letter and its attachments are submitted herewith as Exhibit C.

14. The Assistant Liquidation Manager provided instructions regarding the filing of a formal proof of claim by mail. However, this instruction only included submission by mail.

15. I later learned that a submission could also be transmitted by fax and email, per the original Notice of Liquidation issued by the Liquidator in this matter. Attached hereto as Exhibit B is a letter from the Liquidator providing that a claim may be submitted by fax and email as well as by mail. This document was obtained from the web page for the Wisconsin Office of the Commissioner of Insurance dedicated to the liquidation of 1st Auto.

16. After I received the response from the Assistant Liquidation Manager, I corresponded internally with my colleagues at Sedgwick to have the proof of claim sent by mail. I work remotely and cannot send physical mail without coordinating with my in-office colleagues.

17. However, due to a lack of in-office personnel at the time, the claim was not mailed until on or around December 13, 2024.

18. Had I been aware that I could simply email or fax the claim, I would have been able to do so immediately without the need to coordinate mailing.

19. I later learned that the original proof of claim had not been received, and I sent a duplicate proof of claim on May 7, 2025.

20. I received a letter dated May 8, 2025, indicating that the Liquidator was considering the proof of claim untimely filed, resulting in the claim being classified as a Class 8 claim under Wis. Stat. § 645.68. Attached hereto as Exhibit D is a true and correct copy of the letter.

Dated this 7th day of July, 2025.

Electronically Signed by Jessica Kwain

Jessica Kwain