

FILED
05-23-2023
CIRCUIT COURT
DANE COUNTY, WI
2023CV001310
Honorable Stephen E
Ehlke
Branch 15

STATE OF WISCONSIN : CIRCUIT COURT : DANE COUNTY

In the Matter of the Rehabilitation of:

Wisconsin Reinsurance Corporation and 1st Auto &
Casualty Insurance Company
c/o: Office of the Commissioner of Insurance
125 South Webster Street
Madison, WI 53703

Case No.

Case Code: 30703

ORDER FOR TEMPORARY INJUNCTIVE RELIEF

Based on the Motion for Temporary Injunctive Relief filed by Nathan Houdek, the Commissioner of Insurance for the State of Wisconsin (the “Commissioner” or the “Rehabilitator”), this Court finds that the temporary injunctive relief requested by the Commissioner is reasonable and necessary to promote the equitable and orderly rehabilitation of Wisconsin Reinsurance Corporation (“WRC”) and 1st Auto & Casualty Insurance Company (“1st Auto”), both Wisconsin-domiciled insurers. The Court further finds that the requested injunctive relief is authorized by chapter 645 of the Wisconsin Statutes, and that this Court has exclusive jurisdiction over matters relating to this rehabilitation proceeding.

NOW, THEREFORE, IT IS HEREBY ORDERED AND DECREED that the Commissioner’s Motion for Temporary Injunctive Relief is GRANTED, and the following first-day, temporary injunctions are hereby ENTERED:

1. All persons and entities are enjoined and restrained from commencing or prosecuting any actions, claims, lawsuits or other formal legal proceedings in any state, federal or

foreign court, administrative body, or other tribunal against WRC and 1st Auto or the Rehabilitator, in respect of policies, contracts, or liabilities of WRC and 1st Auto. This Court has exclusive jurisdiction over any such actions, claims or lawsuits.

2. All persons and entities are enjoined from seeking to impose civil liability upon the Commissioner or the Special Deputy Commissioner and his Assistants, whether or not within the confines of this proceeding, arising out of any alleged act, error, or omission in the performance of their duties or involvement in this rehabilitation, unless such act or omission constitutes criminal misconduct. Wis. Stat. § 645.08(2).
3. All persons and entities claiming secured, priority, preferred or other interests in any property or assets of WRC and 1st Auto are hereby enjoined and restrained from taking any steps to transfer, foreclose, sell, assign, garnish, levy, encumber, attach, dispose of, or exercise purported rights in or against such property or assets. Wis. Stat. § 645.05(1)(d),(g),(h),(k).
4. All persons and entities are enjoined and restrained from withholding or failing to pay or setting-off premiums or other payments owed to WRC or 1st Auto or that would have been owed to WRC or 1st Auto but for this proceeding or the financial condition of WRC or 1st Auto. Wis. Stat. § 645.05(1)(g),(k).
5. All persons and entities are enjoined and restrained from taking any action relating to the closure or transfer of the banking or financial accounts of WRC or 1st Auto without the consent of the Commissioner or the Special Deputy Commissioner. Wis. Stat. § 645.05(1)(b)-(e).
6. All directors, trustees, officers, employees, agents or representatives of WRC and 1st Auto are hereby enjoined and restrained from paying any claims or obligations of

- WRC and 1st Auto without the consent of the Rehabilitator or his authorized representatives. Wis. Stat. § 645.05(1)(b); Wis. Stat. § 645.07.
7. Any person or entity violating the terms of this Order may be subject to the sanctions contained in Wis. Stat. § 601.64, including civil forfeiture and criminal penalties. Wis. Stat. § 645.07(4).
 8. The injunctive relief granted by this Order shall issue without the posting of any bond by the Rehabilitator or his Special Deputy Commissioner. Wis. Stat. § 645.08(1).
 9. This Order shall remain effective until further order of the Court. If any interested parties believe any portion of this Order is unwarranted by the facts or the law, such parties may seek modification or dissolution of part or all of this Order by filing a written motion with this Court no later than 35 days following the issuance of this Order. If one or more such timely motions are received, the Court may set a schedule for responsive briefing and a hearing regarding the modifications or dissolutions sought. The originals of any such motions shall be filed with the Dane County Circuit Court and served on the counsel for the Commissioner.
 10. The Rehabilitator may consent to actions or failure to act which would otherwise be enjoined or restrained by this Order.
 11. The Rehabilitator may petition this Court for such other or further relief as he deems appropriate as the rehabilitation proceeds.

Prepared by:

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