

CAUSE NO. D-1-GN-23-001549

THE TEXAS DEPARTMENT OF INSURANCE, <i>Plaintiff,</i>	§ § § § § § § § §	IN THE DISTRICT COURT OF
v.		TRAVIS COUNTY, TEXAS
FRIDAY HEALTH INSURANCE COMPANY, INC. <i>Defendant.</i>		345th JUDICIAL DISTRICT

**ORDER GRANTING APPLICATION TO APPROVE
SECOND EARLY ACCESS DISTRIBUTION**

On this date, the Court heard the Application to Approve Second Early Access Distribution (“Application”) filed by CANTILO & BENNETT, L.L.P., Special Deputy Receiver of Friday Health Insurance Company (the “SDR” and “FHIC” respectively). The Application requests this Court approve the amount of the second early access payment pursuant to TEX. INS. CODE § 443.003 and to order relief approving the Application.

In accordance with the *Agreed Order of Reference to Master* entered on March 23, 2023 (“Order of Reference”), the Application was submitted to the Master appointed in this proceeding pursuant to TEX. INS. CODE § 443.007 and § 443.303. The Master issued a recommendation pursuant to Rule 171 of the Texas Rules of Civil Procedure, which is incorporated herein, finding as follows:

1. Notice of the Application was provided in accordance with TEX. INS. CODE § 443.007(d) and § 443.303(e), and the Order of Reference;
2. The Texas Life and Health Insurance Guaranty Association (“TLHIGA”) filed its acknowledgement and waiver;
3. No objections to the Application were filed;

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

5. The relief sought is an appropriate exercise of the SDR's and this Court's discretion, and the Application should in all respects be approved.

Having considered the pleadings, the evidence submitted, and the recommendation of the Master, the Court accepts the Master's recommendation and approves the Application.

IT IS THEREFORE, ORDERED, ADJUDGED AND DECREED as follows:

1. The Application and relief requested in the Application is approved in all respects.

2. The affidavit of Susan E. Salch is admitted into evidence.

3. The SDR shall distribute \$21,456,812.17 from the assets of the receivership estate to TLHIGA as an early access distribution pursuant to TEX. INS. CODE § 443.303. The early access distribution to TLHIGA shall be treated as advances against distributions to be made under TEX. INS. CODE § 443.302.

4. The early access distribution[s] shall be made within thirty (30) business days after the date the Order is entered by the Receivership Court, unless a timely motion for new trial has been filed, an appeal has been filed or an order staying the distribution has been entered and not yet expired.

5. Upon deposit of the payment into an account to TLHIGA's benefit, TLHIGA is deemed to have agreed to the provisions of TEX. INS. CODE § 443.303 and, in particular, § 443.303(g).

6. The Special Deputy Receiver is authorized to take any actions necessary to implement this Order.

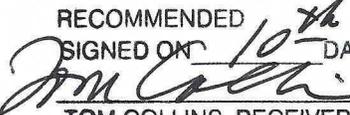
7. This first early access distribution will apply to the Class 1 and Class 2 claims of TLHIGA under TEX. INS. CODE §443.301(a).

8. This Order constitutes a final ruling 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.

Signed on January 22, 2025, _____.



JUDGE PRESIDING

PROPER NOTICE GIVEN
ACKNOWLEDGMENT OF NOTICE AND WAIVER
OF OBJECTION PRESENTED
SUBMITTED
RECOMMENDED
SIGNED ON 10th DAY OF Jan. 2025


TOM COLLINS, RECEIVERSHIP SPECIAL MASTER