

## **Frequently Asked Questions About Indemnity Insurance Corporation, RRG, in Rehabilitation ("IICRRG")**

### **1. What is a Rehabilitation Proceeding?**

When an insurance company is impaired, insolvent, in unsound condition, or its further transaction of insurance would be hazardous to its policyholders, the Delaware Insurance Code authorizes the Insurance Commissioner of the State of Delaware to ask the Court of Chancery of the State of Delaware (the "Receivership Court") for an Order directing the Commissioner to rehabilitate the insurance company.

A Rehabilitation Order directs the Commissioner, in her capacity as Receiver, to (i) take or maintain possession of the property of the insurer, (ii) conduct the insurer's business, and (iii) take such steps to rehabilitate the business of the insurer as the Court shall direct.

### **2. Who is in charge of IICRRG during the Rehabilitation Proceeding?**

The Receiver is in charge of IICRRG during the Rehabilitation Proceeding. On November 7, 2013, the Court signed a Rehabilitation and Injunction Order appointing the Commissioner as Receiver of IICRRG.

The Receiver has appointed George J. Piccoli as the Deputy Receiver to carry out the responsibilities of the Receiver with respect to the rehabilitation of IICRRG. The Deputy Receiver will appoint other persons to assist him in the Rehabilitation Proceedings. Only persons appointed by the Receiver or Deputy Receiver to assist in rehabilitating IICRRG will have authority to act on behalf of IICRRG.

### **3. What happens to my claim against IICRRG?**

The Rehabilitation and Injunction Order includes injunctions against certain conduct. Please read the Rehabilitation and Injunction Order carefully as there are penalties for violations of the injunctions. No proceedings against IICRRG or any of its insureds may proceed for 180 days from the entry of the Rehabilitation and Injunction Order.

As a result of the entry of the Rehabilitation and Injunction Order, IICRRG is not able to pay its claims at this time. The Receiver is working quickly to assess the company's claims and its financial condition and prepare a Rehabilitation Plan that will address those matters.

**4. What happens if I cancel my IICRRG policy?**

At the present time, the Receiver is assessing various alternatives to determine which alternative is in the best interests of all of the policyholders and other creditors of IICRRG. During the rehabilitation proceedings for IICRRG, the Receiver will not be paying any claims for refunds of policy premium resulting from the cancellation of policies of insurance issued by IICRRG except as provided for in a Plan of Rehabilitation approved by the Receivership Court.

**5. What happens to my service contract with IICRRG?**

The Rehabilitation and Injunction Order enjoins any vendor or other party under any contract from proceeding to act for or on behalf of IICRRG or from binding IICRRG without the express written authorization from the Deputy Receiver or the Receivership Court. You **might** be authorized to continue providing services under your contract **if** the Deputy Receiver determines that it is advisable for the estate to authorize you to do so. Without the express written authorization of the Deputy Receiver, no vendor or other contracting party may take any action concerning the Assets, business, or affairs of IICRRG.

**6. Whom can I contact if I have a question regarding IICRRG and/or the Rehabilitation Proceeding?**

**You can call (410) 472-6001 or write to:**

**INDEMNITY INSURANCE CORP., RRG, IN REHAB.  
950 Ridgebrook Road, Suite 1500  
Sparks, MD 21152**

Additional information regarding the IICRRG receivership will be posted from time to time under the link for IICRRG at:

**[http://delawareinsurance.gov/departments/berg/rehab\\_bureau.shtml](http://delawareinsurance.gov/departments/berg/rehab_bureau.shtml)** (Please note that there is an underline between the words “rehab” and “bureau” in the website address.)

Dated: November 7, 2013