

2.2 The subject matter of this Application has been referred to the Special Master appointed in this proceeding in accordance with the Order of Reference to Master entered on June 6, 2018.

III. STATUTORY AUTHORITY

3.1 The SDR is authorized to file this Application pursuant to TEX. INS. CODE § 443.102(b), which provides that the Rehabilitator is to manage and conduct the business of the estate. Pursuant to TEX. INS. CODE § 443.102 (a), the SDR has all the powers of the Rehabilitator, unless specifically limited by the Rehabilitator.

IV. RELIEF SOUGHT

4.1 TEX. R. CIV. P. 21a governs methods of service. It expressly states that, in addition to service by mail or fax, notice may be provided by “such other manner as the court in its discretion may direct.”

4.2 The SDR moves the Court to order all parties in interest filing any pleading, plea, motion, application to the court for an order, notice and/or any other matter required to be served in this case to serve such documents by e-mail. The SDR proposes that it, through its undersigned counsel, maintain e-mail addresses for all parties in interest and parties requesting notice in this case. The SDR shall be responsible for providing a copy of this Court’s Order regarding service and the current list of e-mail addresses to all parties upon their appearance and all such parties shall promptly notify the SDR through the undersigned counsel of any change to their e-mail address.

4.3 To the extent that a party in interest, party requesting notice, or any other individual or entity seeking to file in this Receivership Proceeding cannot provide service by e-mail or deems it necessary to use an alternative method of service, it may file a motion for leave of court seeking to use some other authorized method of service at the time it files the document with the Court.

Further, if a party in interest, party requesting service, or any other individual or entity seeking to file in this Receivership Proceeding is not represented by counsel, the SDR may, at its sole discretion, provide notice of such filing.

V. NOTICE

5.1 The SDR provided notice of the filing of this Application to all persons who have requested notice in the receivership estate in accordance with TEX. INS. CODE § 443.007 and the Order of Reference. The Special Deputy Receiver also noticed all parties in interest as that term is defined in TEX. INS. CODE § 443.004(a)(17) and as shown on the certificate of service.

VI. OFFER OF PROOF

6.1 The facts contained in this Application have been verified by Ernesto Garza, President of Resolution Oversight Corporation, Inc., as SDR, in an affidavit incorporated by reference as if fully set out into this Application as Exhibit 1.

WHEREFORE PREMISES CONSIDERED, the SDR respectfully requests that this Court:

1. Grant this Application;
2. Order that all parties in interest and parties requesting notice provide an e-mail address to the undersigned counsel to the SDR;
3. Order that all parties in interest and parties requesting notice serve by e-mail all pleadings, pleas, motions, applications to the court for an order, notices and any other matter required to be served unless such party files a motion for leave of Court to use some other authorized method of service and the Court grants such motion;
4. Order that the SDR may, at its sole discretion, provide notice of a filing in the Receivership Proceeding made by a party in interest, party requesting service, or any other individual or entity that is not represented by counsel;

5. Order that the SDR, by the undersigned counsel, maintain a current list of the e-mail address for all parties and provide said list to all new parties;
6. Order that parties in interest and parties requesting notice shall promptly notify the SDR through the undersigned counsel of any change to their e-mail address;
7. Order the SDR to post on the Calanthe estate website all documents filed in this Receivership Proceeding; and
8. Grant the SDR such other and further relief to which it may be justly entitled.

Respectfully submitted,

THE STROUD FIRM, PLLC.
16000 Pool Canyon Road
Austin, Texas 78734
Telephone: 512/293-8244
Email: rstroud@thestroudfirm.com

By: /s/ Rachel Stroud
Rachel Stroud
State Bar No. 19424700

Attorney for the Special Deputy Receiver

APPLICANT'S NOTICE OF SUBMISSION

In accordance with the Order of Reference to Master ("Order of Reference") entered in this cause, the foregoing *Application to Require Electronic Service of Pleadings and Notices* is set for submission before the Special Master, Tom Collins, ("Master") on **Monday, August 6, 2018**. Pursuant to TEX. INS. CODE § 443.007 (e) and TEX. R. CIV. P. 171, the Order of Reference has established the following rules:

1. The Master may consider the Application by written submission or oral hearing.
2. If no objection is filed in compliance with the Order of Reference, the Master may consider the Application without a hearing, and the Court may enter the order recommended by the Master upon its submission to the Court. A party waives any right to object to the recommendation of the Master if the party does not file an objection in compliance with the Order of Reference.
3. Any objection must be filed with the Travis County District Clerk at least three (3) calendar days before the Submission Date in the above referenced case.
4. A copy of any objection must be sent by email to the following:
 - (a) The Master's Docket Clerk at SpecialMasterClerk@tdi.texas.gov.
 - (b) All parties listed on the Certificate of Service attached to the Application.
 - (c) The Applicant's counsel at rstroud@thestroutfirm.com.
5. Any objection must specifically set out the reasons for the objection, with supporting references to and discussion of statutory and case authorities. Reasons not stated in writing will not be considered orally by the Master.
6. An objecting party must expeditiously coordinate with the Applicant's counsel and with the Master's docket clerk at (512) 676-6915 to request a hearing, unless the Master determines that a hearing is not necessary. If a hearing is granted, the objecting party must send a Notice of Oral Hearing to the Applicant's counsel and all parties listed on the Certificate of Service.
7. Any Acknowledgment of Notice and Waiver by a party in interest should be filed with the Court at least three (3) calendar days before the submission or hearing date.

/s/ Rachel Stroud

Rachel Stroud

rstroud@thestroutfirm.com

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served on all interested parties in accordance with the Texas Rules of Civil Procedure and TEX. INS. CODE ANN. § 443.007(d) this 20th day of July, 2018.

Mr. Tom Collins, Special Master
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Austin, Texas 78701
Email: specialmasterclerk@tdi.texas.gov

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Mr. David Wheelus
Mr. James Kennedy
Texas Department of Insurance
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Order of Calanthe)
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/s/ Rachel J. Stroud
Rachel J. Stroud
Email: rstroud@thestroutfirm.com

STATE OF TEXAS

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COUNTY OF BEXAR

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AFFIDAVIT OF ERNESTO A. GARZA IN SUPPORT OF APPLICATION TO REQUIRE ELECTRONIC SERVICE OF PLEADINGS AND NOTICES

BEFORE ME, the undersigned notary, on this day personally appeared Ernesto A. Garza, who being duly sworn, states the following under oath:

1. "My name is Ernesto A. Garza. I am competent to make this affidavit. I am the President of Resolution Oversight Corporation, the Special Deputy Receiver of Grand Court Order of Calanthe (Calanthe). I have personal knowledge of the facts to which I attest.

2. I have read the statements contained in the *Application to Require Electronic Service of Pleadings and Notices (Application)* and they are true and correct based on my personal knowledge, my review of estate records, and my consultation with my staff and sub-contractors."

3. It is my belief that approving the *Application* is in the best interests of the Calanthe estate, its policyholders and creditors."

4. The Affiant has nothing further to say.

Original signed by:

Ernesto A. Garza, President
Resolution Oversight Corporation
Special Deputy Receiver of Grand Court
Order of Calanthe

SWORN TO, SUBSCRIBED, and ACKNOWLEDGED BEFORE ME by Ernesto A. Garza, President of Resolution Oversight Corporation, on this the 20th day of July, 2018.

Original signed by:

Notary Public – State of Texas

