

COMMONWEALTH OF VIRGINIA

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STATE CORPORATION COMMISSION

AT RICHMOND, OCTOBER 18, 2013

SOO-CLERK'S OFFICE
DOCUMENT CONTROL CENTER

COMMONWEALTH OF VIRGINIA, *ex rel.*

2013 OCT 18 P 3:49

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2011-00239

SOUTHERN TITLE INSURANCE
CORPORATION, in Receivership

SCHEDULING ORDER

On October 4, 2013, Jacqueline K. Cunningham, as Deputy Receiver ("Deputy Receiver") of Southern Title Insurance Corporation ("Southern Title" or "Company"), filed her application ("Application") for the State Corporation Commission's ("Commission") entry of a scheduling order ("Scheduling Order"): (1) setting a hearing ("Liquidation Hearing") on the Deputy Receiver's proposed liquidation of Southern Title; (2) establishing response dates for those persons wishing to oppose the Application; (3) approving notice procedures for the Liquidation Hearing and other receivership proceedings; and (4) after the Liquidation Hearing, entering an Order of Liquidation declaring Southern Title to be insolvent, approving the proposed claims filing deadline, authorizing use of the unearned premium reserve ("UPR") in accordance with § 38.2-4613 of the Code of Virginia ("Code"), and addressing all related matters.

NOW THE COMMISSION, having considered the Application, hereby sets a hearing on the proposed liquidation of Southern Title and approves the notice procedures proposed by the Deputy Receiver in the Application.

Accordingly, IT IS ORDERED THAT:

(1) In accordance with Rule 5 VAC 5-20-120 A of the Commission's Rules of Practice and Procedure, 5 VAC 5-20-10 *et seq.*, this matter is assigned to a Hearing Examiner who shall conduct all further proceedings in this matter on behalf of the Commission and file a report.

(2) A hearing on the Application for an Order of Liquidation and a declaration of insolvency, the proposed claims filing deadline, the use of the UPR, and related matters is hereby set for 10 a.m., February 4, 2014, in the second floor courtroom of the State Corporation Commission, Tyler Building, 1300 East Main Street, Richmond, Virginia 23219.

(3) On or before December 6, 2013, the Deputy Receiver shall provide direct written notice of the Liquidation Hearing to all creditors, claimants, and policyholders for whom Southern Title's records provide a valid mailing address.

(4) In addition to the direct written notice, the Deputy Receiver shall publish notice of the Liquidation Hearing for one day each week for two consecutive weeks in the local and national publications specified in the Schedule of Publications attached to the Application.

(5) The Deputy Receiver is authorized to use electronic mail to provide notice to any claimant, creditor, or policyholder for whom Southern Title maintains a valid electronic mail address in the books and records for the Company.

(6) All publication notices shall be of a form reasonably calculated to provide sufficient notice to any claimant, creditor, or policyholder who does not receive direct notice by United States mail or electronic mail of the Liquidation Hearing and Scheduling Order.

(7) All direct and publication notices issued by the Deputy Receiver shall advise potential claimants to consult with legal counsel for the protection of their rights and interests under insurance policies issued by Southern Title or in the receivership proceedings.

(8) The Deputy Receiver is authorized to require that creditors, claimants, and policyholders, in order to receive any future direct written notice or information regarding the receivership proceedings including, but not limited to, notice of the claims filing deadline, as well as notice of any other orders entered at the conclusion of the Liquidation Hearing, register with the Deputy Receiver by submitting a completed registration form wherein the registrant elects a delivery method for future notices.

(9) All persons who expect to appear at the Liquidation Hearing for the purpose of opposing the Application, the claims filing deadline, the use of the UPR in accordance with § 38.2-4613 of the Code, and related matters shall file with the Commission and serve upon the Deputy Receiver and all other parties of record no later than January 6, 2014, a Notice of Objection, which shall contain: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific relief sought to the extent then known; (iii) the factual and legal basis for the relief sought; and (iv) the prepared testimony and exhibits of each witness expecting to present direct testimony in opposition to any relief sought herein by the Deputy Receiver.

(10) All Notices of Objection, prepared testimony, exhibits, and all other pleadings or related documents shall be filed with the Commission electronically in the manner prescribed by the Commission's Guidelines for Electronic Document Filing at:

<http://scc.virginia.gov/clk/efiling/Guidelines.aspx>, or by delivering the original and 15 copies to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. Service on the Deputy Receiver shall be made by delivering one copy of any required filing to the Deputy Receiver's counsel, Michael P. Marcin, Esquire, Cantilo & Bennett, L.L.P., 11401 Century Oaks Terrace, Suite 300, Austin, Texas

78758, and on or before the day of filing by electronic mail to such counsel at service@cb-firm.com.

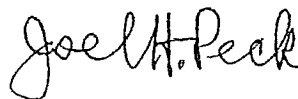
(11) These proceedings shall be subject to the Commission's Rules of Practice and Procedure to the extent not modified by order of the Commission or ruling of the Hearing Examiner.

(12) The Deputy Receiver shall provide proof of notice as required by this Order at the Liquidation Hearing scheduled for February 4, 2013.

(13) This case is continued.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to all persons on the official Service List in this matter. The Service List is available from the Clerk of the State Corporation Commission, c/o Document Control Center, 1300 East Main Street, First Floor, Tyler Building, Richmond, Virginia 23219.

A True Copy
Teste:



Clerk of the
State Corporation Commission