

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

In Re: Bedivere Insurance Company :
(In Liquidation) : No. 1 BIC 2021

APPLICATION FOR APPROVAL OF ADMINISTRATIVE EXPENSES
PAID FROM JANUARY 1, 2024 - DECEMBER 31, 2024

Applicant, Michael Humphreys, Insurance Commissioner of the Commonwealth of Pennsylvania, in his official capacity as the Statutory Liquidator of Bedivere Insurance Company (Liquidator), by and through his counsel, respectfully applies to this Court for an Order approving administrative expenses that have been paid from January 1, 2024, through December 31, 2024. In support of his Application, the Liquidator avers the following:

1. Bedivere Insurance Company (“Bedivere” or “Estate”) was ordered to be liquidated pursuant to Article V of The Insurance Department Act of 1921, Act of May 17, 1921, P.L. 789, added by the Act of December 14, 1977, P.L. 280, *as amended*, 40 P.S. §§221.1 --.63 (Article V), by Order of this Court dated March 11, 2021 (“Liquidation Order”). The Liquidation Order appointed then Insurance Commissioner Jessica K. Altman, and her

successors in office, as the Statutory Liquidator of Bedivere. Michael Humphreys has succeeded Ms. Altman and is now the Insurance Commissioner of Pennsylvania and the Liquidator of Bedivere.

2. Paragraph 2 of the Liquidation Order directed the Liquidator to take possession of Bedivere's property, business and affairs in accordance with Article V and to administer them pursuant to the orders of this Court.
3. Paragraph 3 of the Liquidation Order vested the Liquidator with all the powers, rights, and duties authorized under Article V and other applicable statutes and regulations.
4. The administrative expenses of the Estate are class (a) claims pursuant to Section 544(a) of Article V, 40 P.S. §221.44(a), which describes administrative expenses as follows:
 - (a) The costs and expenses of administration, including but not limited to the following: the actual and necessary costs of preserving or recovering the assets of the insurer; compensation for all services rendered in the liquidation; any necessary filing fees; the fees and

mileage payable to witnesses; reasonable attorney's fees; the expenses of a guaranty association in handling claims.¹

5. Class (a) claims are the first priority of claims to be paid and as required by Section 544(a) of Article V, 40 P.S. §221.44, “[e]very claim in each class shall be paid in full or adequate funds retained for such payment before the members of the next class receive any payment.”
6. Generally speaking, the administrative expenses of Bedivere relate to efforts by the Liquidator to, *inter alia*, recover, preserve and maximize the assets of the Estate; determine the liabilities of the Estate by reviewing and evaluating the claims filed by Bedivere's policyholders and claimants; address the cases that were, and remain, pending in various courts around the country in which Bedivere was involved when it was placed in liquidation; investigate possible actions related to the insolvency of Bedivere, and; fulfill the public policies and purposes of Article V for the benefit of all Bedivere policyholders and claimants.
7. Pursuant to Section 523(2) of Article V, 40 P.S. § 221.23(2), “the liquidator shall have the power to employ employees and agents, legal counsel,

¹ This Application addresses the administrative expenses paid by the Liquidator during the relevant time period. The administrative expenses of the various guaranty associations which are handling Bedivere claims will be addressed by separate application.

actuaries, accountants, appraisers, consultants, and such other personnel as he may deem necessary to assist in the liquidation.” In addition, pursuant to Section 523(3) of Article V, 40 P.S. § 221.23(3), “the liquidator shall have the power to fix the compensation of employees and agents, legal counsel, actuaries, accountants, appraisers and consultants without complying with civil service regulations.” As stated in his Status Reports to this Court, the Liquidator has retained various service providers, consultants, accountants and legal counsel to assist in the liquidation.

8. Specifically, in his third Status Report to this Court submitted on March 31, 2025, the Liquidator listed the specific firms retained to assist with the liquidation and reported the expenses incurred by the Estate during the period beginning January 1, 2024, through December 31, 2024.
9. Three schedules are attached as Exhibits to this Application which provide specific information regarding the administrative expenses incurred by the Estate. Exhibit A presents the expenses paid by the Liquidator by category on a cash basis during the period from January 1, 2024 through December 31, 2024, and includes definitions of each category. Exhibit B displays the amount paid to each provider of professional services who was paid more than \$5,000 during the period from January 1, 2024, through December 31, 2024, and includes a brief description of the type of service provided.

Exhibit C displays the amount paid to each provider of legal services during the period from January 1, 2024, through December 31, 2024, and includes a brief description of the type of service provided.

10. Paragraph 12 of the Liquidation Order provides that:

Any and all distribution of assets pursuant to Sections 544 and 546 of Article V, 40 P.S. §§ 221.44, 221.46, including those in payment for costs and expenses of estate administration, shall be made under the direction and approval of the Court.

11. With this Application, the Liquidator respectfully petitions the Court for approval of his administrative expenses paid for the period from January 1, 2024, through December 31, 2024, as shown in Exhibits A, B and C. The Liquidator submits that these expenses are reasonable and necessary and have been incurred in the process of liquidating Bedivere pursuant to Article V and the Liquidation Order.

WHEREFORE, the Liquidator respectfully requests that the Court enter an Order in the form attached hereto approving the administrative expenses that are reported in this Application and detailed in the Application's Exhibits.

Respectfully Submitted

A handwritten signature in blue ink, appearing to read "Preston M. Buckman". The signature is fluid and cursive, with the first name "Preston" and last name "Buckman" clearly legible.

PRESTON M. BUCKMAN (I.D. #57570)
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Attorney for Michael Humphreys,
Insurance Commissioner of the Commonwealth of
Pennsylvania, in his capacity as Statutory
Liquidator of Bedivere Insurance Company, In
Liquidation

EXHIBIT A

Bedivere Insurance Company (In Liquidation)
Administrative Expenses Paid
For the Period January 1, 2024 - December 31, 2024

Category	Amount
Service Provider Fees <i>Fees for AGRM Inc. services. Bedivere retained AGRM Inc. as the primary service provider for the operational and administrative functions of the liquidation.</i>	\$ 11,192,983.40
Legal Fees <i>Legal retainers and fees to outside law firms for matters related to, inter alia, recovery of assets, reinsurance arbitration, claims litigation, coverage issues, and enforcing stays and seeking dismissals. Also includes arbitrator fees and litigation support services.</i>	441,862.15
Record Storage <i>Fees for storage of paper records at Iron Mountain and Access Information Protected</i>	1,123,575.66
Liquidator Consultants Fees <i>Fees paid to consultants engaged by the Liquidator to provide expert guidance and advice on liquidation, claims, and reinsurance matters, as well as day to day oversight of AGRM Inc.</i>	745,076.18
Liquidation Office Fees <i>Costs of the Pennsylvania Insurance Department for the oversight of the liquidation</i>	256,633.29
Other Expenses <i>Fees for other support of the liquidation</i>	3,000.00
Total	<hr/> \$ 13,763,130.68

EXHIBIT B

Bedivere Insurance Company (In Liquidation)		
Professional Service Expense		
For the Period January 1, 2024 - December 31, 2024		
VENDOR NAME	Amount	Services Provided
Access Information Protected	\$ 43,840.12	Record Storage
A.G. Risk Management, Inc	11,192,983.40	POC Administration, Claims, Reinsurance, Accounting and IT services.
Anselma Capital, LLC	259,629.69	Liquidation Management and Subject Matter Expert
Bayshore Consulting, LLC	338,187.50	POC and Claims Management and Subject Matter Expert
Burgess Consulting, LLC	140,825.00	Liquidation and Complex Claims Consulting
Guaranty Support, Inc.	6,433.99	Electronic Records Transfer Support Services
Iron Mountain	1,079,735.54	Record Storage
Statutory Liquidation Office	256,633.29	Liquidation Oversight and Management by Pa Insurance Dept.
Total Other Vendors under \$5,000	3,000.00	Reinsurance recovery and liquidation support
Total Professional Services Expense	\$ 13,321,268.53	

EXHIBIT C

Bedivere Insurance Company (IN LIQUIDATION)		
Legal Fees and Expenses		
For the Period January 1, 2024 - December 31, 2024		
VENDOR NAME	Amount	Services Provided
Barrasso Usdin Kupperman Freeman Sarver	4,605.00	Local counsel - Stay/Dismissals
Clyde & Co.	1,170.00	Local counsel - Stay/Dismissals
Consilio, LLC	9,818.55	Record management
Cozen O'Connor	291,635.71	Liquidation and Coverage advice
Forsberg & Umlauf P.S.	5,662.50	Local counsel - Stay/Dismissals
HDDRe Strategies LLC	26,895.00	Arbitrator Services
Mendes & Mount LLP	1,933.50	Local counsel - Stay/Dismissals
Metzger Law Firm	8,385.64	Local counsel - Stay/Dismissals
Musick Peeler & Garrett, LLP	1,596.00	Local counsel - Stay/Dismissals
Norris Chaplin Schroeder	634.50	Local counsel - Stay/Dismissals
Peter A Gentile	10,260.00	Arbitrator Services
Stoll Keenon Ogden LLC	6,310.25	Local counsel - Stay/Dismissals
Stradley Ronon Stevens & Young LLP	72,068.50	Liquidation and Coverage advice
Taylor Wellons Politz Duhe APLC	315.00	Local counsel - Stay/Dismissals
Tressler LLP Operating	572.00	Local counsel - Stay/Dismissals
Total Legal Fees & Expenses	441,862.15	

**CERTIFICATION OF COMPLIANCE
WITH PUBLIC ACCESS POLICY**

I certify that this filing complies with the provisions of the Public Access Policy of the Unified Judicial System of Pennsylvania: Case Records of the Appellate and Trial Courts that require filing confidential information and documents differently than non-confidential information and documents.



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*Attorney for Michael Humphreys, Insurance
Commissioner of the Commonwealth of
Pennsylvania, in his capacity as Statutory
Liquidator of Bedivere Insurance Company,
In Liquidation*

Dated: April 3, 2025

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the foregoing document upon all parties of record in this proceeding, in accordance with Pa.R.A.P. 3780, in the following manner:

Service via e-service or email addressed as follows:

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Dated: April 3, 2025

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

In Re: Bedivere Insurance Company :
(In Liquidation) : No. 1 BIC 2021

Re: Liquidator's Application for Approval of Administrative Expenses Paid from
January 1, 2024—December 31, 2024

ORDER

AND NOW, this _____ day of _____, 2025, upon consideration of the Statutory Liquidator's Application for Approval of Administrative Expenses Paid from January 1, 2024, -- December 31, 2024 (Application), and the representations made therein, it is ORDERED that the Application is GRANTED. The administrative expenses paid by the Liquidator for the period of January 1, 2024, through December 31, 2024, as set forth in the Application and Exhibits A through C attached thereto, are approved as class (a) claims pursuant to Section 544(a) of Article V of the Insurance Department Act of 1921, Act of May 17, 1921, P.L. 789, added by the Act of December 14, 1977, P.L. 280, *as amended*, 40 P.S. §221.44(a).

BY THE COURT:

ANNE E. COVEY, Judge