

LM JUL 06 2009

At 8:55A. M.  
Amalia Rodriguez-Mendoza, Clerk

NO. D-1-GV-08-001478

IN THE DISTRICT COURT OF

STATE OF TEXAS,	§
	§
Plaintiff	§
	§
v.	§
	§
Guardian Fidelity Title Company, Ltd.,	§
Guardian Fidelity Title CLR, LLP,	§
Guardian Fidelity Title NWR, LLP	§
Guardian Fidelity Title KTB, Ltd.,	§
Guardian Fidelity Title SB Ltd., and	§
Guardian Fidelity Title DFT, Ltd.	§
	§
Defendants	§

TRAVIS COUNTY, TEXAS

419th JUDICIAL DISTRICT

**ORDER GRANTING SPECIAL DEPUTY RECEIVER’S APPLICATION TO  
PROVIDE NOTICE OF LIQUIDATION, SET CLAIMS FILING DEADLINE,  
RESOLVE ESCROW ACCOUNTS AND ESTABLISH A CLAIMS PROCESSING  
PROCEDURE**

The Court considered the SDR’s *Application to Provide Notice of Liquidation, Set Claims Filing Deadline, Resolve Escrow Accounts and Establish a Claims Processing Procedure* (the “Application”).

Having considered the Application, the Court finds as follows:

1. The *Order of Reference to Master* (“Order of Reference”) entered by this Court on August 22, 2008 provides that applications filed pursuant to TEX. INS. CODE § 443.007 are referred to the Special Master appointed in this proceeding;
2. The Application was submitted to the Special Master in accordance with the Order of Reference;
3. Notice of the Application was provided in accordance with TEX. INS. CODE §443.007 (d) and the *Order of Reference*, and no objections to the Application were

filed;

4. The Special Master has issued a recommendation that the Application should be granted pursuant to Rule 171 of the Texas Rules of Civil Procedure;

5. The Court has jurisdiction over the Application and the parties affected hereunder; and

6. The Application should be GRANTED in all respects.

IT IS ORDERED, ADJUDGED AND DECREED that the Application is GRANTED.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the Court, as follows:

1. Approves the manner and form of notice of liquidation and the opportunity to file claims set out in the Application;
2. Approves the proof of claim forms and instructions set out in the Application or documents substantially similar thereto;;
3. Approves the SDR's proposal concerning the processing of proofs of claim set out in the Application;
4. Authorizes the SDR to provide notice via first class mail and electronic mail (if available) to the known potential claimants as set out in the Application;
5. Authorizes the SDR to provide publication notice to unknown claimants;
6. Finds that the notice requirements of TEX. INS. CODE §443.155 are met when notice is given to the categories of known potential claimants available from the electronic and physical records as set out in the Application
7. Approves the SDR's plan for using the books and records of the Guardian

estate for providing notice;

8. Approves the proposed POC forms and notices attached as Exhibits 3 and 4 and the publication notice attached as Exhibit 5 to the Application or documents substantially similar thereto;
9. Approves the SDR's plan for addressing late claims as set out in the Application;
10. Finds that the manner of notice described therein meets with the requirements TEX. INS. CODE § 443.155;
11. Approves the SDR's plan for processing the claims in this estate as set out in the Application;
12. Declares that any escrow funds for which an approved POC is not filed are unclaimed funds pursuant to TEX. INS. CODE §443.304.
13. Establishes a claims filing deadline of 11:59 p.m. C.D.T, August 31, 2009.
14. Setting September 30, 2009 as the deadline for contingent and unliquidated claims to become final.
15. Authorizing the SDR, in its sole and absolute discretion, to interplead any escrow funds subject to conflicting claims into the registry of the Receivership Court;
16. Finds that the notices to be given as described in the *Application*, when effectuated, comply with due process notice requirements upon the claimants and is binding on all creditors under TEX. INS. CODE § 443.155(c).
17. Finds that the SDR is authorized to process and adjudicate only those classes of claims that are determined by the SDR, in its sole and absolute discretion,

to be eligible for a distribution of the assets of the estate under TEX. INS. CODE § 443.301 and to only classify all other classes of claims.

18. Authorizes the SDR to either seek approval of new deadlines or establish new deadlines, in its sole and absolute discretion, which provide claimants no less than thirty (30) days to file a claim following the mailing and publication of Notice as described herein in the event an objection to the Application is filed or approval is delayed;
19. Authorizes the SDR in its sole and absolute discretion, to transfer escrowed funds to a successor escrow agent or title insurance agent upon the agreement of all parties with claims to the account, a withdrawal with prejudice of all POCs filed regarding those escrowed funds and a full release of the Receiver, the SDR and the estate under terms acceptable to the SDR;
20. This Order constitutes a final judgment fully resolving all issues relating to the Application, provided that this Court shall retain jurisdiction to issue further orders pursuant to TEX. INS. CODE Chapter 443. This Order does not modify any of the terms or provisions of this Court's *Agreed Order Appointing Liquidator and Permanent Injunction*, dated September 22, 2008.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the SDR is authorized to execute any documents, and take any other action necessary to carry out the purposes of this Order.

Signed on July 6 2009

PROPER NOTICE GIVEN.  
NO OBJECTION FILED.

SUBMITTED

RECOMMENDED BY

SIGNED ON 7<sup>th</sup> DAY OF July 2009

Tom Collins  
TOM COLLINS, RECEIVER AND SPECIAL MASTER  
POC App

By: John K. Deitz  
JUDGE PRESIDING