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June 6, 2025

VIA ELECTRONIC FILING

Hon. Stephen E. Ehlke
Dane County Circuit Court
7th Floor, Branch 15
215 S. Hamilton Street
Madison, WI 53703-3285

RE: Status Update on Liquidation of Wisconsin Reinsurance Corporation and 1st
Auto & Casualty Insurance Company | Case No. 2023-CV-1310

Dear Judge Ehlke:

I am writing in response to the Court's request, dated June 2, 2025, for an update on the status of the above-referenced matter.

As previously reported, the Commissioner of Insurance of the State of Wisconsin, Nathan Houdek, as Liquidator of Wisconsin Reinsurance Corporation and 1st Auto & Casualty Insurance Company (the "Liquidator"), acting through his Special Deputy Liquidator, his counsel, and other duly appointed persons, has received and evaluated hundreds of proofs of claim. Most claims have been evaluated, and the Liquidator has sent each claimant notice of the Liquidator's determination of the claim's classification and its allowance or denial. There has been only one objection to the Liquidator's determinations of claims, and that objection was dismissed.

The Liquidator also has paid some claims and administrative expenses, as and to the extent authorized by the Court's order of December 13, 2024.

The Liquidator intends to file an interim report on his evaluations of all proofs of claims – including 327 timely-filed claims and 16 late-filed claims in the Wisconsin Reinsurance liquidation, and 421 timely-filed claims and 27 late-filed claims in the 1st Auto liquidation – by the end of August 2025. That report also will detail the Liquidator's payment of claims and administrative expenses pursuant to the Court's December 13, 2024 Order.

The Liquidator continues efforts to collect all claims-paying resources, including efforts to sell assets of the liquidation estate. To date, all illiquid assets of the estate have been monetized, with the exception of certain real estate. The Liquidator has undertaken negotiations for the sale of the real estate, but they so far have been unsuccessful.

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Looking ahead, the Liquidator anticipates the Court will need to address at least some or all of the following:

- Approval of the sale or other disposition of real estate;
- A plan of distribution of the estate assets; and
- Closure of the liquidation.

In addition, the Liquidator will file periodic financial statements and periodic reports regarding proofs of claim as required by statute.

Please let us know if the Court would like any other information regarding this matter.

Sincerely,

GODFREY & KAHN, S.C.



Anthony S. Baish

ASB:sm

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