

IN THE CHANCERY COURT FOR THE STATE OF TENNESSEE  
TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY

STATE OF TENNESSEE  
ex rel. HODGEN MAINDA,  
COMMISSIONER OF COMMERCE AND  
INSURANCE FOR THE STATE OF  
TENNESSEE

No. 03-294 (IV)

Petitioner

v.

DOCTORS INSURANCE RECIPROCAL  
(RISK RETENTION GROUP), a Tennessee  
Domiciled Insurance Company

Defendants

FILED  
2020 NOV -6 PM 1:22  
CLERK OF CHANCERY CT.  
DAVIDSON COUNTY  
03:28 PM

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MOTION FOR APPROVAL OF SPECIAL DEPUTY RECEIVER,  
OUTSIDE COUNSEL AND THIRD PARTY CONTRACTORS FEES  
(Second Quarter 2020)

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Hodgen Mainda, Commissioner of the Department of Commerce and Insurance for the State of Tennessee, as Receiver of Doctors Insurance Reciprocal (RRG) ("DIR"), and Jeanne B. Bryant, Special Deputy Receiver of DIR, move this Court for an Order approving the fees presented for payment by the Special Deputy Receiver, outside counsel and third party contractors from April 1, 2020 through June 30, 2020. Pursuant to the previous Order entered by the Court in this proceeding, all invoices for Special Deputy Receiver, outside counsel fees and fees for third party litigation support contractors are filed with the Court under seal and amounts of fees and time frames covered (as shown herein) are sent to nonprivileged parties.

1. The Commissioner of Commerce and Insurance was appointed Receiver for DIR on January 31, 2003, by Order of this Court.

2. Pursuant to Tenn. Code Ann. § 56-9-310, the Commissioner appointed John Knox Walkup as Special Deputy Receiver for DIR.

3. On May 18, 2007, the Commissioner appointed Jeanne B. Bryant to succeed John Knox Walkup as Special Deputy Receiver of DIR.

4. Pursuant to Tenn. Code Ann. § 56-9-310, compensation for the Special Deputy Receiver is fixed by the Commissioner, subject to the approval of the Court, and is payable from the funds or assets of the receivership estate. The Special Deputy Receiver is compensated monthly for work incurred for the receivership estate, in the amount of \$220.00 per hour. The Special Deputy Receiver submits invoices to the Commissioner and the Tennessee Department of Commerce and Insurance on a monthly basis for approval prior to payment. These invoices are reviewed and paid after approval of the Commissioner and his staff.

5. For the second quarter of 2020, Special Deputy Receiver Bryant, performed work for this receivership, as shown on the attached billing statement (filed under seal) in the amount of \$6,094.00. The Commissioner and his staff have determined these fees to be reasonable, appropriate and necessary for the services rendered for the receivership. These fees have been approved for payment. See Affidavit of Jeanne B. Bryant ("Bryant Affidavit) and Declaration of Commissioner Hodgen Mainda filed herewith.

6. The fee arrangements with outside counsel and the third party contractors were originally negotiated between the parties as per the Order dated January 31, 2003. In support of this Motion, the Special Deputy Receiver would rely upon her Affidavit filed herewith, the Affidavit of J. Graham Matherne filed herewith and the billing statements attached hereto regarding the Wyatt, Tarrant & Combs, LLP legal invoices for this


period (material relating to outside counsel's fees and third party contractors being under seal).

7. The Special Deputy Receiver, the Commissioner and his staff have reviewed all of the Wyatt, Tarrant & Combs billings for the timeframe April 1, 2020 through June 30, 2020, and have determined that the fees are in accordance with the Department guidelines and are fair, reasonable and proper for the services provided. See Declarations of Commissioner Hodgen Mainda, Deputy Commissioner Carter Lawrence and General Counsel John Speer and Bryant Affidavit attached. The Special Deputy Receiver, the Commissioner and his staff have also reviewed the billings of Receivership Management, Inc., and Jere Cowan for the timeframe of April 1, 2020 through June 30, 2020, and have found these fees to be fair, reasonable and proper for the services provided. See *id.* The billings so reviewed, and for which Court approval is sought, are as follows:

- A. Invoices for Jeanne B. Bryant, Special Deputy Receiver, for April 1, 2020 through June 30, 2020, in the amount of \$6,094.00.
- B. Invoices for Wyatt, Tarrant & Combs, LLP, for April 1, 2020 through June 30, 2020, in the amount of \$14,322.00.
- C. Invoices for Jere Cowan for April 1, 2020 through June 30, 2020, in the amount of \$305.00.
- D. Invoices for Receivership Management, Inc., for the period of April 1, 2020 through June 30, 2020, in the amount of \$1,422.55.

Accordingly, the Commissioner and Special Deputy Receiver respectfully move this Court for an Order approving the fees set forth in the attached schedule as indicated pursuant to T.C.A. § 56-9-310.

Respectfully submitted,

  
\_\_\_\_\_  
J. Graham Matherne BPR 11294  
WYATT, TARRANT & COMBS, LLP  
333 Commerce Street, Suite 1050  
Nashville, Tennessee 37201-1837  
(615) 244-0020

*Counsel for Jeanne B. Bryant, Special Deputy  
Receiver for Doctors Insurance Reciprocal  
(RRG) (In Liquidation)*

**NOTICE OF HEARING**

**THIS MOTION HAS BEEN ENTERED IN THE MOTION BOOK AND IS EXPECTED TO BE HEARD ON FRIDAY, November 20, 2020, AT 9:00 A.M. IF NO RESPONSE IS TIMELY FILED AND SERVED, THE MOTION SHALL BE GRANTED WITHOUT FURTHER HEARING.**

**CERTIFICATE OF SERVICE**

This is to certify that a true and correct copy of the foregoing has been delivered by U.S. Mail, First Class postage prepaid, to the following on this 6<sup>th</sup> day of November, 2020:

Sarah A. Hiestand, Senior Counsel  
Office of the Attorney General  
State of Tennessee  
Post Office Box 20207  
Nashville, TN 37202-0207

  
\_\_\_\_\_  
Counsel to the Receiver

## INTERIM FEE SCHEDULE

| <u>DATE</u> | <u>DESCRIPTION</u>  | <u>MEMO</u>         | <u>AMOUNT</u>       |
|-------------|---|---------------------|---------------------|
| 4/20        | Jeanne B. Bryant  | April Receiver Fees | \$ 792.00           |
| 5/20        | Jeanne B. Bryant  | May Receiver Fees   | \$ 2,838.00         |
| 6/20        | Jeanne B. Bryant  | June Receiver Fees  | \$ 2,464.00         |
|             | <b>TOTAL RECEIVER FEES</b>                                |                     | <b>\$ 6,094.00</b>  |
| 4/20        | Wyatt Tarrant & Combs, LLP                                | April Attorney Fees | \$ 286.00           |
| 5/20        | Wyatt Tarrant & Combs, LLP                                | May Attorney Fees   | \$ 6,710.00         |
| 6/20        | Wyatt Tarrant & Combs, LLP                                | June Attorney Fees  | \$ 7,326.00         |
|             | <b>TOTAL WYATT TARRANT &amp; COMBS, LLP ATTORNEY FEES</b> |                     | <b>\$ 14,322.00</b> |
| 6/20        | Independent Contractor<br>Jere Cowan                      | June Fees           | \$ 305.00           |
|             | <b>TOTAL JERE COWAN FEES</b>                              |                     | <b>\$ 305.00</b>    |
| 4/20        | Receivership Management, Inc.                             | April Fees          | \$ 139.30           |
| 5/20        | Receivership Management, Inc.                             | May Fees            | \$ 877.55           |
| 6/20        | Receivership Management, Inc.                             | June Fees           | \$ 405.70           |
|             | <b>TOTAL RECEIVERSHIP MANAGEMENT, INC. FEES</b>           |                     | <b>\$ 1,422.55</b>  |

IN THE CHANCERY COURT FOR THE STATE OF TENNESSEE  
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STATE OF TENNESSEE  
ex rel HODGEN MAINDA, COMMISSIONER  
OF COMMERCE AND INSURANCE FOR  
THE STATE OF TENNESSEE

No. 03-294-IV

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v.

DOCTORS INSURANCE RECIPROCAL  
(RISK RETENTION GROUP), a Tennessee  
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Defendants

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DECLARATION OF COMMISSIONER HODGEN MAINDA

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I, HODGEN MAINDA, declare as follows:

1. I am of majority age and have personal knowledge of the facts set forth herein.
2. I am the Commissioner of Commerce and Insurance for the State of Tennessee and statutory receiver for Doctors Insurance Reciprocal. On May 18, 2007, the Commissioner appointed Jeanne B. Bryant to succeed John Knox Walkup as Special Deputy Receiver of DIR. The Special Deputy Receiver is compensated monthly for work incurred for the receivership estate, at a rate of \$220.00 per hour.
3. Either I, or my staff, have reviewed the fees and invoices contained in this filing for the services performed by the Special Deputy Receiver for the period of April 1, 2020 through June 30, 2020. This review was performed according to procedures established by the Commissioner effective March 1, 2003, and requires that fees be reviewed on a monthly basis, utilizing the test set forth by the Tennessee Court of Appeals.
4. Based on the recommendations of my staff, I have determined that the rates being charged by the Special Deputy Receiver are either at a discounted or market rate for the services performed.
5. Either I, or my staff, have reviewed the invoices and fees presented by the Special Deputy Receiver, and I have determined that all of the services noted are fair,

reasonable and proper for the services provided and that they are necessary costs of this receivership. The invoices and fees attached as Exhibits to the Motion note the work performed, the amount charged and the person performing the work. No billings were excessive or duplicative.

6. Furthermore, I, or my staff, have reviewed the fees for Legal Counsel and Third Party Contractors approved by the Special Deputy Receiver and presented with this filing, and based on the recommendations of the Special Deputy Receiver, I have determined that these fees are fair, reasonable and proper for the services provided. All fees have been reviewed on a monthly basis prior to payment.

7. Therefore, as noted above, I have applied the test set forth by the Tennessee Court of Appeals in reviewing and approving these fees.

Upon penalty of perjury I declare that the foregoing is true and accurate to the best of my knowledge.



Hodgen Mainda Nov 4, 2020 17:00 CST

HODGEN MAINDA

Date: Nov 4, 2020

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TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY

STATE OF TENNESSEE  
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OF COMMERCE AND INSURANCE FOR  
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Defendants

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DECLARATION OF CARTER LAWRENCE

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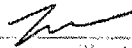
I, CARTER LAWRENCE, declare as follows:

1. I am of majority age and have personal knowledge of the facts set forth herein. I submit this Affidavit in support of the Application for Approval of Fees.

2. I am Deputy Commissioner for the Tennessee Department of Commerce and Insurance. As such, I have reviewed all of the invoices for the professional fees presented for payment from April 1, 2020 through June 30, 2020, in the receivership of Doctors Insurance Reciprocal by Special Deputy Receiver Jeanne B. Bryant, legal counsel and third party contractors.

3. All of the invoices of the current and former Special Deputy Receiver, legal counsel and third party contractors which are submitted to the Court as part of this Application, have been reviewed and determined to be reasonable, appropriate and necessary for the services rendered to this receivership, and have been approved for payment by the Commissioner of Commerce and Insurance.

Upon penalty of perjury I declare that the foregoing is true and accurate to the best of my knowledge.

  
Carter Lawrence Affidavit (Form 1, 2020, 16-67 C.B.T.)  
CARTER LAWRENCE  
Date: Nov 4, 2020



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STATE OF TENNESSEE  
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DECLARATION OF JOHN SPEER

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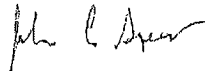
I, John Speer, declare as follows:

1. I am of majority age and have personal knowledge of the facts set forth herein. I submit this Affidavit in support of the Application for Approval of Fees.

2. I am General Counsel for the Department of Commerce and Insurance. As such, I have reviewed all of the invoices for the professional fees presented for payment from April 1, 2020 through June 30, 2020, in the receivership of Doctors Insurance Reciprocal by Special Deputy Receiver Jeanne B. Bryant, legal counsel and third party contractors.

3. All of the invoices of the Special Deputy Receiver, legal counsel and third party contractors which are submitted to the Court as part of this Application, have been reviewed and determined to be reasonable, appropriate and necessary for the services rendered to this receivership, and have been approved for payment by the Commissioner of Commerce and Insurance.

Upon penalty of perjury I declare that the foregoing is true and accurate to the best of my knowledge.



JOHN SPEER

Date: \_\_\_\_\_

Nov 4, 2020

IN THE CHANCERY COURT FOR THE STATE OF TENNESSEE  
TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY

STATE OF TENNESSEE  
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OF COMMERCE AND INSURANCE FOR  
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AFFIDAVIT OF JEANNE B. BRYANT

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Having been duly sworn, I, Jeanne B. Bryant, attest as follows:

1. I am of majority age and have personal knowledge of the facts set forth herein. I submit this Affidavit in support of the Motion for approval of fees as Special Deputy Receiver and for approval of outside counsel and third party contractor fees.
2. As Special Deputy Receiver appointed by the Commissioner, I have been responsible for the administration of Doctors Insurance Reciprocal for the period of April 1, 2020 through June 30, 2020.
3. As Special Deputy Receiver, I have filed for interim fees in the amount of \$6,094.00 for the period of time from April 1, 2020 through June 30, 2020.
4. The fees presented for approval were necessary for the work provided and are not duplicative or excessive. I believe the fees presented for approval are fair, reasonable, and proper for the services provided.
5. I am responsible for engaging and approving all third party contractors and for approving fees of legal counsel engaged by the Commissioner, all of whose fees are contained in this Motion. The invoices and fees attached as Exhibits to the Motion note the work performed, the amount charged, and the person performing the work. I have determined that the rates being charged by the contractors and counsel are either at a discounted or market rate for the services provided.



IN THE CHANCERY COURT FOR THE STATE OF TENNESSEE  
TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY

STATE OF TENNESSEE  
ex rel HODGEN MAINDA, COMMISSIONER  
OF COMMERCE AND INSURANCE FOR  
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No. 03-294-IV

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Defendants

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AFFIDAVIT OF J. GRAHAM MATHERNE

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Having been duly sworn, I, J. Graham Matherne, attest as follows:

1. I am of majority age and have personal knowledge of the facts set forth herein. I submit this Affidavit in support of the Application for Approval of Fees.
2. Together with other attorneys at Wyatt, Tarrant & Combs, L.L.P., I am outside counsel to the Special Deputy Receiver.
3. I am a partner of the law firm of Wyatt, Tarrant & Combs, L.L.P. My standard hourly rate, depending upon the complexity of the case, is approximately \$420.00 per hour. For this engagement and client, Wyatt, Tarrant & Combs, L.L.P. agreed to bill at a rate \$180.00/hour for all Wyatt, Tarrant & Combs, L.L.P. attorneys rendering normal professional services in this matter and \$220/hour for my rendering services on special projects and/or in relation to the wind down of DIR, as well as a reduction of expenses and costs. Of all my clients, only the Special Deputy Receiver receives this measure of discount, as well as reduced expenses.
4. For over twenty years, I, or others at this Firm, have represented various past receiverships under numerous administrations for the State of Tennessee. I and others at this Firm have been outside counsel for the Department of Commerce and Insurance and special deputy receivers in other insurance receivership matters, including the receiverships of (a) Petroleum Marketers Mutual Insurance Company, (b) Anchorage Fire & Casualty Insurance Company, (c) Genesis Insurance and

Financial Services, Inc., (d) Xantus Healthplan of Tennessee, Inc., and (e) Franklin American Life Insurance Company.

5. On a monthly basis, Wyatt, Tarrant & Combs, L.L.P. sends fee statements to the Special Deputy Receiver for payment. Prior to sending those fee statements, I review each statement to assure that the Doctors Insurance Reciprocal Receivership is billed at the agreed-upon rate, that the hours charged are accurately reflected on the statement, and that the hours charged are reasonable and appropriate in light of the professional services rendered. When appropriate, I occasionally make corrections to the statement with respect to hours worked and services rendered. Such corrections are always deductions in favor of the client.

6. I have reviewed all of the Wyatt, Tarrant & Combs, L.L.P. invoices, which are submitted to the Court as part of this Application. These statements fairly, accurately and reasonably reflect the professional services performed at the direction of the Special Deputy Receiver, and the fees incurred in accordance with my firm's engagement.

FURTHER AFFIANT SAITH NOT.

J. Graham Matherne  
J. GRAHAM MATHERNE, BPR 11294

STATE OF TENNESSEE )  
                                  )  
COUNTY OF DAVIDSON )

Sworn to and subscribed before me by J. GRAHAM MATHERNE on this 13<sup>th</sup>  
day of August 2020.

J. Graham Matherne  
Notary Public  
STATE OF TENNESSEE  
My Commission Expires: March 8, 2020  
TENNESSEE  
NOTARY  
PUBLIC  
DAVIDSON COUNTY, TENN.

IN THE CHANCERY COURT FOR THE STATE OF TENNESSEE  
TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY

STATE OF TENNESSEE  
ex rel. JULIE MIX McPEAK,  
COMMISSIONER OF COMMERCE AND  
INSURANCE FOR THE STATE OF  
TENNESSEE,

Petitioner,

v.

DOCTORS INSURANCE RECIPROCAL  
(RISK RETENTION GROUP), a  
Tennessee Domiciled Insurance  
Company,

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No. 03-294 (IV)

|                           |                           |
|---------------------------|---------------------------|
| <b>FILED</b>              |                           |
| ON                        | NOV - 6 2020 NOV - 6 2020 |
| BY                        | DC&R                      |
| MARIA M. SALAS, C & W     |                           |
| DAVIDSON CO. CHANCERY CT. |                           |

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EXHIBITS TO MOTION FOR APPROVAL OF SECOND QUARTER 2020 FEES

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FOR PERIOD APRIL 1, 2020 THROUGH JUNE 30, 2020

**FILED UNDER SEAL**