

# Scottish Re (U.S.), Inc.

## In Liquidation

TRINIDAD NAVARRO  
INSURANCE COMMISSIONER  
AS RECEIVER

MICHAEL J. JOHNSON  
DEPUTY RECEIVER

August 9, 2023

### **Notice of Liquidation of SCOTTISH RE (U.S.), INC.**

On July 18, 2023, Scottish Re (U.S.), Inc., a Delaware domestic life and health insurance company (“SRUS”), was declared insolvent and ordered liquidated by the Court of Chancery of the State of Delaware (the “Court”). SRUS was previously placed in rehabilitation on March 6, 2019.

The Court’s appointment of the Insurance Commissioner of the State of Delaware as the statutory Receiver of SRUS was continued. The Receiver has continued the appointment of Michael J. Johnson and Eugene T. Reed, Jr. as Deputy Receivers of SRUS.

A copy of the Liquidation and Injunction Order (the “Order”) is enclosed. The Order, and all subsequent proceedings concerning SRUS, will be conducted in accordance with Chapter 59 of the Delaware Code (18 *Del. C.* § 5901 *et seq.*).

SRUS, which is headquartered in North Carolina, was engaged primarily in reinsuring life insurance policies written by insurance companies (cedents). SRUS ceased writing certain new business in 2008, although it continued to assume reinsurance business from direct writing insurers under existing reinsurance contracts. At that time, SRUS also notified existing cedents that new reinsurance risks no longer would be accepted under existing reinsurance treaties or contracts, thereby placing the reinsurance business into run-off (the “Closed Block”). During rehabilitation, SRUS continued to manage the Closed Block, performing key activities and actively managing the business under the terms of the related reinsurance treaties.

Pursuant to the Liquidation and Injunction Order, all persons or entities having in their possession Assets or possible Assets are enjoined from transacting any business of, or on behalf of, SRUS or selling transferring, destroying, wasting, encumbering, or disposing of any of the Assets, without the prior written permission of the Receiver or upon further Order of the Court. All persons holding Assets of, or on behalf of, SRUS, are directed to comply with Paragraphs 15 and 16 of the Order. All persons are required to fully comply with the terms of the Order.

**TERMINATION OF AGREEMENTS OF REINSURANCE:** As set forth in Paragraph 20(a) of the Liquidation and Injunction Order, all agreements of reinsurance issued by SRUS by which SRUS reinsures a cedent, whether issued in the State of Delaware or elsewhere, in effect as of the date of this Liquidation and Injunction Order shall only continue in force until the earlier of the following events: (i) the stated expiration or termination date and time of the contract of the reinsurance agreement; (ii) the effective date and time of a reinsurance agreement with a third party reinsurer that replaces the reinsurance agreement with SRUS, regardless of whether the coverage is identical coverage; (iii) the effective date and time of any legally authorized transfer of SRUS' s liabilities under the reinsurance agreement to a third-party reinsurer; and (iv) for all other reinsurance agreements not addressed above, such reinsurance agreements would be cancelled at 11:59 p.m. on **SATURDAY, SEPTEMBER 30, 2023** regardless that such day is a Saturday.

**BAR DATE:** No bar date is set by the Liquidation and Injunction Order. It is anticipated that one or more bar dates will be set by Order of the Court for different types of claims, pursuant to subsequent Motion(s) by the Receiver.

**If You Have Any Questions:** Additional information regarding the Scottish Re (U.S.), Inc. receivership will be posted from time to time at:

[https://insurance.delaware.gov/divisions/rehab\\_bureau/rehab\\_bureau\\_scottishreusinc/](https://insurance.delaware.gov/divisions/rehab_bureau/rehab_bureau_scottishreusinc/)

The mailing address for the Deputy Receivers and the SRUS estate is:

SCOTTISH RE (U.S.), INC. IN LIQUIDATION  
c/o Black & Gerngross, P.C.  
1617 John F. Kennedy Blvd.  
Suite 1575  
Philadelphia, PA 19107

The telephone number for the Delaware Liquidation Office is: (302) 577-1211



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Michael J. Johnson  
Deputy Receiver