



GRANTED

EFiled: Apr 18 2024 01:44PM EDT
Transaction ID 72777895
Case No. 2019-0175-JTL



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN THE MATTER OF THE LIQUIDATION :
OF SCOTTISH RE (U.S.), INC. : C.A. 2019-0175-JTL
: _____ :
:

**ORDER TO SHOW CAUSE CONCERNING THE RECEIVER’S
VERIFIED MOTION TO APPROVE THE DISPUTE PROCEDURES**

PLEASE READ THIS ORDER CAREFULLY AS IT MIGHT AFFECT YOUR RIGHTS CONCERNING SCOTTISH RE (U.S.), INC. (“SRUS”). IF YOU DO NOT FILE A TIMELY RESPONSE TO THE RECEIVER’S MOTION FOLLOWING THE INSTRUCTIONS IN THIS ORDER, ANY OBJECTION TO OR COMMENTS YOU HAVE CONCERNING THE RELIEF SOUGHT BY THE RECEIVER OF SRUS WILL BE DEEMED WAIVED AND THE COURT WILL GRANT THE RECEIVER’S MOTION AND THE RELIEF SOUGHT THEREIN. (If you have no objection or comment concerning the Motion or the relief sought therein, you do not need to take any further action in response to this Order to Show Cause.)

WHEREAS, pursuant to 18 *Del. C.* §5902(a), the Honorable Trinidad Navarro, Insurance Commissioner of the State of Delaware (the “Commissioner”) in his capacity as the Receiver (“Receiver”) of Scottish Re (U.S.), Inc. in Liquidation (“SRUS”), has moved (the “Motion to Approve”) for approval of dispute procedures;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

OBJECTION DEADLINE

1. **ANY INTERESTED PARTY WHO HAS AN OBJECTION TO THE RECEIVER'S MOTION TO APPROVE MUST FILE THEIR OBJECTION UNDER THE PROCEDURES SET FORTH IN THIS ORDER ON OR BEFORE FRIDAY, MAY 17, 2024 (THE "OBJECTION DEADLINE"). ANY INTERESTED PARTY WHO OBJECTS TO THE RECEIVER'S MOTION TO APPROVE MUST ADVISE THE COURT OF THEIR OBJECTION TO THE RECEIVER'S MOTION TO APPROVE AND THE GENERAL BASIS FOR THEIR OBJECTION SO THAT SUCH OBJECTION IS RECEIVED BY THE COURT AND THE RECEIVER'S COUNSEL ON OR BEFORE THE FOREGOING OBJECTION DEADLINE. ANY INTERESTED PARTY WHO FAILS TO NOTIFY THE COURT OF THEIR OBJECTION TO THE RECEIVER'S MOTION TO APPROVE BY THE OBJECTION DEADLINE WILL BE DEEMED TO HAVE WAIVED ANY RIGHT TO A COURT REVIEW OF AND TO HAVE ABANDONED ANY OBJECTION TO THE RECEIVER'S MOTION TO APPROVE. ANY INTERESTED PARTY WHO OBJECTS TO THE MOTION TO APPROVE SHALL MEET AND CONFER IN ACCORDANCE WITH THE SCHEDULING ORDER ENTERED ON FEBRUARY 27, 2024 [D.I. 838], AND SHALL BE REQUIRED TO ATTEND A HEARING TO PRESENT THEIR OBJECTION.**

OBJECTION PROCEDURE

2. Any objection must be filed in writing on or before the Objection Deadline by Delaware counsel through electronic service as required by the Court’s Rules or by unrepresented individuals with the Court at the Court’s address at:

Register in Chancery
Court of Chancery of the State of Delaware
New Castle County Courthouse
500 North King Street
Wilmington, DE 19801

and shall include the following information:

- a. The caption of these proceedings:

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN THE MATTER OF THE LIQUIDATION :
OF SCOTTISH RE (U.S.), INC. : C.A. 2019-1075-JTL
_____ :

- b. the nature of the document being filed (*e.g.*, Objection to the Motion to Approve);
- c. the name, address, and telephone number of the person filing the document;
- d. the date the document is being filed; and
- e. the grounds for such party’s objection to the Motion to Approve and the relief sought therein.

Please note that corporations and other entities are required to be represented by Delaware counsel to appear before the Court.

A HEARING WILL BE HELD ONLY IF NECESSARY

3. A hearing on the Motion to Approve will be scheduled only if there are any objections filed on or before the Objection Deadline set forth in Paragraph 1 above.

NOTICE OF THIS ORDER TO SHOW CAUSE

4. Within five (5) business days of receipt of this signed Order to Show Cause, the Receiver shall (i) serve copies of this Order to Show Cause, the Motion to Approve, and the proposed form of Order to grant the Motion to Approve, by U.S. first class mail on all known creditors of SRUS, and (ii) post the Order to Show Cause, the Motion to Approve, and the proposed form of Order to grant the Motion to Approve on the website maintained for the SRUS liquidation (https://insurance.delaware.gov/divisions/rehab_bureau/rehab_bureau_scottishreus inc/).

SO ORDERED this _____ day of _____, 2024.

Vice Chancellor J. Travis Laster

This document constitutes a ruling of the court and should be treated as such.

Court: DE Court of Chancery Civil Action

Judge: J Travis Laster

File & Serve

Transaction ID: 72770688

Current Date: Apr 18, 2024

Case Number: 2019-0175-JTL

Case Name: CONF ORDER - IN THE MATTER OF THE LIQUIDATION OF SCOTTISH RE (U.S.),
INC.

/s/ Judge J Travis Laster



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN THE MATTER OF THE LIQUIDATION :
OF SCOTTISH RE (U.S.), INC. : C.A. 2019-0175-JTL
_____ :

**RECEIVER’S VERIFIED MOTION TO APPROVE
THE RECEIVER’S DISPUTE PROCEDURES**

The Honorable Trinidad Navarro, Insurance Commissioner of the State of Delaware, (the “Commissioner”) in his capacity as the Receiver (the “Receiver”) of Scottish Re (U.S.), Inc., in Liquidation (“SRUS”), hereby moves (the “Motion”) this Honorable Court pursuant to 18 *Del. C.* § 5902, for an Order Approving the Receiver’s Dispute Procedures (the “Dispute Procedures” or “Procedures”) (a copy of the Dispute Procedures is attached hereto as Exhibit “1”). In support of this Motion, the Receiver states the following:

I. INTRODUCTION

1. This Motion seeks Court approval of the process set forth in the Receiver’s Dispute Procedures. The Motion concerns claims where the Receiver and a claimant disagree on a claim’s valuation and/or priority classification. These Procedures flow from the Cedent Reinsurance Claims Procedures and General Claims Procedures (the “Claims Procedures”), copies of which are attached hereto respectively as Exhibits “2” and “3”. They apply to claims where a Cedent does not accept the Total Undisputed Claims Amount or the Total Undisputed Cedent Termination Claims Amount; the Receiver has issued a Notice of Determination (“NOD”) but has not issued a Notice of Determination of Agreed Class and Value

("NODACV"); or the claims are unresolved Disputed Pre-POC Claims (disputes identified prior to the POC process that have not been resolved).¹ To assist the Court, a flowchart that illustrates the Procedures is attached hereto as Exhibit "4". The Motion is further supported by the Affidavit of Michael J. Johnson, Deputy Receiver which is attached hereto as Exhibit "5".

II. BACKGROUND

1. The background of the SRUS delinquency proceedings and the proposed Claims Procedures are detailed in the Receiver's Verified Motions to Approve Cedent Reinsurance Claims Procedures and General Claims Procedures filed with the Court on March 25, 2024 (D.I. 847 and 846).

2. As referenced in the Motions, pursuant to Delaware's Insurance Code, the Receiver manages the claims evaluation process (the "Claims Process"). *In re Liquidation of Freestone Ins. Co.*, 143 A.3d 1234, 1235 (Del. Ch. 2016).

3. The Receiver is at the center of this process and resolves all claims in the first instance. *Id.* at 1245. If this cannot be accomplished, the Receiver reports a claim recommendation to the Court (the "Receiver's Recommendation" or "Recommendation"), after which the Court rules on the Receiver's Recommendation. *Id.* at 1246 (citing 18 *Del. C.* § 5917(c) & (d)).

4. In most liquidation proceedings, the bulk of the potential claimants are policyholders of the delinquent insurer or third parties who have claims against a policyholder. Most receive payment of some or all their claims from insurance

¹ These are defined terms in the Claims Procedures.

guaranty associations (“Guaranty Associations”) that adjust and pay those claims subject to state-specific caps and/or net-worth requirements. (Ex. 5, Johnson Aff. at ¶ 7).

5. When payment is made by a Guaranty Association, the Receiver does not issue a Notice of Determination (“NOD”) regarding the claim to the policyholder or third-party claimant or make a Recommendation. Instead, those claims are included within the omnibus proofs of claim filed by the Guaranty Association(s) that paid the claim. The implicated Guaranty Associations are typically the largest creditors of the delinquent insurer. (Ex. 5, Johnson Aff. at ¶ 8).

6. Although the proof of claims process is often very similar among delinquent insurers, where advisable the Receiver generally tailors the process to varying degrees to address the specific lines of insurance at implicated in the proceeding or based upon distinguishing features of the delinquent insurer, the causes of its insolvency, or its business. (Ex. 5, Johnson Aff. at ¶ 6).

7. For example, in another liquidation proceeding where there was no Guaranty Association coverage, but a large number of claims, the Receiver sought, and the Court granted, a claims resolution process that addresses the increased number and potential complexity of resolving all claims through the proof of claim process. *See In re Liquidation of Indemnity Ins. Corp. RRG*, C.A. No. 8601-VCZ (Del. Ch.) (“IICRRG”), D.I. 726 (Petition for Approval of Proof of Claim Process in an insolvency of a captive insurance company which was not subject to guaranty fund

coverage, and which had approximately 3,000 claims that required final determination by the Court).²

8. SRUS's liquidation proceeding is unlike any other in Delaware. SRUS has no policyholders, only cedents, retrocessionaires, and other creditors. There is no Guaranty Association coverage. The vast majority of SRUS's claims arise from counterparty disputes with sophisticated insurance and reinsurance companies. They also can involve complex actuarial analysis and calculations. (Ex. 5, Johnson Aff. at ¶¶ 9-12).

9. The Receiver developed these Procedures to provide a standardized process to evaluate disputed claims and a path for their possible resolution, and to enable the Receiver to provide a tailored Recommendation to the Court for an effective final determination process.³ (Ex. 5, Johnson Aff. at ¶ 13).

10. The Receiver has determined that under the specific circumstances of SRUS's liquidation, the Claims Procedures and Dispute Procedures separately and collectively are designed to work synergistically to minimize the cost and expense of the Proof of Claim Process and foster a timelier resolution of disputed claims and final distribution of Estate assets to creditors. For the reasons and circumstances

² The claims in the liquidation of IICRRG were primarily personal injury claims under commercial general liability and liquor liability policies, rather than the often-complex financial claims dealing with the reinsurance of life and annuity policies involved in SRUS's liquidation.

³ Suggested Procedures for Final Resolution of Claims by the Court will be submitted by the Receiver for approval within sixty days.

stated herein, the Dispute Procedures are fair to SRUS's creditors and are in the best interests of the Estate, its claimants, and the public. (Ex. 5, Johnson Aff. at ¶ 13).

III. RECEIVER'S DISPUTE PROCEDURES

11. The Motions regarding the Claims Procedures address the requirements for a claimant to file a Proof of Claim with the Estate and specify, depending on the claim and the claimant's position, the information that is required to be supplied to the Receiver under 18 *Del. C.* § 5917(a). They also request that this Court set bar dates for such claims pursuant to 18 *Del. C.* § 5929.

12. As noted in the Motions, the Claims Procedures are structured to expeditiously identify undisputed claims to allow for early final determination of them by the Court under 18 *Del. C.* § 5917.

13. They arise from the recognition that, due to the nature of SRUS's business, most of the claims of SRUS's cedents and reinsurers will be readily determinable based on information that is largely uncontested, and in many cases has already been exchanged in the ordinary course of business.

14. Notwithstanding, the Claims Procedures require claimants to provide specific information to the Receiver in support of their claim.

15. A claimant must "set forth in reasonable detail the amount of the claim or the basis upon which such amount can be ascertained, the facts upon which the claim is based, and the priorities asserted, if any" and such claim must be "supported by such documents as may be material thereto." 18 *Del. C.* § 5917(a).

16. The Dispute Procedures focus on claims where a claimant disputes either the Receiver's valuation or assignment of the Priority Class after the Receiver has issued an NOD but has not issued a NODACV or involves unresolved Disputed Pre-POC Claims.

A. Information Review/Gathering Process

17. After an NOD is issued, and there is no prospect that an NODACV will be issued, the Receiver determines whether the information provided by the claimant is sufficient to set forth the claimant's basis for the dispute with particularity, supported by material documentation. If the Receiver requires additional information, the Receiver will request it from the claimant.

18. To the extent the Proof of Claim submitted by a claimant asserts claims which are not adequately supported, the Procedures provide that the Receiver may request additional information to evaluate the disputed claims.

19. This process allows the Receiver to further evaluate the claim in light of additional information and permits the Receiver to organize and route disputed claims to the most appropriate and efficient track for dispute resolution.

20. Failure to provide information when requested is a basis for the Receiver to deny a claim.

B. Receiver's Assignment of Dispute Track

21. The disputed claims from a single claimant may consist of multiple discrete claims under individual insurance policies or Reinsurance Agreements

which, in aggregate, form a claimant's Proof of Claim. Each discrete claim is referred to as a "Component Claim."

22. It is anticipated that groups of disputed Component Claims can be determined together, as they involve the same dispute. Such a group is referred to as a Component Claim Group.

23. Under the Procedures, the Receiver assigns Component Claims Groups to certain "Dispute Determination Tracks" and uses the mechanisms set forth below to evaluate and attempt to resolve disputed claims, resulting in the Receiver's Recommendation on a cedent's claim(s) to be submitted to the Court for final determination.

C. Information Provided by Claimants and Receiver for Dispute Resolution/Determination

24. Discovery by claimants is not provided for by the DUILA in the claims process for a liquidation.⁴ However, because the anticipated disputes will likely involve information concerning ongoing accounting between the parties, and/or involve information that either has already been or in the ordinary course of business would be expected to be exchanged between the parties, these Procedures provide for the production of certain documents to claimants.

25. After the Receiver assigns Component Claims Groups to a track, for each such Group, a cedent provides the Receiver with all documents it will use at the

⁴ See *In re Indem. Ins. Corp.*, RRG, in Liquidation, 2020 WL 4795385, at *1 and n. (Del.Ch. 2020) (holding no discovery in claims process against insolvent insurer) (citing, *inter alia*, *Kreidler v. Cascade Nat. Ins. Co.*, 321 P.3d 281, 290 (Wash. Ct. App. 2014)).

hearing to be held under the final determination procedures to support its Proof of Claim for that Group. In return, the Receiver provides all documents which he will use at that hearing. Procedures at 4.2.1, 4.2.2.

26. In extraordinary circumstances, additional discovery of the Receiver is only allowed under the Procedures where the claimant can demonstrate, with specificity, that the information being sought is (a) relevant and necessary for the evaluation of the dispute and (b) why obtaining the information from the Receiver is the least burdensome method for the claimant to obtain the information being sought. Procedures at 4.2.3.

D. The Dispute Determination Tracks

27. There are three Dispute Determination Tracks: (1) Reconciliation Disputes; (2) Combined Disputes; and (3) Standard Disputes. Procedures at 4.1.2.

28. These separate tracks facilitate the efficient resolution or determination of the claims, minimizes the dissipation of Estate assets by reducing expenses, and preserves Estate assets for final distribution to claimants.

a. Reconciliation Disputes

29. Reconciliation Disputes concern straightforward questions of claim valuation in which the parties are unable to agree on the amount of a Component Claim, and do not implicate complex issues of law or fact. Procedures at 4.1.2.1, 5.1.

30. In such a case, in a final effort to consensually resolve claims, the Component Claim Group will proceed to mandatory mediation consistent with the provisions in Section 6 of the Dispute Procedures.

31. If mediation is unsuccessful in resolving a Reconciliation Dispute, the Receiver will issue a Recommendation to the Court for the disputed claim. The Court will then determine the claim consistent with the Final Determination Procedures.

b. Combined Disputes

32. The Receiver is already aware of existing disputes with claimants, included within the Disputed Pre-POC Claims, where the disputes among multiple claimants contain common issues of law or fact. (Ex. 5, Johnson Aff. at ¶ 16).

33. Combined Disputes concern claims where the Receiver determines that multiple Component Claims share a material, common issue of disputed law or fact, and the early resolution of that issue would facilitate resolution or the final determination of the related claims. In such a circumstance, the Receiver may opt to group those Component Claims to submit to the Court for a determination on the disputed issue. Procedures at 4.1.2.2, 5.2.

34. The Receiver also anticipates that after the Proof of Claims are submitted by claimants, additional disputed issues will be identified that share common issues of law or fact among multiple claimants.

35. Combining such disputes, and submitting them to the Court for resolution, creates consistency in issue determination (particularly in the event that the parties agree to arbitrate other issues) and facilitates the final determination of the underlying claims by streamlining and making more efficient the process for determining such claims. Alternatively, each of the Component Claim Groups would be placed into the Standard Track where common issues among different claimants

would be repeatedly litigated. This would pose the risk of inconsistent rulings, increased expenses to the Estate, and would not conserve Court resources. (Ex. 5, Johnson Aff. at ¶¶ 16-17).

36. Under the Combined Claim Procedures, the common issue need only be litigated once, eliminating the potential for inconsistent rulings, and it is anticipated (after resolution of the common issue) that many such claims could then proceed pursuant to the Reconciliation Dispute Process, where the ultimate determination is either clear based on the determination, or likely subject to reconciliation. Any claims with individual significant disputes remaining would go into the Standard Track. (Ex. 5, Johnson Aff. at ¶ 18).

37. In doing so, the Receiver will make application to the Court for the Court's permission to so group claims for a determination by the Court. Procedures at 5.2.1.

38. The application will include sufficient information to inform the Court of the matters to be determined, the basis for the request for a combined determination, and the manner in which the Receiver proposes the matters should be determined (*e.g.* by briefing with or without affidavits, limited testimony or otherwise). Procedures at 5.2.2.

39. The Court is, of course, free to agree to accept the application on the terms suggested, modify the terms as it sees fit, or reject the application. In the event the application is rejected, the individual Combined Claims Groups for a claimant will be assigned to the Standard Disputes Track. Procedures 5.2.4.

c. Standard Disputes

40. Standard Disputes refer to Component Claims Groups which do not share material common issues of fact or law with other groups, and which do not fit the parameters for classifying as Reconciliation Claims (*e.g.* there may be material issues of fact or law in dispute that make agreement of the parties unlikely).

Procedures at 4.1.2.3, 5.3.

41. The Standard Dispute track allows the parties the most flexibility in procedures. The parties, by mutual consent, may agree to mediate or arbitrate their claims. Procedures at 5.3.2.

42. In the absence of such agreement, the Receiver will issue a Recommendation, and the Court will determine the claim consistent with the Final Determination Procedures. Procedures, 5.2.4.

E. Alternative Dispute Resolution

43. The Procedures allow parties on the Standard Dispute Track (either initially or after determination on Combined Dispute) to agree to either mediation or arbitration of disputed claims. Procedures, 6.1 (Mediation), 6.2 (Arbitration).

44. The Receiver anticipates requesting the Court to establish a list of mediators to be used for consensual mediations for disputes in the Standard Dispute track or mandatory mediations for disputes in the Reconciliation Track.

45. Should the Court issue such a list, the parties must select the mediator from that list, except upon an Order of Court allowing for the use of a mediator not

on the list. Procedures, 6.1.2. The intent of this provision is to expedite the mediation process, and to prevent needless jousting over the identity of mediators.

46. If the parties resolve the dispute after mediation, the Receiver will issue a Recommendation to the Court consistent with the agreed-upon resolution. The Court will then determine the claim consistent with the Final Determination Procedures. Procedures, 6.1.3. If there is no agreement after mediation, and if the parties do not agree to arbitration, the Receiver will issue a Recommendation to the Court for the disputed claim. The Court will then determine the claim consistent with the Final Determination Procedures. Procedures at 6.1.4.⁵

47. Should the parties agree to arbitration, the terms of the arbitration will also be agreed upon by the parties. Procedures at 6.2.2.

48. By submitting the claim to arbitration, the Receiver and the claimant are agreeing to a Recommendation to the Court by the Receiver that is consistent with the determination of the arbitration. Procedures at 6.2.3.⁶

IV. CONCLUSION

49. For the reasons set forth above and in Exhibits 1-5, the Receiver asserts that the above Procedures are fair to SRUS and its claimants and creditors, and are

⁵ Under all circumstances, whether it is an agreed-upon claim occurring during pre-claim reconciliation, after mediation, or after arbitration the Court's authority over the claim is no different than it is for a recommendation submitted by the Receiver without agreement. In **all** cases the Court will "enter an order allowing, allowing in part, or disallowing the claim." 18 *Del. C.* § 5917(d). As will be addressed in the Final Determination Procedures, the primary distinction for claim determinations presented to the Court through different tracks (i.e. whether agreed-upon or disputed) is the type of hearing provided on such claim.

⁶ See Note 3.

in the best interests of SRUS's Estate, its claimants, and the general public. (Ex. 5, Johnson Aff. at ¶¶ 19-20).

WHEREFORE, the undersigned attorney, on behalf of the Honorable Trinidad Navarro, Insurance Commissioner of the State of Delaware in his capacity as Receiver of SRUS, in Liquidation, respectfully requests that this Honorable Court:

- (1) Find sufficient causes exists to support the conclusion that the Dispute Procedures is in the best interests of the SRUS estate, creditors, and the public;
- (2) Grant the Receiver's Motion for Approval of the Dispute Procedures;
- (3) Authorize the Receiver to take any and all steps necessary to effectuate the terms of the Dispute Procedures; and
- (4) Grant such other relief as the Court deems just.

Dated: April 17, 2024

Respectfully submitted,

BAYARD, P.A.

/s/ GianClaudio Finizio

Peter B. Ladig (#3513)

GianClaudio Finizio (#4253)

600 N. King Street, Suite 400

P.O. Box 25130

Wilmington, Delaware 19899

(302) 655-5000

OF COUNSEL:

James J. Black, III

Jeffrey B. Miceli

Mark W. Drasnin

Black & Gerngross, P.C.

1617 John F. Kennedy Blvd.

Suite 1575

Philadelphia, PA 19103

WORDS: 2999/3000

*Attorneys for The Honorable
Trinidad Navarro, Receiver for
Scottish RE (U.S.), Inc.*



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN THE MATTER OF THE LIQUIDATION :
OF SCOTTISH RE (U.S.), INC. : C.A. 2019-0175-JTL
: _____
:

**[PROPOSED] ORDER GRANTING THE
RECEIVER'S VERIFIED MOTION TO APPROVE
THE RECEIVER'S DISPUTE PROCEDURES**

WHEREAS, on April 17, 2024, the Honorable Trinidad Navarro, Insurance Commissioner of the State of Delaware (the "Commissioner") in his capacity as the Receiver ("Receiver") of Scottish Re (U.S.), Inc., in Liquidation ("SRUS"), has moved (the "Motion") this Honorable Court pursuant to 18 *Del. C.* § 5902, for an Order Approving the Receiver's Dispute Procedures (the "Dispute Procedures");

NOW, THEREFORE, IT IS HEREBY ORDERED as of the date this Order is entered on the docket of the above-captioned matter that:

1. The Receiver's Motion, including the exhibits thereto, contain sufficient evidence to support the conclusion that the Dispute Procedures are in the best interests of the SRUS estate, creditors and the public;
2. The Receiver's Motion is hereby GRANTED; and

3. The Dispute Procedures attached as Exhibit “1” to the Receiver’s Motion are hereby APPROVED, and the Receiver is hereby AUTHORIZED and ORDERED to take any and all steps necessary to effectuate the terms of the Dispute Procedures.

IT IS SO ORDERED.

J. Travis Laster
Vice Chancellor

Dated:



CERTIFICATE OF SERVICE

I hereby certify that on April 17, 2024, a true and correct copy of the foregoing has been served upon the following counsel *via File and ServeXpress*:

<p>Michael Busenkell, Esquire Gellert Scali Busenkell & Brown, LLC 1201 North Orange Street, Suite 300 Wilmington, DE 19801</p> <p><i>Attorneys for Scottish RE (U.S.), Inc.</i></p>	<p>Joelle E. Polesky, Esquire Stradley Ronon Stevens & Young, LLP 1000 North West Street, Suite 1200 Wilmington, DE 19801</p> <p><i>Attorneys for Interested Party American Council of Life Insurers</i></p>
<p>Diane J. Bartels, Esquire Brandywine Village 1807 North Market Street Wilmington, DE 19802</p> <p><i>Attorneys for Insurance Commissioner as Receiver</i></p>	<p>Sommer L. Ross, Esquire Duane Morris LLP 1201 N. Market St., Suite 501 Wilmington, DE 19801</p> <p><i>Attorneys for Non-Party NW Hall Building LP</i></p>
<p>Travis S. Hunter, Esquire Nathalie Freeman, Esquire Jessica Blau, Esquire Richards, Layton & Finger, P.A. One Rodney Square 920 North King Street Wilmington, Delaware 19801</p> <p><i>Attorneys for Non-Party Transamerica Life Insurance Company, Allstate Life Insurance Company, State Mutual Insurance Company, American Home Life Insurance Company</i></p>	<p>Gary W. Lipkin, Esquire Marisa Rachel De Feo, Esquire Patrick A. Lockwood, Esquire Saul Ewing Arnstein & Lehr LLP 1201 North Market Street, Suite 2300 Wilmington, DE 19801</p> <p><i>Attorneys for Objectors Lincoln National Life Insurance Company, Lincoln Life and Annuity Company of New York and First Penn Pacific Life Insurance Company</i></p>

<p>Joseph O. Larkin, Esquire Jacqueline M. Dakin, Esquire Skadden, Arps, Slate, Meagher & Flom LLP 920 North King Street P.O. Box 636 Wilmington, DE 19899</p> <p><i>Attorneys for Non-Party John Hancock Life Insurance Company (U.S.A.)</i></p>	<p>R. Stephen McNeill, Esquire Potter Anderson & Corroon LLP 1313 North Market Street Wilmington, DE 19801</p> <p><i>Attorneys for Americo Financial Life and Annuity Insurance Company, Great Southern Life Insurance Company, National Farmers Union Life Insurance Company, and United Fidelity Life Insurance Company</i></p>
<p>Joseph B. Cicero, Esquire Gregory Stuhlman, Esquire Chipman Brown Cicero & Cole, LLP Hercules Plaza 1313 North Market Street, Suite 5400 Wilmington, DE 19801</p> <p><i>Attorneys for Berkshire Hathaway Life Insurance Company of Nebraska, Nationwide Life Insurance Company, Nationwide Life and Annuity Insurance Company, Allianz Life Insurance Company of North America, Ameritas Life Insurance Corp., Ameritas Life Insurance Corp. of New York, The Ohio National Life Insurance Company, Ohio National Life Assurance Corporation, Pacific Life Insurance Company, Pacific Life and Annuity Company, Columbus Life Insurance Company and Security Benefit Life Insurance Company</i></p>	<p>Ricardo Palacio, Esquire Catherine A. Gaul, Esquire Ashby & Geddes 500 Delaware Avenue, 8th Floor P.O. Box 1150 Wilmington, DE 19801</p> <p><i>Attorneys for PHL Variable Insurance Company, Nassau Life Insurance Company f/k/a Phoenix Life Insurance Company and Nassau Life and Annuity Company f/k/a Phoenix Life and Annuity Company, Protective Life Insurance Company, The U.S. Branch of Sun Life Assurance Company of Canada, Fidelity & Guaranty Life Insurance Company, Fidelity & Guaranty Life Insurance of New York</i></p>

<p>John C. Phillips, Jr., Esquire Paul S. Seward, Esquire Phillips, McLaughlin & Hall, P.A. 1200 North Broom Street Wilmington, DE 19801</p> <p><i>Attorneys for Hannover Life Reassurance Company of America and Security Life of Denver Insurance Company</i></p>	<p>Kelly A. Green, Esquire Smith, Katzenstein & Jenkins, LLP 1000 West Street, Suite 1501 Wilmington, DE 19801</p> <p><i>Attorneys for The Prudential Insurance Company of America, Metropolitan Life Insurance Company, Employers Reassurance Corporation and Jackson National Life Insurance Company</i></p>
<p>Joseph C. Schoell, Esquire Faegre Drinker Biddle & Reath LLP 222 Delaware Avenue, Suite 1410 Wilmington, DE 19801</p> <p><i>Attorneys for Homesteaders Life Company; Banner Life Insurance Company; National Benefit Life Insurance Company; Police and Firemen's Insurance Association; Kansas City Life Insurance Company</i></p>	<p>David A. Felice, Esquire Bailey & Glasser, LLP Red Clay Center at Little Falls 2961 Centerville Road, Suite 302 Wilmington, DE 19808</p> <p><i>Attorneys for MassMutual Ascend Life Insurance Company</i></p>
<p>John L. Reed, Esquire Peter H. Kyle, Esquire DLA Piper LLP (US) 1201 North Market Street, Suite 2100 Wilmington, DE 19801</p> <p><i>Attorneys for Non-Party SCOR Global Life Americas Reinsurance Company, SCOR Reinsurance Germany, Branch of SCOR SE, TOA Reinsurance Company, Limited of Tokyo, Japan, SCOR SE, SCOR Global Life Reinsurance Company of Delaware, SCOR Global Life USA Reinsurance Company, Columbian Life Insurance Company, Columbian Mutual Life Insurance Company</i></p>	<p>Alessandra Glorioso, Esquire Dorsey & Whitney 300 Delaware Avenue, Suite 1010 Wilmington, DE 19801</p> <p><i>Attorneys for Interested Party Assurity Life Insurance Company</i></p>

<p>John G. Harris, Esquire Peter C. McGivney, Esquire Berger Harris LLP 1105 North Market Street, 11th Floor Wilmington, DE 19801</p> <p><i>Attorneys for the Reinsurance Association of America</i></p>	<p>Barry M. Klayman, Esquire Simon Fraser, Esquire Cozen O'Connor 1201 North Market Street, Suite 1001 Wilmington, DE 19801</p> <p><i>Attorneys for Non-party Scottish Re (Dublin) dac</i></p>
<p>Elizabeth M. Taylor, Esquire Garrett B. Moritz, Esquire Ross Aronstam & Moritz LLP Hercules Building 1313 North Market Street, Suite 1001 Wilmington, DE 19801</p> <p><i>Attorneys for Interested Party Merced Private Claims, LLC</i></p>	<p>Kevin J. Mangan, Esquire Nicholas T. Verna, Esquire Womble Bond Dickerson (US) LLP 1313 North Market Street, Suite 1200 Wilmington, DE 19801</p> <p><i>Attorneys for Non-Party Brighthouse Life Insurance Company and Non-Party Brighthouse Life Insurance Company of NY, New York Life Insurance Company, New Your Life and Annuity Insurance Company, United Heritage Life Insurance Company, Shenandoah Life Insurance Company, USAA Life Insurance Company, United of Omaha Life Insurance Company, Companion Life Insurance Company, SBLI USA Life Insurance Company, Inc., S. USA Life Insurance Company, Inc., Genworth Life Insurance Company, Genworth Life and Annuity Insurance Company , Genworth Life Insurance Company of New York, USAA Life Insurance Company of New York, The Guardian Life Insurance Company of America</i></p>

<p>Jody C. Barillare, Esquire Morgan Lewis & Bockius LLP 1201 N. Market Street, Suite 2201 Wilmington, DE 19801</p> <p><i>Attorneys for (Non-Party) Assured Guaranty (Europe) plc</i></p>	<p>Daniel Hargraves, Esquire Freeborn & Peters LLP 230 Park Avenue, Suite 630 New York, NY 10169</p> <p><i>Attorneys for AXA Equitable Life Insurance Company</i></p>
<p>Randall S. MacTough, Esquire Zarwin Baum Devito Kaplan Schaeer Toddy, PC 1007 N. Orange Street, 4th Floor Wilmington, DE 19801</p> <p><i>Attorneys for Objector First Penn Pacific Life Insurance Company</i></p>	<p>Jennifer R. Hoover, Esquire Noelle B. Torrice, Esquire Benesch Friedlander Coplan & Aronoff LLP 1313 North Market Street, Suite 1201 Wilmington, DE 19801</p> <p><i>Attorneys for Objector Jackson National Life Insurance Company</i></p>
<p>Christopher D. Loizides, Esquire Loizides, P.A. 1225 King Street, Suite 800 Wilmington, DE 19801</p> <p><i>Attorneys for Intervenor, Paul Davis</i></p>	

/s/ GianClaudio Finizio
GianClaudio Finizio (#4253)



EXHIBIT 1

EXHIBIT 1

EXHIBIT 1

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN THE MATTER OF THE LIQUIDATION :
OF SCOTTISH RE (U.S.), INC. : C.A. 2019-0175-JTL
_____ :

RECEIVER’S DISPUTE PROCEDURES

**SECTION I
PREAMBLE**

1.1. These procedures apply to disputes that arise out of claims made with the SRUS estate (“Dispute Procedures”), pursuant to the Receiver’s Cedent Reinsurance Claims Procedures and General Claims Procedures (the “Claims Procedures”) filed with the Court on March 25, 2024. The Dispute Procedures are intended to provide a standardized and efficient process for the Receiver to evaluate disputed claims, resolve them if possible, and enable the Receiver to provide a tailored recommendation to the Court for an effective final determination process.

The Dispute Procedures begin after all claimants have submitted POCs to the Receiver and the Receiver has provided each claimant with an NOD as set forth in the Claims Procedures.

**SECTION II
DEFINITIONS**

2.1 Any term used in these Dispute Procedures that is not defined in this Section but is defined in the Claims Procedures shall have the meaning set forth therein. Any term used in these Dispute Procedures that is not defined in this Section or the Claims Procedures but is defined in 18 *Del. C.* ch. 59 (“DUILA”), shall have the

meaning set forth therein. All terms other than those defined in this Section or the DUILA shall have their common meaning in the English language. Otherwise, with respect to these Dispute Procedures, these terms shall have the following meanings:

- (a) “Cedent” refers to the definition of “Cedent” as contained within the definition of “Reinsurance” in this Section II. For the avoidance of doubt, Cedent refers to an individual Cedent entity and not a group of affiliated or non-affiliated Cedents.
- (b) “Cedent Reinsurance Claims” refers to a claim or claims by a Cedent against SRUS made under the Cedent Reinsurance Claims Procedures.
- (c) “Chancery Court” or “Court” refers to the Delaware Court of Chancery.
- (d) “Claims Procedures” refers to the definition of “Claims Procedures” as that term is defined in Section I – Preamble.
- (e) “Component Claim” refers to discrete claims under individual policies of insurance or Reinsurance Agreements which, collectively, are included in a claimant’s proof of claim.
- (f) “Component Claim Group” refers to the group of Component Claims assigned by the Receiver to be determined under a particular Dispute Determination Track.
- (g) “Dispute Determination Track” refers to the process through which the Receiver determines, using the mechanisms set forth in these procedures, a recommendation on a cedent’s claim(s) to be submitted to the Court for final determination.
- (h) “General Claims Procedures” refers to the procedures regarding the filing of Cedent Termination Claims, and all other claims not addressed in the Cedent Reinsurance Claims procedures.
- (i) “Priority Class” refers to the Priority Class of a Cedent Claim under 18 *Del. C.* § 5918. All timely filed Cedent Reinsurance Claims, unless notified otherwise, are Priority Class 6 pursuant to 18 *Del. C.* § 5918(e)(6).
- (j) “Receiver” refers to the Honorable Trinidad Navarro, Insurance Commissioner of the State of Delaware in his capacity as the Receiver of

SRUS, or his duly appointed deputy receiver(s) and Designees as that term is defined in the Liquidation Order.

- (k) “Reconciliation Disputes” refers to disputes that do not concern complicated issues of law or fact, in which the parties are unable to come to an agreement on the valuation of a claim (e.g. amount in dispute, proper offsetting, etc.).
- (l) “Reinsurance Claims Procedures” refers to the procedures regarding the filing of Cedent Reinsurance Claims, Non-Agreed POC Claims, and Disputed Pre-POC Claims.

SECTION III DISPUTE EVALUATION PROCESS

3.1 General Information

3.1.1 These Dispute Procedures, together with the Claims Procedures, and the procedures whereby the Court final determines a proof of claim, implement the claims, reporting, and hearing provisions of the DEUILA, including 18 *Del. C.* §§ 5913, 5915, 5917-18.

3.1.2 Upon Approval, these Dispute Procedures will govern all disputes arising under the Claims Procedures.

3.1.3 If at any point the Receiver and a claimant reach an agreement to resolve a dispute, the claim will be submitted to the Court for final determination as an agreed-upon claim, as described further in the Final Determination Procedures.

3.2 Receiver’s Supplemental Information Request

3.2.1 This Section addresses the process by which the Receiver may request information from claimants with disputed claims so the Receiver can further evaluate the claim in light of additional information, and permit the Receiver to organize and

route disputed claims to the most appropriate and efficient track for dispute resolution.

3.2.2 This process applies to disputes referenced in the Cedent Reinsurance Claims Procedures at Sections 3.2.2, 3.5.7, 3.6.9 and 3.6.10 and Section 3.2.3.3 of the General Claims.

3.2.3 The claimant may contest the Value or Priority Class of a Component Claim identified in the Receiver's NOD. Where that occurs, the Receiver will determine if the information provided by the claimant constitutes sufficient information to set forth the claimant's basis for the dispute with particularity, supported by material documentation.

3.2.4 If the Receiver requires additional information, the Receiver will request that information from the claimant. Failure to provide information requested by the Receiver is grounds for the claim to be denied.

SECTION IV DISPUTE ORGANIZATION PROCESS

4.1 Receiver's Assignment of Dispute Determination Tracks

4.1.1 The Receiver will assign one or more of a Claimant's disputed Component Claim(s) to the appropriate Dispute Determination Track in a "Component Claim Group."

4.1.2 There are three Dispute Determination Tracks: (1) Reconciliation Disputes; (2) Combined Disputes; and (3) Standard Disputes.

4.1.2.1 Reconciliation Disputes concern straightforward questions of claim valuation in which the parties are unable to come to an

agreement on the amount of a Component Claim, and do not implicate complex issues of law or fact.

4.1.2.2 Combined Disputes concern claims where the Receiver determines that multiple Component Claims share a material, common issue of law or fact in dispute, and that the early resolution of that issue would facilitate the final determination of the related claims. In such a circumstance, the Receiver may opt to group those Component Claims to submit to the Court for a determination on the disputed issue.

4.1.2.3 Standard Disputes concern Component Claims in which there are not material common issues of fact or law, and which do not constitute Reconciliation Claims.

4.2 **Exchange of Documents for Hearing**

4.2.1 To the extent not already provided, the claimant will provide the Receiver with every document that the claimant intends to rely on in support of its position for each Component Claim Group.

4.2.2 The Receiver will then provide the claimant with the information that the Receiver intends to rely on in support of its position for each Component Claim Group.

4.2.3 To the extent that a claimant seeks additional information from the Receiver, the claimant has the burden to demonstrate, with specificity, that the information being sought is (a) relevant and necessary for the evaluation of the

dispute and (b) why obtaining the information from the Receiver is the least burdensome method for the claimant to obtain the information being sought.

SECTION V HEARING PROCESS

5.1 Reconciliation Dispute Hearing Process

5.1.1. All Reconciliation Disputes will proceed to mandatory mediation consistent with the provisions in Section 6. If mediation is unsuccessful in resolving a Reconciliation Dispute, the Receiver will issue a recommendation to the Court for the disputed claim. The Court will then determine the claim consistent with the Final Determination Procedures.

5.2 Disputed Claims Hearing Process – Combined Disputes

5.2.1 For Combined Disputes, the Receiver will make application to the Court to determine the common issues of law or fact contained in a Combined Dispute.

5.2.2 The Receiver's application will include sufficient information to inform the Court of the matters to be determined, the basis for the request for a combined determination, and the manner in which the Receiver proposes the matter should be determined (*e.g.* briefing and affidavits, testimony or otherwise).

5.2.3 To the extent the Court agrees to hear the Combined Dispute, the Court shall determine the common issues of law and/or fact as submitted by the parties.

5.2.4 After a ruling is entered on the common issue(s) in dispute, or should the Court deny the Receiver's application, the Receiver will assign a claimant's

Component Claims¹ from the Combined Dispute into Component Claim Groups, and reassign each Component Claim Group either to the Reconciliation Group Track or the Standard Disputes Track.

5.2.5 Thereafter, those claims will proceed pursuant to Section 5.1 (Reconciliation Disputes) or 5.3 (Standard Disputes) of these Procedures.

5.3 Disputed Claims Hearing Process –Standard Dispute

5.3.1 For Standard Disputes, the Receiver will issue a recommendation to the Court for the disputed claim. The Court will then determine the claim consistent with the Final Determination Procedures.

5.3.2 Alternatively, the parties may agree to either (1) mediate the dispute pursuant to Section 6.1 of these Procedures; or (2) arbitrate the dispute pursuant to Section 6.2 of these Procedures.

SECTION VI ALTERNATIVE DISPUTE RESOLUTION

6.1 Mediation

6.1.1 In addition to mandatory mediation for Reconciliation Disputes, the parties may agree to mediate their dispute.

6.1.2 If the Court provides a list of mediators for the purpose of these procedures, the parties must select the mediator from that list, except upon Order of Court. If the parties successfully resolve a disputed claim through mediation, the Receiver will issue a recommendation to the Court consistent with the agreed-upon

¹ To the extent the Combined Claim consists of more than one claimant, each claimant will be assigned separate Component Claim Groups.

resolution. The Court will then determine the claim consistent with the Final Determination Procedures.

6.1.3 If the parties are unable to resolve a disputed claim through mediation, the Receiver will issue a recommendation to the Court for the disputed claim. The Court will then determine the claim consistent with the Final Determination Procedures.

6.2 Arbitration

6.2.1 The parties may agree to arbitrate their dispute.

6.2.2 The terms of the arbitration shall be as agreed upon by the parties.

6.2.3 Agreement of the parties to arbitration constitutes agreement to treat the determination on arbitration as an agreed upon claim under Section 3.1.3 of these Procedures.

6.2.4 The Receiver will issue a recommendation to the Court consistent with the agreed-upon determination of the arbitrator(s). The Court will then determine the claim consistent with the Final Determination Procedures.

EXHIBIT 2

EXHIBIT 2

EXHIBIT 2

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN THE MATTER OF THE LIQUIDATION :
OF SCOTTISH RE (U.S.), INC. : C.A. 2019-0175-JTL
_____ :

**RECEIVER'S PROCEDURES
FOR CEDENT REINSURANCE CLAIMS
(CEDENT CREDITORS OF SRUS ONLY)**

**SECTION I
PREAMBLE**

These procedures apply to Cedent Reinsurance Claims that allege amounts due and owing from SRUS to Cedents based on circumstances occurring on or before September 30, 2023; and the Receiver's determination of those claims ("Cedent Reinsurance Claims Procedures").

The Cedent Reinsurance Claims Procedures are the exclusive means for evaluating and determining these claims. They are intended to provide a standardized and efficient process to evaluate and determine Cedent Reinsurance Claims. Claims that fall within this group arise from ordinary course business dealings. Unlike other claims, Cedent Reinsurance Claims are relatively uniform, mature, involve settled financial data, and are straightforward to calculate. As such, these procedures are structured to expeditiously identify and resolve uncontested claims so that they can be presented to the Court for Final Determination. This allows SRUS, claimants, and the Court to focus on other types of claims and issues including disputes.

SECTION II DEFINITIONS

Any term used in these Cedent Reinsurance Claims Procedures that is not defined in this Section but is defined in 18 *Del. C.* ch. 59 (“DUILA”) shall have the meaning set forth therein. All terms other than those defined in this Section or the DUILA shall have their common meaning in the English language. Otherwise, with respect to these Cedent Reinsurance Claims Procedures, these terms shall have the following meanings:

- (a) “Approval” refers to the date on which an Order is filed by the Chancery Court approving these Cedent Reinsurance Claims Procedures either as filed or with modifications by the Court.
- (b) “Bar Date” refers to the deadline set by the Court pursuant to 18 *Del. C.* § 5929(b) for a Cedent to file a proof of claim with the estate in accordance with these Cedent Reinsurance Claims Procedures. This date is _____, 202_. Pursuant to 18 *Del. C.* § 5918(e)(7) all Cedent claims that are subject to these Cedent Reinsurance Claim Procedures that are filed after the Bar Date are deemed late filed and, unless such late filing is excused by the Court, the claim is assigned to Priority Class 7.
- (c) “Cedent” refers to the definition of “Cedent” as contained within the definition of “Reinsurance” in this Section II. For the avoidance of doubt, Cedent refers to an individual Cedent entity and not a group of affiliated or non-affiliated Cedents.
- (d) “Cedent Reinsurance Claims” refers to a claim or claims by a Cedent against SRUS made under the Cedent Reinsurance Claims Procedures.
- (e) “Chancery Court” refers to the Delaware Court of Chancery.
- (f) “Claim Valuation”, “Valuation”, or “Value” refer to the process in which the Receiver evaluates, values, or otherwise determines a claim pursuant to these Cedent Reinsurance Claims Procedures.

- (g) “Disputed Pre-POC Claims” refers to that portion of a Cedent Reinsurance Claim identified by the Receiver as such in an attachment to the Cedent Reinsurance Proof of Claim Summary Sheet.
- (h) “Liquidation Order” refers to the Liquidation and Injunction Order entered by the Chancery Court on July 18, 2023, placing SRUS into liquidation.
- (i) “Non-Agreed POC Claims” refers to that portion of a Cedent Reinsurance Claim, other than Disputed Pre-POC Claims, where the Cedent and Receiver disagree as to the value of the Cedent Reinsurance Claim.
- (j) “Offset” or “Setoff” refers to the reduction of the amount owed by one party to a second party by crediting the first party with amounts owed it by the second party. Offset rights in the liquidation proceedings of SRUS are governed by 18 *Del. C.* § 5927.
- (k) “Priority Class” refers to the Priority Class of a Cedent Claim under 18 *Del. C.* § 5918. All timely filed Cedent Reinsurance Claims, unless notified otherwise, are Priority Class 6 pursuant to 18 *Del. C.* § 5918(e)(6).
- (l) “Receiver” refers to the Honorable Trinidad Navarro, Insurance Commissioner of the State of Delaware in his capacity as the Receiver of SRUS, or his duly appointed deputy receiver(s) and Designees as that term is defined in the Liquidation Order.
- (m) “Reinsurance” refers to the contractual transfer or cession by an insurer known as a “Cedent” of some or all of its risk to its policyholders to another insurance company known as the “Reinsurer” for which the Reinsurer is paid a premium by the Cedent (which may or may not relate specifically to the premium paid by the underlying policyholder). The terms and conditions of this transfer are contained in a “Reinsurance Agreement” or “Treaty” and any amendments or endorsements thereto. The Reinsurer may, in turn, contractually transfer or cede some or all of its risk that it assumed from the Cedent to another Reinsurer known as a “Retrocessionaire” for which the Retrocessionaire is paid a premium by the Reinsurer. The terms and conditions of this transfer are contained in a “Retrocession Agreement” and any amendments or endorsements thereto.
- (n) “Reinsurance Agreement” refers to the definition of “Reinsurance Agreement” as contained within the definition of “Reinsurance in this Section II.

**SECTION III
CEDENT REINSURANCE CLAIMS PROCESS**

3.1 General Information

3.1.1 These Cedent Reinsurance Claims Procedures, together with the procedures regarding all other claims, dispute resolution, and final determination of claims by the Court, implement the claims, reporting, and hearing provisions of the DEUILA, including 18 *Del. C.* § 5917.

3.1.2 Upon Approval, the Cedent Reinsurance Claim Procedures will be the exclusive means for evaluating and determining all Cedent Reinsurance Claims.

3.1.3 Within thirty (30) days of the Approval, the Receiver shall serve all Cedents with a packet containing the following: (a) Cedent Reinsurance Proof of Claim Summary Sheet; (b) Cedent Proof of Claim Form for Cedent Reinsurance Claims; and (c) Proof of Claim Spreadsheet and Instructions (collectively, the “Cedent Proof of Claim Packet”).

3.1.4 Within five (5) business days of Approval, the Receiver will post the following to the website maintained for the SRUS liquidation:¹ (a) the Cedent Reinsurance Claims Procedures; and (b) a template of the Cedent Proof of Claim Packet.

3.2 Cedent Reinsurance Claim Summary Sheet

3.2.1 As part of the Cedent Proof of Claim Packet, the Receiver will issue a Cedent Reinsurance Proof of Claim Summary Sheet (“Cedent Reinsurance Claim Summary”) to each Cedent. A template of the Cedent Reinsurance Claim Summary

¹ https://insurance.delaware.gov/divisions/rehab_bureau/rehab_bureau_scottishreusinc/

is attached to these Cedent Claim Procedures as Exhibit “A.” Highlighted items on the template refer to notional parties and amounts. The final Cedent Reinsurance Claim Summary in the Cedent Proof of Claim Packet will replace the highlighted portion with the applicable information for each particular Cedent.

3.2.2 The Cedent Reinsurance Claim Summary also identifies in an attached list all Disputed Pre-POC Claims under each Treaty (“Receiver’s List of Disputed Pre-POC Claims”).

3.2.3 The Cedent Reinsurance Claim Summary provides financial information to the Cedent from the records of SRUS as of the date noted on the summary, that identifies, for the period ending (and inclusive of) September 30, 2023, the aggregate undisputed amount (all treaties) due from SRUS before any deductions for offset (“Gross Aggregate Undisputed Claims Amount”), the aggregate offset shown on the records of SRUS for amounts (all treaties) due to SRUS (“Aggregate Offset Amount”), and the total amount of the claims that the Receiver does not dispute (“Total Undisputed Claims Amount”).

3.2.4 On the Cedent Reinsurance Claim Summary, the applicable Aggregate Offset Amount is subtracted from the Gross Aggregate Undisputed Claims Amount. The difference is represented by the Total Undisputed Claims Amount. If there is no applicable Aggregate Offset Amount, the Gross Aggregate Undisputed Claims Amount will be equal to the Total Undisputed Claims Amount.

3.2.5 The Cedent Reinsurance Claim Summary also contains directions for Cedents wishing to file a Cedent Reinsurance Claim to complete the Cedent Reinsurance Proof of Claim Form.

3.3 Cedent Reinsurance Proof of Claim Form

3.3.1 As part of the Cedent Proof of Claim Packet, the Receiver will issue to each Cedent the Cedent Reinsurance Proof of Claim Form (the “Cedent Reinsurance POC Form”). A template of the Cedent Reinsurance POC Form is attached to these Cedent Reinsurance Claim Procedures as Exhibit “B.” Highlighted items on the template refer to notional parties and amounts. The final Cedent Reinsurance POC Form in the Cedent Proof of Claim Packet will replace the highlighted portion with the applicable information for each particular Cedent.

3.3.2 The Cedent Reinsurance POC Form lists the name of the Cedent as well as the Total Undisputed Claims Amount as calculated on the Cedent Reinsurance Claim Summary. It asks the Cedent to decide whether or not to accept the Total Undisputed Claims Amount.

3.4 Proof of Claim Spreadsheet and Instructions

3.4.1 The Cedent Reinsurance POC Form contains instructions for downloading an Excel file containing two tabs referred to as the Proof of Claim Spreadsheet (“POC Spreadsheet”). A template of the POC Spreadsheet is attached to these Cedent Reinsurance Claim Procedures as Exhibit “C,” and a template of the Excel file may be downloaded from SRUS’s website: https://insurance.delaware.gov/divisions/rehab_bureau/rehab_bureau_scottishreusinc/

3.4.2 As part of the Cedent Proof of Claim Packet, the Receiver will issue to each Cedent the POC Spreadsheet Instructions (the “Instructions”) which provide detailed guidelines as to what information must be provided on the POC Spreadsheet. A template of the Instructions is attached to these Cedent Reinsurance Claim Procedures as Exhibit “D.”

3.5 **Procedures When Total Undisputed Claims Accepted**

3.5.1 If the Cedent accepts the Total Undisputed Claims Amount on the Cedent Reinsurance POC Form, the Cedent shall complete and notarize the Cedent Reinsurance POC.

3.5.2 If the attachment to the Receiver's Cedent Reinsurance Claim Summary contains any Disputed Pre-POC Claims, the Cedent shall include each of those Disputed Pre-POC claims in its POC Spreadsheet, in accordance with the instructions. The Cedent shall also attach a narrative description describing for each Disputed Pre-POC Claim: (1) the amount claimed; and (2) why the amount is due despite the dispute basis identified in the attachment to the Cedent Reinsurance Claim Summary. The Cedent must also provide all relevant documents supporting its claim that such amount is due despite the identified basis of the dispute.

3.5.3 Accepting the Total Undisputed Reinsurance Claim Amount does not constitute acceptance of SRUS's position on Disputed Pre-POC Claims. The resolution and valuation of the Disputed Pre-POC Claims will be the subject of the Dispute Resolution Procedures.

3.5.4 If the Cedent accepts the Total Undisputed Claims Amount on the Cedent Reinsurance POC Form, the Cedent need not include any claim on the POC Spreadsheet that is not a Disputed Pre-POC Claim (*i.e.*, it need not provide information about the claims it has accepted).

3.5.5 The Cedent must return to the Receiver, such that it is received no later than the Bar Date: (1) the completed and notarized Cedent Reinsurance POC Form and, if applicable, (2) (a) the completed POC Spreadsheet; (b) the narrative description, and (c) the documents showing why the amount is due despite the identified basis for the dispute (*i.e.*, the Cedent's position why each Disputed Pre-POC Claim should be determined in favor of the Cedent).

3.5.6 No later than forty-five (45) days after the Bar Date, the Receiver shall submit all Cedent Reinsurance POCs in which a Cedent has accepted the Total Undisputed Claims Amount, along with the Receiver's recommendation, to the Chancery Court for final determination pursuant to the procedures for Final Determination of Claims.

3.5.7 The resolution/adjudication process for the Disputed Pre-POC Claims follows the procedures set forth in the Dispute Resolution Procedures.

3.6 Procedures When Total Undisputed Claims Not Accepted

3.6.1 If a Cedent does not accept the Total Undisputed Claims Amount, the Cedent must complete and notarize the Cedent Reinsurance POC, setting out the amount it contends is due for the Non-Agreed POC Claims (*i.e.* all Reinsurance Claims not including the Disputed Pre-POC Claims).

3.6.2 The Cedent must complete the applicable POC Spreadsheet in accordance with the Instructions and provide the Receiver with any documentation in its possession that supports the amount claimed for the Non-Agreed POC Claims.

3.6.3 If the attachment to the Receiver's Cedent Reinsurance Claim Summary contains any Disputed Pre-POC Claims, the Cedent shall include each of those Disputed Pre-POC claims in its POC Spreadsheet, in accordance with the instructions. The Cedent shall also attach a narrative description describing, for each Disputed Pre-POC Claim: (1) the amount claimed and (2) why the amount is due despite the dispute basis identified in the attachment to the Cedent Reinsurance Claim Summary. The Cedent must also provide all relevant documents supporting its claim that such amount is due despite the identified basis for the dispute (i.e., the Cedent's position why each Disputed Pre-POC Claim should be determined in favor of the Cedent).

3.6.4 The completed POC Spreadsheet and accompanying documentation will serve as the basis for the Cedent Reinsurance Claim(s) that the Cedent asserts against the SRUS estate.

3.6.5 The Cedent must return to the Receiver, such that it is received no later than the Bar Date: (1) the completed and notarized Cedent Reinsurance POC Form; (2) the completed POC Spreadsheet; and (3) all supporting documentation.

3.6.6 Upon the Receiver's receipt and evaluation of the Cedent's completed Cedent Reinsurance POC, POC Spreadsheet(s) and any supporting documentation, the Receiver will either: (a) issue a Notice of Determination ("NOD") regarding the

Cedent's Non-Agreed POC Claims that assigns a Priority Class and value to the claim(s); or (b) communicate with the Cedent in an attempt to: (i) obtain additional information needed for the Receiver to issue a Notice of Determination for the claim; and/or (ii) reconcile discrepancies between the Receiver and Cedent's valuation of the respective claim(s).

3.6.7 Claim discrepancies that are resolved through the reconciliation process referenced in the preceding paragraph will be stipulated to by the Receiver and Cedent. A Notice of Determination of Agreed Class and Value ("NODACV") will then be issued by the Receiver and submitted to the Chancery Court for final approval in accordance with the procedures for the Final Determination of Claims.

3.6.8 If the reconciliation process fails to resolve discrepancies in the valuation of the Non-Agreed POC Claims, the claim(s) in question shall proceed to the dispute resolution process as set out in the Dispute Resolution Procedures.

3.6.9 The resolution/adjudication process for the Disputed Pre-POC Claims follows the procedures set forth in the Dispute Resolution Procedures.

3.6.10 At any time prior to final determination by the Chancery Court, the Receiver and the Cedent with an unresolved Cedent Reinsurance Claim(s) may continue to conduct informal attempts to resolve any disagreements regarding such Claim(s) and if an agreement is reached, such claim will then become a stipulated claim and the Receiver will replace the NOD with an NODACV which will be submitted to the Chancery Court for final approval in accordance with the procedures for the Final Determination of Claims.

3.7 Cedent Reinsurance Claims Becoming Absolute Prior to the Bar Date

3.7.1 For any Cedent Reinsurance Claim which was not included on the Cedent Reinsurance POC Summary because it was reported after the date noted on the Cedent Reinsurance POC Summary (a “Supplemental Reinsurance Claim), the Cedent shall list each such claim on the applicable POC Spreadsheet, submit a notarized statement that the information provided is true and correct, and provide the Receiver with any documentation in its possession that supports the amount claimed for each claim (collectively the “Supplemental Information”).

3.7.2 The Supplemental Information must be returned to the Receiver, such that it is received no later than the Bar Date.

3.7.3 Upon the Receiver’s receipt and evaluation of the Cedent’s Supplemental Information, the Receiver will either: (a) agree to such claim, and send such Supplemental Claim to the Chancery Court for final approval in accordance with the procedures for the Final Determination of Claims, above; (b) issue a Notice of Determination (“NOD”) regarding the Cedent’s Supplemental Claim that assigns a Priority Class and value to the claim(s); or (c) communicate with the Cedent in an attempt to: (i) obtain additional information needed for the Receiver to issue a Notice of Determination for the Supplemental Claim(s); and/or (ii) reconcile discrepancies between the Receiver and Cedent’s valuation of the Supplemental Claim(s).

3.7.4 Claim discrepancies that are resolved through the reconciliation process referenced in the preceding paragraph will be stipulated to by the Receiver and Cedent. A Notice of Determination of Agreed Class and Value (“NODACV”) will then

be issued by the Receiver and submitted to the Chancery Court for final approval in accordance with the procedures for the Final Determination of Claims.

3.7.5 Should the reconciliation process fail to resolve discrepancies in the valuation of the Supplemental Claim(s), the Claim(s) in question shall proceed to the dispute resolution process as set out in the Dispute Resolution Procedures.

3.7.6 At any time prior to final determination by the Chancery Court, the Receiver and the Cedent with an unresolved Supplemental Claim(s) may continue to conduct informal attempts to resolve any disagreements regarding such Supplemental Claim(s) and if an agreement is reached, such claim will then become a stipulated claim and the Receiver will replace the NOD with an NODACV which will be submitted to the Chancery Court for final approval in accordance with the procedures for the Final Determination of Claims.

EXHIBIT “A”

SCOTTISH RE (U.S.), INC. IN LIQUIDATION

CEDENT REINSURANCE PROOF OF CLAIM SUMMARY SHEET
FOR **XYZ CORPORATION, INC.**

BAR DATE FOR FILING CEDENT REINSURANCE CLAIMS IS _____, 202_

1. For cedent **XYZ CORPORATION, INC.** the records of Scottish Re (U.S.), Inc. ("SRUS") show the following information:
 - a. Undisputed amount due from SRUS before the application of offset: **\$ 1,000,000**
(See list of treaties and list of disputed claims attached hereto)
 - b. Offsets applied to the amount due from SRUS: **\$ 250,000**
 - c. **TOTAL UNDISPUTED REINSURANCE CLAIM AMOUNT: \$750,000.**
(1(a) – 1(b))

2. If you ACCEPT THE TOTAL UNDISPUTED REINSURANCE CLAIM AMOUNT on line 1(c), fill out lines 1 through 6 of the Cedent Proof of Claim for Cedent Reinsurance Claims ("POC FORM").

For line 7, check "YES."

If there are no disputed claims identified, sign and notarize the POC FORM and return it to the Receiver at the address indicated on the POC FORM.

If there are disputed claims identified, follow the directions on line 10 of the POC FORM, and then sign and notarize the POC FORM and return it, along with the documents required by line 10 to the Receiver at the address indicated on the POC FORM.

3. If you DO NOT ACCEPT THE TOTAL UNDISPUTED REINSURANCE CLAIM AMOUNT on line 1(c), fill out lines 1 through 8 of the POC FORM, (checking "NO" to line 7) and follow the directions on line 9 of the POC FORM.
4. Note that accepting the TOTAL UNDISPUTED REINSURANCE CLAIM AMOUNT on line 1(c) does not constitute acceptance of SRUS's position on the disputed claims listed on the attachment. Resolution and valuation of those disputed claims will be the subject of additional Procedures.

EXHIBIT “B”

SCOTTISH RE (U.S.), INC. IN LIQUIDATION

CEDENT PROOF OF CLAIM
FOR CEDENT REINSURANCE CLAIMS

POC Number
(Receiver Use)

BAR DATE FOR FILING CEDENT REINSURANCE CLAIMS IS _____, 202_

Please read the instructions carefully before fully completing all pages of this Proof of Claim form.

1. CEDENT'S NAME: XYZ, Corporation, Inc.

(Type correct name if it differs)

2. MAILING ADDRESS:

3. TEL. NO. (Daytime): 4. ALTERNATE TEL.

5. E-MAIL ADDRESS:

6. ARE YOU REPRESENTED BY AN ATTORNEY: YES (). NO (). If YES, provide attorney's name, address, telephone no. and email.

7. Do you accept the Receiver's calculation of the TOTAL UNDISPUTED REINSURANCE CLAIM AMOUNT shown on line 1(c) of the Cedent Pre-Liquidation Reinsurance Proof of Claim Summary sheet for XYZ Corporation, Inc. of \$750,000.

- () YES
() NO

If "YES" - Go to Question 10.

If "NO" fill in line 8 and follow the directions in line 9.

8. AMOUNT OF YOUR CLAIM. \$

9. If your answer to Question No. 7 was "NO", you must fill out the relevant excel spreadsheets for all Cedent Reinsurance Claims (including disputed Cedent Reinsurance Claims, if any) (available for download at _____) and return them, along with a signed and notarized copy of this form to the Receiver as directed below. For any disputed claims, you must submit a narrative description and all relevant documents showing why the amount is due despite the Dispute Basis identified by SRUS. You must also upload the completed excel spreadsheets to _____ by the Bar Date.

10. If your answer to Question No. 7 was "YES", and any disputed claims were identified by SRUS, you must also fill out the relevant excel spreadsheets for the DISPUTED Cedent Reinsurance Claims (available for download at _____) and return them, along with a signed and notarized copy of this form to the Receiver as directed below. For any disputed claims, you must submit a narrative description and all relevant documents showing why the amount is due despite the Dispute Basis identified by SRUS. You must also upload the completed excel spreadsheets to _____ by the Bar Date.

IMPORTANT: This Proof of Claim must be sworn to before a Notary Public or person authorized to administer oaths.

I swear under the penalties for perjury that the facts stated in this Proof of Claim to be filed in the liquidation proceeding of Scottish Re (U.S.), Inc. are true and correct.

STATE OF _____) _____
Cedent (sign on line above)

Print Name: _____

COUNTY OF _____) _____
Title or Official Capacity of Signatory

Subscribed and sworn to before me, a Notary Public this ___ day of _____, 202_.

Signature of Notary Public

Printed Name of Notary Public

I am a resident of _____ County, State of _____.

My commission expires _____.

DEADLINE FOR FILING CEDENT REINSURANCE CLAIMS IS

_____, 202_

**THIS PROOF OF CLAIM AND ALL SUPPORTING DOCUMENTATION
MUST BE RECEIVED BY SCOTTISH RE (U.S.), INC. IN LIQUIDAITON
AT THE FOLLOWING ADDRESS ON OR BEFORE THE BAR DATE:**

**Scottish Re (U.S.), Inc. in Liquidation
1 Righter Parkway
Suite 280
Wilmington DE 19803-1555**

EXHIBIT “C”

DETAILED PROOF OF CLAIM PART 1 OF 4

1	2	3	4	5	6	7	8
Legal Entity	SRUS Treaty Number (if known)	Cedent Treaty ID/Number	Treaty Inception Date	Policy Number	Insured Last Name	Insured First Name	Cedent Claim Number
ABC COMPANY	123456						
ABC COMPANY	987654						
ABC COMPANY	987654						

Subtotal by Cedent Treaty ID/number Total Claim ceded to SRUS and remaining unpaid balance after offsets. 78910

Grandtotal of remaining unpaid balance after offsets (this is the total of the by treaty subtotals)

DETAILED PROOF OF CLAIM PART 2 OF 4

1	9	10	11	12	13	14	15	16	17
Legal Entity	Date of Birth	Date of Death	Date SRUS Notified	Is claim disputed by SRUS? (Yes/No)	Claim Amount (Death Benefit) Ceded to SRUS	Claim Interest ceded to SRUS	Claim Fees (Investigation legal, etc.) ceded to SRUS	Total Claim Ceded to SRUS	Total Policy Gross Loss amount per Cedent Records
ABC COMPANY		2/17/20			300,000.00	20,000.00	5,000.00	325,000.00	
ABC COMPANY		7/25/21						75,000.00	
ABC COMPANY		6/18/22						450,000.00	

Subtotal by Cedent Treaty ID/number Total Claim ceded to SRUS and remaining unpaid balance after offsets. XXXX

Grandtotal of remaining unpaid balance after offsets (this is the total of the by treaty subtotals) XXXX

DETAILED PROOF OF CLAIM PART 3 OF 4

1	18	19	20	21	22
Legal Entity	Treaty Type (Quota share, Excess of loss, other)	Treaty percentage/financial terms (20% Q/S, XOL Xof X)	any other key treaty details (e.g.	Source of Offset (i.e. Premium from applicable treaty, Premium from other treaty, Commission refund or other)	If Source of offset was from another treaty please note Cedent Treaty ID Number
ABC COMPANY					
ABC COMPANY					
ABC COMPANY					

Subtotal by Cedent Treaty ID/number Total Claim ceded to SRUS and remaining unpaid balance after offsets.

Grandtotal of remaining unpaid balance after offsets (this is the total of the by treaty subtotals)

**Cedent Reconciliation
As of 9/30/2023**

**TREATY SUMMARY
PART 1 OF 4**

Description	Total all Treaties by Cedent	(f) Cedent Treaty ID / Number #1
1 Total Claims Ceded to SRUS through September 30, 2023* (a)	XXXX	
2 Total Ceded Premium through September 30, 2023* (b)	XXXX	
3 Net Ceded Claims due (Ceded Claims less Ceded Premium) (c)	XXXX	-
4 Remaining Unpaid Claim balance after offsets (column Y Tab 1) (d)	XXXX	
5 Difference (e)	XXXX	-
6 Explanation of any differences		
7 Other Benefits claimed (g)		

(a)- This should come from the subtotal by treaty in Column P of Tab 1

(b)- This amount should come from applicable traceable ceded premium by treaty report/records compiled by the Cedent through Liquidation date, which is September 30, 2023

(c)-These totals are calculated based on the difference between line 6 less line 8

(d)-This amount should come from the Grandtotal of Column Y of Tab1

(e)-This total is calculated based on the difference between line 10 less line 12

(f)-The Treaty Cedent ID Number should come from Column C of Tab 1

(g) - The total should come from the subtotal in Column Z of Tab 1

*** this is meant to be the period through Liquidation date which is September 30, 2023**

**TREATY SUMMARY
PART 2 OF 4**

**Cedent Reconciliation
As of 9/30/2023**

Description	(f) Cedent Treaty ID / Number #2	(f) Cedent Treaty ID / Number #3	(f) Cedent Treaty ID / Number #4
Total Claims Ceded to SRUS through September 30, 2023* (a)			
Total Ceded Premium through September 30, 2023* (b)			
Net Ceded Claims due (Ceded Claims less Ceded Premium) (c)	-	-	-
Remaining Unpaid Claim balance after offsets (column Y Tab 1) (d)			
Difference (e)	-	-	-
Explanation of any differences			
Other Benefits claimed (g)			

(a)- This should come from the subtotal by treaty in Column P of Tab 1

(b)- This amount should come from applicable traceable ceded premium by treaty report/records compiled by the Cedent through Liquidation date, which is September 30, 2023

(c)-These totals are calculated based on the difference between line 6 less line 8

(d)-This amount should come from the Grandtotal of Column Y of Tab1

(e)-This total is calculated based on the difference between line 10 less line 12

(f)-The Treaty Cedent ID Number should come from Column C of Tab 1

(g) - The total should come from the subtotal in Column Z of Tab 1

*** this is meant to be the period through Liquidation date which is September 30, 2023**

**TREATY SUMMARY
PART 3 OF 4**

**Cedent Reconciliation
As of 9/30/2023**

Description	(f) Cedent Treaty ID / Number #5	(f) Cedent Treaty ID / Number #6	(f) Cedent Treaty ID / Number #7
Total Claims Ceded to SRUS through September 30, 2023* (a)			
Total Ceded Premium through September 30, 2023* (b)			
Net Ceded Claims due (Ceded Claims less Ceded Premium) (c)	-	-	-
Remaining Unpaid Claim balance after offsets (column Y Tab 1) (d)			
Difference (e)	-	-	-
Explanation of any differences			
Other Benefits claimed (g)			

(a)- This should come from the subtotal by treaty in Column P of Tab 1

(b)- This amount should come from applicable traceable ceded premium by treaty report/records compiled by the Cedent through Liquidation date, which is September 30, 2023

(c)-These totals are calculated based on the difference between line 6 less line 8

(d)-This amount should come from the Grandtotal of Column Y of Tab1

(e)-This total is calculated based on the difference between line 10 less line 12

(f)-The Treaty Cedent ID Number should come from Column C of Tab 1

(g) - The total should come from the subtotal in Column Z of Tab 1

*** this is meant to be the period through Liquidation date which is September 30, 2023**

**TREATY SUMMARY
PART 4 OF 4**

**Cedent Reconciliation
As of 9/30/2023**

Description	(f) Cedent Treaty ID / Number #8	(f) Cedent Treaty ID / Number #9	(f) Cedent Treaty ID / Number #10
Total Claims Ceded to SRUS through September 30, 2023* (a)			
Total Ceded Premium through September 30, 2023* (b)			
Net Ceded Claims due (Ceded Claims less Ceded Premium) (c)	-	-	-
Remaining Unpaid Claim balance after offsets (column Y Tab 1) (d)			
Difference (e)	-	-	-
Explanation of any differences			
Other Benefits claimed (g)			

(a)- This should come from the subtotal by treaty in Column P of Tab 1

(b)- This amount should come from applicable traceable ceded premium by treaty report/records compiled by the Cedent through Liquidation date, which is September 30, 2023

(c)-These totals are calculated based on the difference between line 6 less line 8

(d)-This amount should come from the Grandtotal of Column Y of Tab1

(e)-This total is calculated based on the difference between line 10 less line 12

(f)-The Treaty Cedent ID Number should come from Column C of Tab 1

(g) - The total should come from the subtotal in Column Z of Tab 1

*** this is meant to be the period through Liquidation date which is September 30, 2023**

EXHIBIT “D”

Instructions for completing Cedent Proof of Claim Proforma

If so directed on the Cedent Proof of Claim for Cedent Reinsurance Claims, you must complete the attached pro-forma to be submitted to support your Proof of Claims (POC) for balances due from SRUS as of 9-30-2023. This "POC pro-forma" is being provided to provide necessary detail to facilitate the POC process.

The financial information requested to be provided is by treaty/claim and it is for the *period through September 30, 2023 (SRUS Liquidation)*.

Specific instructions on completing the attached POC proforma are noted below. Please note the proforma requires the completion of two separate tabs. Tab 1 requests "Treaty Paid Claims Detail" information and Tab "2" requests "Treaty Summary Information." The complete instructions are as follows:

Note: Columns M – P on Tab 1 are for death claims, for Non-death claims please complete Columns Z and AA on Tab 1

Tab 1- "Treaty Paid Claims Detail"

Please complete all columns with the applicable claim and treaty information requested. Also please provide the applicable requested treaty/claim subtotals from information Tab 1

If you do not maintain or know some of the fields requested please indicate "DNM" ("Do Not Maintain" or "UNK" ("Unknown") in the respective cells.

The information requested for each cell is as follows.

- 1- Column A-Requires the Legal Entity for which the cession is due from
- 2- Column B-Requires the SRUS Treaty number, if known
- 3- Column C-Requires your cedent ID/Treaty number
- 4- Column D-Requires the Treaty inception date
- 5- Column E-Requires the applicable policy number
- 6- Column F-Requires Insured last name
- 7- Column G-Requires Insured first name
- 8- Column H-Requires your cedent claim number
- 9- Column I-Requires claimant date of birth
- 10- Column J-Requires claimant date of death
- 11- Column K-Requires the date SRUS was notified of the Claim
- 12- Column L-Requires you indicate "Yes" if the claim has been listed as disputed by SRUS or "No," otherwise
- 13- Column M-Requires the Claim amount/death benefit of the Loss Ceded to SRUS
- 14- Column N-Requires the Claim interest Ceded to SRUS
- 15- Column O-Requires the Claim fees such as investigation, legal, etc Ceded to SRUS
- 16- Column P-Which indicates the Total Claim Amount Ceded to SRUS **Requires NO entry** as it will be calculated by the formula included which is the addition of columns M, N and O

- 17- Column Q Requires the Total Policy Gross Loss amount (this is the total underlying policy loss amount)
- 18- Column R- Requires a description of the treaty type with SRUS (i.e. Quota share, Excess of Loss, other)
- 19- Column S-Requires the terms of the treaty (Quota Share percentage, Excess of loss details, etc.)
- 20- Column T -Requires if applicable, any other key terms of the treaty with SRUS
- 21- Column U-Requires the Source of any offset amount noted in Column W be described. Among the possible options for this could be Premium from applicable treaty, Premium from other treaty, Commission refund or other). If Premium was from other treaty please indicate in Column V the other cedent treaty ID number
- 22- Column V-Requires for any applicable offset in column W which does not relate to the claims/treaty in column R then the “other” treaty number should be entered
- 23- Column W-Requires the amount of the Offset applied
- 24- Column X-Requires the date offset was taken/applied
- 25- Column Y -Represents the remaining unpaid claim balance and **Requires NO entry** be made as it is simply the difference between Column P and W.
- 26- Column Z – Represents any other non-death benefits claimed (i.e. Surrender, Annuity, Pre-Need, Disability/A&H, other).
- 27- Column AA – Requires a description of any other benefits claimed in column Z.

Once all of the detailed information is provided in the attached POC pro-forma providing subtotals and grand totals be included are requested to be provided. Specifically as shown on the attached sample pro-forma once all of the information (e.g. claim number, financial data, etc) are recorded please summarize the following:

For each Cedent Treaty ID/Number create a subtotal of Column P (“Total Claim Amount Ceded to SRUS”) and a subtotal of column Y (“Remaining Unpaid Claim balance after offsets per this schedule”). These subtotals of Column P are then to be entered in Tab 2 of this POC proforma.

From the Cedent Treaty ID/Number subtotals of column Y (“Remaining Unpaid Claim balance after offsets per this schedule”) create a Grand total column Y. The Grand total of column Y is then to be entered in Tab 2 of this POC proforma.

Tab 2-Treaty Summary Information

1-Line 4 on this schedule requires each Treaty Cedent ID Number from Column C of Tab 1 be entered. If a Cedent has more Treaties, necessitating additional Cedent Treaty ID columns, additional “Cedent Treaty ID” columns may be added to the spreadsheet in Column N, and beyond, as needed. If additional columns are inserted, be sure to add them while maintaining the formulas built into the spreadsheet in Lines 10 & 14.

2-Line 6 on this schedule requires for each Treaty Cedent ID noted on Line 4 the “Total Claim Amount Ceded to SRUS” be entered. This amount is to be taken from the subtotals of each Cedent Treaty ID/Number recorded in Column P of Tab 1.

3-Line 8 on this schedule requires for each Treaty the total ceded premium for the period through September 30, 2023. The source of the total ceded premium should be applicable traceable ceded premium by treaty report/records maintained by the cedent.

4-Line 10 on this schedule which represents the Net Ceded claims due **Requires No Entry** as it should be calculated by subtracting Line 8 from Line 6.

5-Line 12 on this schedule represents the Remaining Unpaid Claim balance after offsets which should be taken from the Grand total shown on column Y Tab 1.

6-Line 14 on this schedule represents any difference between the Net Ceded claims due in Line 10 and the Remaining Unpaid Claim balance after offsets shown on Line 12. This amount **Requires No Entry** as it should be calculated by subtracting Line 12 from Line 10.

7-If there are any differences in Line 14, please provide an explanation and applicable support for the difference either on Tab 2 or another document.

8-Line 18 on this schedule represents any other non-death benefits claimed from column Z on Tab 1.

EXHIBIT 3

EXHIBIT 3

EXHIBIT 3

IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

IN THE MATTER OF THE LIQUIDATION :
OF SCOTTISH RE (U.S.), INC. : C.A. 2019-0175-JTL
_____ :

**RECEIVER'S PROCEDURES FOR CLAIMS NOT
ADDRESSED BY THE CEDENT REINSURANCE CLAIM
PROCEDURES (GENERAL CLAIMS – ALL CLAIMANTS)**

**SECTION I
PREAMBLE**

These procedures concern claims that allege amounts due and owing from SRUS to claimants for all claims that are not covered by the Cedent Reinsurance Claim Procedures, and the Receiver's determination of those Claims ("General Claims Procedures"). These General Claims Procedures include: (1) Cedent claims for amounts alleged to be due and owing because of the termination of their reinsurance agreement with SRUS on September 30, 2023 ("Cedent Termination Claims"); and (2) all claims other than Cedent Termination Claims and Cedent Reinsurance Claims.

The General Claims Procedures are the exclusive means of evaluating and determining these claims. Along with the Cedent Reinsurance Claim Procedures, these procedures provide a standardized and efficient process to evaluate and determine all claims. As opposed to Cedent Reinsurance Claims, which are relatively uniform and involve settled financial data, these claims include different types of claims and some that require complex methodology to value.

SECTION II DEFINITIONS

Any term used in these General Claims Procedures that is not defined in this Section but is defined in 18 *Del. C. ch. 59* (“DUILA”) shall have the meaning set forth therein. All terms other than those defined in this Section or the DUILA shall have their common meaning in the English language. Otherwise, with respect to these General Claims Procedures, these terms shall have the following meanings:

- (a) “Approval” refers to the date on which an Order is filed by the Chancery Court approving these General Claims Procedures either as filed or with modifications by the Court.
- (b) “Bar Date” refers to the deadline set by the Court pursuant to 18 *Del. C. § 5929(b)* for a clamant to file a proof of claim with the estate in accordance with these General Claims Procedures. This date is _____, 202_. Pursuant to 18 *Del. C. § 5918(e)(7)* all claims that are subject to these General Claims Procedures that are filed after the Bar Date are deemed late filed and, unless such late filing is excused by the Court, the claim is assigned to Priority Class 7.
- (c) “Cedent” refers to the definition of “Cedent” as contained within the definition of “Reinsurance” in this Section II. For the avoidance of doubt, Cedent refers to an individual Cedent entity and not a group of affiliated or non-affiliated Cedents.
- (d) “Cedent Reinsurance Claims” refers to a claim or claims by a Cedent against SRUS made under the Cedent Reinsurance Claim Procedures.
- (e) “Cedent Termination Claims” refers to the definition of “Cedent Termination Claims” as defined in Section I – Preamble.
- (f) “Chancery Court” refers to the Delaware Court of Chancery.
- (g) “Claim Valuation”, “Valuation”, or “Value” refer to the process in which the Receiver evaluates, values, or otherwise determines a claim pursuant to these General Claims Procedures.
- (h) “General Claims Procedures” refers to the definition of “General Claims Procedures” as defined in Section I – Preamble.

- (i) “Liquidation Order” refers to the Liquidation and Injunction Order entered by the Chancery Court on July 18, 2023, placing SRUS into liquidation.
- (j) “Offset” or “Setoff” refers to the reduction of the amount owed by one party to a second party by crediting the first party with amounts owed it by the second party. Offset rights in the liquidation proceedings of SRUS are governed by 18 *Del. C.* § 5927.
- (k) “Priority Class” refers to the Priority Class of a claim under 18 *Del. C.* § 5918. All timely filed Cedent Termination Claims, unless notified otherwise, are Priority Class 6 pursuant to 18 *Del. C.* 5918 (e)(6).
- (l) “POC Process” when referred to in these General Claims Procedures refers to the process by which claims against SRUS are initiated, reviewed, analyzed, and valued by the Receiver.
- (m) “Receiver” refers to the Honorable Trinidad Navarro, Insurance Commissioner of the State of Delaware in his capacity as the Receiver of SRUS, or his duly appointed deputy receiver(s) and Designees as that term is defined in the Liquidation Orders.
- (n) “Reinsurance” refers to the contractual transfer or cession by an insurer known as a “Cedent” of some or all of its risk to its policyholders to another insurance company known as the “Reinsurer” for which the Reinsurer is paid a premium by the Cedent (which may or may not relate specifically to the premium paid by the underlying policyholder). The terms and conditions of this transfer are contained in a “Reinsurance Agreement” or “Treaty” and any amendments or endorsements thereto. The Reinsurer may, in turn, contractually transfer or cede some or all of its risk that it assumed from the Cedent to another Reinsurer known as a “Retrocessionaire” for which the Retrocessionaire is paid a premium by the Reinsurer. The terms and conditions of this transfer are contained in a “Retrocession Agreement” and any amendments or endorsements thereto.
- (o) “Reinsurance Agreement” refers to the definition of “Reinsurance Agreement” as contained within the definition of “Reinsurance” in this Section II.

SECTION III GENERAL CLAIMS PROCESS

3.1. General Information

3.1.1 These General Claims Procedures, together with the Cedent Reinsurance Claims Procedures, Dispute Resolution Procedures, and Final Determination of Claims Procedures, implement the claims, reporting, Valuation, and final determination provisions of the DUILA, including 18 *Del. C.* § 5917.

3.1.2 Upon Approval, the General Claims Procedures will be the exclusive means for evaluating and determining Cedent Termination Claims and all other claims, including Cedent claims that are not Cedent Reinsurance Claims or Cedent Termination Claims.

3.1.3 Within thirty (30) days of the Approval, the Receiver shall serve all claimants with a packet containing the following: (a) General Claims Proof of Claim Form (“General Claims POC”) and Instructions (collectively, the “General Claims Packet”).

3.1.4 Within five (5) business days of the Approval, the Receiver will post the following to the website maintained for the SRUS liquidation:¹ (a) the General Claims Procedures; and (b) a template of the General Claims Packet.

3.2. General Claims POC Submission Process

General Claims are divided into two distinct categories: (a) Cedent Termination Claims; and (b) all other claims, including Cedent claims that are not Cedent Reinsurance Claims or Cedent Termination Claims.

¹ https://insurance.delaware.gov/divisions/rehab_bureau/rehab_bureau_scottishreusinc/

3.2.1 Cedent Termination Claims

3.2.1.1 For Cedent Termination Claims, before the POC process can commence, each Cedent seeking to assert a Cedent Termination Claims must submit to the Receiver a seriatim listing of the in-force policies covered under each treaty ceded to SRUS as of 9/30/2023. For each seriatim listing submitted, the cedent will submit an affidavit, signed by a company officer, stating that:

- A. the cedent utilized reasonable procedures to provide a high level of assurance (not absolute assurance) that the listing is complete and accurate; and
- B. based on the procedures followed and the cedent's normal control procedures, the signing officer believes that the listing is complete and accurate to the best of his/her knowledge, information, and belief.

3.2.1.2 After receiving the affidavit and seriatim listing referenced in the preceding paragraph, the Receiver will use the information provided to calculate the present value of future losses for each treaty using the Gross Premium Reserve Valuation method ("GPV"). A description of the GPV, including the methodology and assumptions used in calculating it, are set forth in a Memorandum of Present Value of Future Losses/Gains ("GPV Memo") prepared by Ryan Fuhs, Senior Actuarial Executive for the Liquidation Estate of Scottish Re (U.S.), Inc. A copy of the GPV Memo is attached to these General Claims Procedures as Exhibit "A".

3.2.1.3 After the GPV calculation is completed, the Receiver will issue to the claimant a Cedent Termination Proof of Claim form ("Cedent

Termination Claims POC”). A template of the Cedent Termination Claims POC is attached to the General Claims Procedures as Exhibit “B.”

3.2.1.4 The Cedent Termination Claims POC will identify, in the aggregate (all treaties), the Receiver’s Valuation of the Cedent Termination Claims (“Total Undisputed Cedent Termination Claims Amount”).

3.2.1.5 If the Cedent claimant accepts the Total Undisputed Cedent Termination Claims Amount, the Cedent shall complete, notarize, and return the Cedent Termination Claims POC to the Receiver no later than the Bar Date.

3.2.1.6 No later than forty-five (45) days after the Bar Date, the Receiver shall submit all Cedent Termination Claims POCs in which a Cedent has accepted the Total Undisputed Cedent Termination Claims Amount, along with the Receiver’s recommendation, to the Chancery Court for final determination pursuant to the procedures for Final Determination of Claims.

3.2.1.7 If a Cedent does not accept the Total Undisputed Cedent Termination Claims Amount, the Cedent must complete and notarize the General Claims POC form in accordance with 3.2.2.2 – 3.2.2.5. A template of the General Claims POC is attached to the General Claims Procedures as Exhibit “C.”

3.2.1.8 In addition, the Cedent’s submission to the Receiver referenced in the preceding paragraph must also include the Cedent’s valuation of the Cedent’s Termination Claim applying the GPV methodology set forth in

Exhibit A to these procedures, together with the specific calculations and other information used by the Cedent to make the valuation.

3.2.1.9 If a Cedent has additional claims against SRUS other than Cedent Reinsurance Claims, or Cedent Termination Claims in which the Cedent disputes the Total Undisputed Cedent Termination Claims Amount, those Cedent claims must comply, and will proceed in accordance, with the General Claims Procedures stated below in 3.2.2.1.

3.2.2 General Claims Other Than Cedent Termination Claims

3.2.2.1 All other claimants, including Cedents that have claims against SRUS other than a Cedent Reinsurance Claim or Cedent Termination Claims, initiate the POC Process for such claims by completing and submitting a General Claims POC form with supporting documentation to the Receiver for review, evaluation, valuation, and determination.

3.2.2.2 Each section of the General Claims POC form must be completed. If a section is not applicable, please state “N/A”.

3.2.2.3 A separate General Claims POC form must be completed for each claim against SRUS.

3.2.2.4 The General Claims POC form must:

- (a) be filled out completely including the Priority Class that the claimant asserts is applicable to the claim;
- (b) be accompanied by all documentation that the claimant asserts materially supports the claim against SRUS and which the claimant relies upon to support the claim;

- (c) be signed under oath by the person filing the General Claims POC or an authorized representative; and
- (d) be returned to the SRUS estate at the address indicated on the General Claims POC form on or before the Bar Date so that the proof of claim and supporting documentation are received by the SRUS estate by that date. If they are not, the claimant's claim(s) will be barred from sharing in any distributions of assets from the SRUS estate unless assets become available to pay Class 7 (late-filed) claims.

3.2.2.5 A claimant submitting a General POC Form must use the following conventions, as applicable:

- (a) For Retrocessionaire claimants: Any negative values for a legal entity will not be capped at \$0 as these values represent a claim by the liquidation estate against the Retrocessionaire;
- (b) For Retrocessionaire claimants: Consistent with the Liquidation Order, the amount of coverage under the Retrocession agreement will assume the recapture by SRUS of all excess retrocession up to \$4,000,000 per life for all treaties where SRUS has the right to raise the retention;
- (c) For all Claimants: Claims related to future claims, or future premiums shall use the assumptions as described in the GPV memo.

3.2.2.6 A claimant may use photocopies of the General Claims POC form, *but the claimant's signature and the notarization submitted to the Receiver must be the original signature and notarization.*

3.2.3 General Claims POC Evaluation Process Other Than Where Cedent Accepts Total Undisputed Cedent Termination Claims Amount

3.2.3.1 Upon the Receiver's receipt, review, and evaluation of: (1) a

claimant's completed General Claims POC and supporting documentation; or (2) a Cedent's Termination Claim POC in which a Cedent has not accepted the Total Undisputed Cedent Termination Claims Amount and supporting documentation, the Receiver will either: (a) issue a Notice of Determination ("NOD") regarding the claimant's claim(s) that assigns a Priority Class and Value to the claim(s); or (b) communicate with the claimant in an attempt to: (i) obtain additional information needed for the Receiver to issue a NOD for the claim(s); and/or (ii) reconcile discrepancies between the Receiver and claimant's Priority Class or Valuation of the respective claim(s).

3.2.3.2 Claim discrepancies that are resolved through the reconciliation process referenced in the preceding paragraph will be stipulated by the Receiver and claimant. A Notice of Determination of Agreed Class and Value ("NODACV") will then be issued by the Receiver, signed and notarized by the claimant, and submitted for final determination in accordance with the procedures for Final Determination of Claims.

3.2.3.3 If the reconciliation process fails to resolve discrepancies in the Priority Class or Valuation of the claim(s), the claim(s) in question shall proceed to the dispute resolution process as set out in the Dispute Resolution Procedures.

3.2.3.4 At any time prior to final determination by the Chancery Court, the Receiver and any claimant with an unresolved claim(s) may continue to conduct informal attempts to resolve any disagreements regarding such

claim(s) and if an agreement is reached, such claim will then become a stipulated claim and the Receiver will replace the NOD with an NODACV which will be submitted to the Chancery Court for final approval in accordance with the Final Determination of Claims Procedures.

EXHIBIT “A”

Present Value of Future Losses/Gains

GPV Calculation

Each cedent will submit to the Receiver for each treaty a Seriatim listing of the inforce policies covered under its treaties ceded to Scottish Re (U.S.), Inc., in Liquidation (“SRUS”) as of September 30, 2023. For each Seriatim listing submitted, the cedent will submit an affidavit signed by a company officer stating,

1. The cedent utilized reasonable procedures to provide a high level of assurance (not absolute assurance) that the listing is complete and accurate and,
2. Based on the procedures followed and the cedent’s normal control procedures, the signing officer believes that the listing is complete and accurate to the best of his/her knowledge.

The Receiver will estimate the present value of future losses for each treaty, using the Gross Premium Reserve valuation method (“GPV”). The GPV is a widely accepted actuarial method used for measuring the assets that are sufficient to satisfy obligations for a portfolio of insurance risks under moderately adverse assumptions. Under this method the book value of the assets that satisfy the obligations is the Gross Premium Reserve.

Since the assets ultimately distributed will be cash, the Receiver will conduct the Gross Premium Reserve by assuming assets are liquidated for cash on the liquidation date so that the book value and market value of assets are equal on the date of valuation. This cash is then assumed to be invested on the valuation date based on market yields on the valuation date. The actuarial assumptions are in accordance with the assumptions used by SRUS for its 2022 Actuarial Memorandum developed in support of the 2022 Statement of Actuarial Opinion for SRUS (the “2022 Actuarial Opinion”) except for the following assumptions:

1. The expense assumption used in the GPV calculation will be based on maintenance and overhead expenses necessary to administer the business.

2. For treaties with trusts, a moderately adverse spread was included in the GPV calculation.
3. The GPV discount rates are based on the projected net investment earned rates resulting from an initial cash investment and the reinvestment of future positive cash flow at the projected new money rate using the September 30, 2023 forward curve and the method and spread assumptions contained in the 2022 Actuarial Memorandum.

Consistent with the Liquidation Order, the GPV valuation will use the contractual maximum premium for all assumed YRT business except where SRUS is contractually precluded from raising YRT premiums and will assume that, as a result, any Cedent receiving such a rate increase will exercise their option (contractual or otherwise) to recapture their business on the next policy anniversary date following September 30, 2023 for each policy covered under the respective treaty rather than pay the increased rates. As a consequence, for the majority of YRT reinsurance the GPV will be the expected death benefits between (immediately following) September 30, 2023 and the next anniversary of each of the underlying policies covered under the treaty.

If a legal entity has multiple treaties with SRUS, the GPV will be separately calculated for each treaty and aggregated among the multiple treaties. If the aggregated amount at a legal entity level is negative (the present value of premiums is in aggregate greater than the present value of benefits and expenses), it will be capped at \$0.

In the event the legal entity has business that is secured by a trust and the GPV is greater than the amount received by the legal entity from disposition of the trust, the difference between the GPV and the amount received will be added to the cedent's claim.

The Liquidator will continue to accept liability for claims on inforce policies incurred prior to October 1, 2023, but reported after September 30, 2023, through the bar date. Given the continued acceptance of liability for claims, the present value of future losses will not include an amount for claims Incurred but Unreported ("IBNR").

Methodology

The GPV is calculated based on the present value of calendar year cash flows over the life of the treaty for Financial Solutions (“FS”) business and over a 50-year projection horizon for Traditional Solutions (“TS”) business. The cash flows consist of, as applicable, premiums, surrender benefits, death benefits, annuity benefits, commissions and expense allowances on assumed reinsurance, policy expenses, and overhead expenses. Consistent with the requirements of Actuarial Standard of Practice No. 22, the assumptions used are moderately adverse.

For a September 30, 2023 valuation, the GPV for TS business includes cash flows over the period from October 1, 2023, until September 30, 2073, when only an immaterial amount of the initial underlying business (less than 0.2%) remains inforce.

Assumptions

The liability assumptions underlying the GPV calculation are in accordance with those used by SRUS for its 2022 Actuarial Memorandum developed in support of the 2022 Actuarial Opinion other than expenses, moderately adverse spreads, and discount rates, which are set forth in the GPV Calculation Section, above. The assumptions for the TS business and FS business are described below.

Traditional Solutions

Mortality

The base mortality assumption is the Summit version 4 table. The Summit table is a proprietary table owned by Hannover Life Reassurance Company of America. The Summit mortality rates are adjusted based on experience, expected mortality improvement, mortality deterioration, and a provision for adverse deviation. These mortality adjustments are contained on pages 52-67 of the 2022 Actuarial Memorandum.

Termination

The lapse rates for are contained on pages 68-71 (level term period lapse rates and permanent lapse rates including net amount at risk run-off) and 56 (post-level term lapse rates).

Expenses

The expenses will be based on a per policy expense only including third party administration expenses. The third party administration expense level is consistent with the amounts on page 37 of the 2022 Actuarial Memorandum.

Financial Solutions

Mortality

The mortality assumptions used, if applicable, are summarized on page 76 of the 2022 Actuarial Memorandum.

Termination

The termination rates for annuities are the sum of non-interest sensitive termination rates and interest sensitive termination rates. The rates and methodology used are on pages 76-79 of the 2022 Actuarial Memorandum. Assumptions for annuity benefits, if applicable, are on page 79 of the Actuarial Memorandum.

Premiums

The premium assumptions for the applicable annuity and universal life business are on page 77 of the 2022 Actuarial Memorandum.

Policy.Expenses

The contractual policy maintenance expenses, if applicable, are on page 79 of the 2022 Actuarial Memorandum.

Overhead.Expenses

The contractual policy maintenance expenses are on page 79 of the 2022 Actuarial Memorandum.

Interest.Crediting

The interest crediting strategy for annuities is described on page 80 of the 2022 Actuarial Memorandum.

Moderately Adverse Spread Assumption

For FS treaties with an associated trust, a spread for moderately adverse investment/disintermediation risk was used in the GPV calculation. The spread was determined using the cost of capital method. The target capital for the liability was estimated at 300% of the company action level of NAIC risk based capital, with a required return of 15% of target capital.

EXHIBIT “B”

SCOTTISH RE (U.S.), INC. IN LIQUIDATION

CEDENT PROOF OF CLAIM FORM
FOR CEDENT REINSURANCE TERMINATION CLAIMS

POC Number
(Receiver Use)

BAR DATE FOR FILING CEDENT REINSURANCE TERMINATION CLAIMS
IS _____, 202_

Please read the instructions carefully before fully completing all pages of this Proof of Claim form. Each section must be fully completed.

1. CEDENT'S NAME: XYZ Corporation, Inc.
(Type correct name if it differs) _____

2. MAILING ADDRESS: _____

3. TEL. NO. (Daytime): _____ 4. ALTERNATE TEL. _____

5. E-MAIL ADDRESS: _____

6. ARE YOU REPRESENTED BY AN ATTORNEY: YES (). NO (). If YES, provide attorney's name, address, telephone no. and email.

7. Do you accept the Receiver's calculation of the TOTAL UNDISPUTED CEDENT TERMINATION CLAIM AMOUNT for XYZ Corporation, Inc. of \$750,000.

() YES

() NO

If "YES" – Sign this form and have it notarized and return it as directed below.

If "NO" – Complete Question 8, then sign this form and have it notarized and return it as directed below.

8. AMOUNT OF YOUR CLAIM: \$ _____

You must, on a separate sheet, provide all calculations used to compute this valuation, along with an explanation of your calculation.

IMPORTANT: This Proof of Claim must be sworn to before a Notary Public or person authorized to administer oaths.

I swear under the penalties for perjury that the facts stated in this Proof of Claim to be filed in the liquidation proceeding of Scottish Re (U.S.), Inc. are true and correct.

STATE OF _____) _____
Cedent (sign on line above)

Print Name: _____

COUNTY OF _____) _____

Title or Official Capacity of Signatory for Corporation or Other Entity

Subscribed and sworn to before me, a Notary Public this _____ day of _____, 202_.

Signature of Notary Public

Printed Name of Notary Public

I am a resident of _____ County, _____.

My commission expires _____.

DEADLINE FOR FILING CEDENTER TERMINATION REINSURANCE CLAIMS IS

_____, 202_

**THIS PROOF OF CLAIM AND ALL SUPPORTING DOCUMENTATION
MUST BE RECEIVED BY SCOTTISH RE (U.S.), INC. IN LIQUIDAITON
AT THE FOLLOWING ADDRESS ON OR BEFORE THE BAR DATE:**

**Scottish Re (U.S.), Inc. in Liquidation
1 Righter Parkway
Suite 280
Wilmington DE 19803-1555**

EXHIBIT “C”

SCOTTISH RE (U.S.), INC. IN LIQUIDATION

**PROOF OF CLAIM FORM
FOR GENERAL CLAIMS**

POC Number
(Receiver Use)

BAR DATE FOR FILING GENERAL CLAIMS IS _____, 202_

Please read the instructions carefully before completing all pages of this Proof of Claim form. Each section must be fully completed.

1. CLAIMANT'S NAME: _____
(Type correct name if it differs) _____

2. MAILING ADDRESS: _____

3. TEL. NO. (Daytime): _____ 4. ALTERNATE TEL. _____

5. E-MAIL ADDRESS: _____

6. ARE YOU REPRESENTED BY AN ATTORNEY: YES (). NO (). If YES, provide attorney's name, address, telephone no. and email.

7. In the space below, give a STATEMENT of the FACTS giving rise to your claim (attach additional sheets if necessary, as well as all documentation supporting your claim).*

8. AMOUNT OF YOUR CLAIM: \$ _____

9. What classification do you contend should be assigned to your claim:
(See instructions for an explanation of each Class)

(Choose one only)

- Class I (Administrative Expense)
- Class IV (Taxes or Debts to the United States)
- Class V (Compensation for Non-Officer Employees of Indemnity Insurance Corporation, RRG)
- Class VI (General Creditor Claim, including non-insurance policy contract claims, and claims of Reinsurers)
- Class VII (Claims Within Classes I-VI but filed after the Bar Date)
- Class VIII (Surplus Notes or Similar Obligations)
- Class IX (Shareholders or Owners Claims)

10. Is there OTHER INSURANCE which may cover this claim? YES (). NO (). If YES, give name of the insurer(s) and policy number(s).

11. Has a LAWSUIT or other LEGAL ACTION been instituted by anyone? YES (). NO (). If YES, provide the following:

A. COURT WHERE FILED: _____

B. DATE FILED & DOCKET NUMBER: _____

C. PLAINTIFF(S): _____

D. DEFENDANT(S): _____

*A claimant submitting a General POC Form must use the following conventions, as applicable:

- (a) For Retrocessionaire claimants: Any negative values for a legal entity will not be capped at \$0 as these values represent a claim by the liquidation estate against the Retrocessionaire;
- (b) For Retrocessionaire claimants: Consistent with the Liquidation Order, the amount of coverage under the Retrocession agreement will assume the recapture by SRUS of all excess retrocession up to \$4,000,000 per life for all treaties where SRUS has the right to raise the retention;
- (c) For all Claimants: Claims related to future claims, or future premiums shall use the assumptions as described in the GPV memo.

IMPORTANT: This Proof of Claim must be sworn to before a Notary Public or person authorized to administer oaths.

I swear under the penalties for perjury that the facts stated in this Proof of Claim to be filed in the liquidation proceeding of Scottish Re (U.S.), Inc. are true and correct.

STATE OF _____) _____
Cedent (sign on line above)

Print Name: _____

COUNTY OF _____) _____

Title or Official Capacity of Signatory for Corporation or Other Entity

Subscribed and sworn to before me, a Notary Public this _____ day of _____, 202_.

Signature of Notary Public

Printed Name of Notary Public

I am a resident of _____ County, _____.

My commission expires _____.

DEADLINE FOR FILING GENERAL CLAIMS IS

_____, 202_

**THIS PROOF OF CLAIM AND ALL SUPPORTING DOCUMENTATION
MUST BE RECEIVED BY SCOTTISH RE (U.S.), INC. IN LIQUIDAITON
AT THE FOLLOWING ADDRESS ON OR BEFORE THE BAR DATE:**

**Scottish Re (U.S.), Inc. in Liquidation
1 Righter Parkway
Suite 280
Wilmington DE 19803-1555**

EXHIBIT 4

EXHIBIT 4

EXHIBIT 4

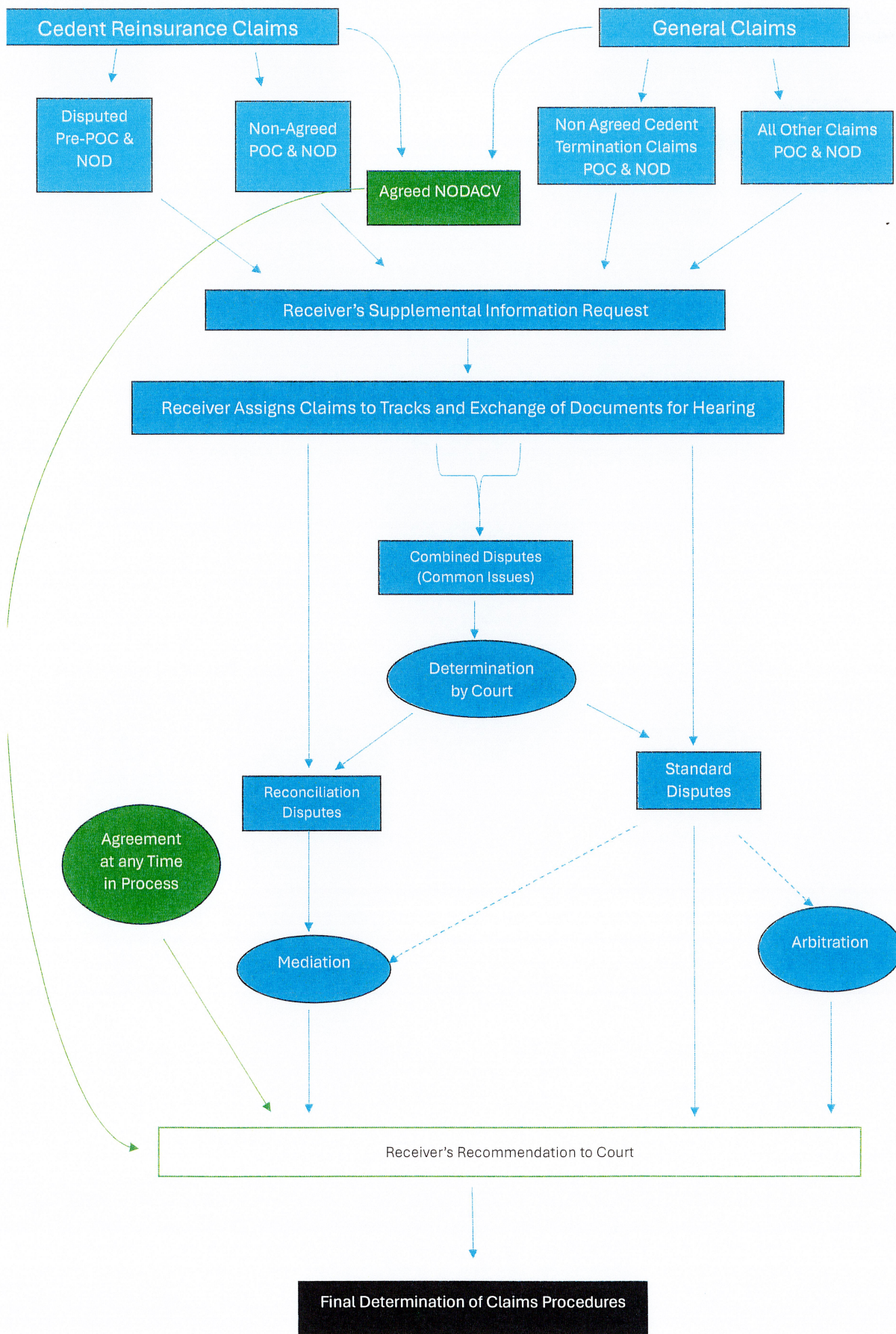


EXHIBIT 5

EXHIBIT 5

EXHIBIT 5

4. My duties as Deputy Receiver include, but are not limited to, marshalling and preserving estate assets, making day-to-day operating decisions for the Estate, and, in liquidation, overseeing the proof of claims process and interacting with creditors. Usually, my liquidation duties also include interacting with individual state guaranty associations (“Guaranty Associations”) and policyholders but because SRUS was strictly a life reinsurer, SRUS has no policyholders and Guaranty Association support does not apply to SRUS.

5. To assist me in discharging these liquidation duties, I assembled a team consisting of SRUS executive management, including, but not limited to its Senior Finance Executive and Senior Actuarial Executive, and retained outside financial and actuarial consultants and legal counsel (collectively the “Liquidation Team”).

6. As noted in my Affidavits in support of the approval of the Cedent Reinsurance Claims Procedures and General Claims Procedures (collectively the “Claims Procedures”), the proof of claims process, while often very similar among Delaware liquidation proceedings, may, from time to time, require customization depending on the specific lines of insurance or the specific circumstances of the delinquent insurer or its type of business. When it does, Delaware Receivers have applied to the Court to approve specific procedures.

7. In most insurance delinquency proceedings, the bulk of the potential claimants are policyholders of the delinquent insurance company or third parties who have claims against a policyholder. Most of them receive payment of some or all their claims from the Guaranty Associations that adjust and pay those claims subject to state-specific caps and/or net-worth requirements.

8. When payment is made by a Guaranty Association, the Receiver does not issue a NOD regarding the claim to the policyholder or third-party claimant or in the Receiver's Recommendation. Instead, those claims are included within the omnibus proofs of claim filed by the Guaranty Association(s) that paid the claim. Collectively, the implicated Guaranty Associations are normally the largest creditors of the delinquent insurer.

9. As noted above and in my other Affidavits supporting the approval of the Claims Procedures, this liquidation, unlike most, does not involve the Guaranty Associations and has no policyholders. Most of the creditors of SRUS are sophisticated parties and a significant majority of the claims arise from contractual counterparty relationships. The overwhelming majority of claims in this liquidation will be from life insurers or reinsurers that have claims related to reinsurance contracts with SRUS.

10. In particular, the bulk of cedent claims can be easily separated into two types. Those claims arising from unpaid losses, commissions, fees, or expenses through September 30, 2023 which is the date that the reinsurance agreements were cancelled under the Liquidation Order ("Cedent Reinsurance Claims"). The proof of claim process for these types of claims is addressed by the Cedent Reinsurance Claims Procedures.

11. It is anticipated that there will also be other claims asserted by cedents associated with the breach of contract arising from the cancellation of reinsurance agreements ("Cedent Termination Claims"). Other potential claims include Cedents' claims unrelated to Cedent Reinsurance Claims and Cedent Termination claims, as

well as claims by retrocessionaires arising under their reinsurance agreements with SRUS and claims by other creditors. The proof of claims process for all claims against SRUS other than the Cedent Reinsurance Claims is addressed by the General Claims Procedures.

12. Because more than 750 contracts are implicated in the proof of claims process, some similar, some not, in the absence of procedures designed to expedite the final determination of undisputed claims valuations, identify disputed claims, and to streamline the process to have those claims finally determined, there is a significant risk that Estate assets will be needlessly and significantly dissipated through the “standard” claims process.

13. Based upon the specific circumstances of the SRUS liquidation, and in order to address the concerns noted above, I, in consultation with and with the advice of, the Liquidation Team, have developed various procedures to standardize the process for identifying disputed claims, provide a path to possibly resolve them, and to enable the Receiver to provide a tailored Recommendation to the Court for an effective final determination process (“Dispute Procedures”). I have reviewed the Verified Motion to Approve Dispute Procedures and a true and correct and complete copy of the Dispute Procedures are attached to the motion as Exhibit 1.

14. For example, under the Dispute Procedures the Receiver assigns disputed claims into tracks and uses the mechanisms set forth in Sections IV, V and VI of the Dispute Procedures to evaluate and attempt to resolve them to streamline final determination by the Court.

15. The least complex and most straightforward disputed claims are submitted to mandatory mediation that, if unsuccessful, will proceed on a streamlined basis in accordance with the Final Determination Procedures.

16. Similarly, where the Receiver determines that multiple claims share a material, common issue of law or fact in dispute, and that the early resolution of that issue would facilitate resolution or the final determination of the related claims, the Receiver may opt to group those claims to submit to the Court for a determination on the disputed issue. The Receiver is already aware of existing disputes with claimants, comprised among the Disputed Pre-POC Claims, where the disputes among multiple claimants contain common issues of law or fact. The Receiver also anticipates that after the Proof of Claims are submitted by claimants, additional disputed issues will be identified that share common issues of law or fact among multiple claimants.

17. Combining these “shared” disputes and submitting them to the Court for resolution creates consistency in issue determination (particularly in the event that the parties agree to arbitrate other issues) and facilitates the final determination of the underlying claims by streamlining and making more efficient the process for determining such claims. Otherwise, these claims would be placed into the Standard Track where common issues among different claimants would be repeatedly litigated. This would pose the risk of inconsistent rulings, increased expenses to the Estate, and would not conserve Court resources.

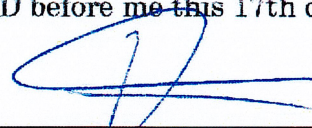
18. Further, it is anticipated (after resolution of the common issue) that many such claims could then proceed pursuant to the Reconciliation Dispute Process, where the ultimate determination is either clear based on the determination, or likely

subject to reconciliation. Any claims with individual significant disputes remaining would go into the Standard Track.

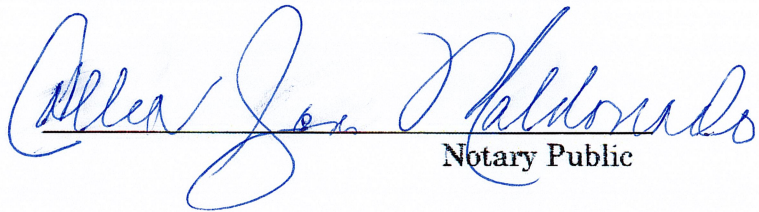
19. The Cedent Reinsurance Claims Procedures, General Procedures, and Dispute Procedures separately and collectively are designed to work synergistically to minimize the cost and expense of the proof of claim process and foster a timelier resolution of undisputed and disputed claims and final distribution of Estate assets to creditors.

20. Based upon my experience in the insurance industry, insurance insolvencies, my independent knowledge of the facts and issues concerning the Estate stated above, and for the reasons stated herein, I have determined that the Dispute Procedures are fair to SRUS's creditors and are in the best interests of the SRUS's Estate, its claimants, and the public.

SWORN TO AND SUBSCRIBED before me this 17th day of April 2024.



MICHAEL J. JOHNSON, Deputy Receiver
Scottish Re (U.S.), Inc., in Liquidation



Notary Public

My Commission Expires: 8/28/2024

