

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

**FILED**  
 2009 AUG 24 PM 2:35  
 DAVIDSON CO. CHANCERY CT.  
 CLERK & MASTER  
 D.C. & M.

STATE OF TENNESSEE, *ex rel.* LESLIE A. NEWMAN) )  
 in her official capacity as COMMISSIONER OF ) )  
 COMMERCE AND INSURANCE, on behalf of ) )  
 the employees of Norwalk Furniture Corporation of ) )  
 Tennessee (aka Norwalk Wood Products Division) for ) )  
 Tennessee self-insured workers' compensation benefits, ) )

Petitioner, )

No. 09-384-III

vs. )

MIDWEST EMPLOYERS CASUALTY COMPANY, ) )  
 A Missouri domiciled insurance company, and ) )  
 NORWALK FURNITURE CORPORATION OF ) )  
 TENNESSEE, A Tennessee domiciled corporation. ) )

Respondents. )

*Re: Bond for Workers' Compensation Self-Insurance of ) )  
 Norwalk Furniture Corporation of Tennessee – for claims ) )  
 incurred January 1, 1992 to July 1, 2007. )*

**STATUS REPORT AND ITEMS REMAINING PRIOR TO CLOSURE OF CASE**

The Petitioner, Commissioner of Commerce and Insurance for the State of Tennessee, through counsel, hereby gives notice of the status of items required to end this case, as requested by the Court. These items are estimated to require one to two months to conclude.

1) With the consummation of the Loss Portfolio Transfer (LPT) agreement on July 22, 2009, the remaining Bond Fund totals \$15,909.85, with \$11,429.99 in the interest-bearing LGIP account as of 7/31/09, plus \$4,479.86 in the claims account. The Commissioner has published notice of the LPT transaction and instructions for claimants in the Cookeville Herald-Citizen on August 16 and 23, 2009. The Order Approving the LPT, the Notice of Completion of LPT and Lifting of Stay, and the Instructions, a copy of which is attached, may be found on the Insurance Division website <http://www.state.tn.us/commerce/insurance/norwalk.shtml>.

Commissioner awaits an invoice and proof of the publication, for about \$250, to be paid out of the Bond Fund.

2) Novation of LPT: Pursuant to her contractual rights under the LPT, the Commissioner has considered and just approved an Assumption and Novation Agreement of the LPT contract to permit Safety National Casualty Corporation (SNCC), a large Missouri-domiciled insurer that provides workers' compensation insurance in Tennessee, to undertake BNIC's obligations under the LPT. This novation *substitutes* SNCC for all of BNIC's rights and insurance obligations under the LPT and related court order of July 13, 2009, and all such duties fully transfer to the assuming insurer, SNCC. SNCC's principal offices are at 1832 Schuetz Road, St. Louis, MO 63146. *Existing instructions that direct claimants to access benefits through Brentwood Services Administrators, Inc., remain valid.*

3) The Commissioner is considering the application by Respondent Midwest Employers Casualty Company for certain attorneys fees. The Commissioner submits that MWECC has a reversionary interest in any remaining bond funds not required for the completion of administration here to pay the costs and expenses of the Bond Fund. The Commissioner will propose and file an order terminating the Bond Fund administration by recommending the Court dispose of the Respondent's attorneys fees claim by ordering the remaining funds after all other administrative expenses to be paid to MWECC, and allowing MWECC to designate that portion to its counsel as it sees fit. The Commissioner and MWECC will likely submit an agreed order.

4) The Commissioner will be paying court costs out of the Bond Fund.

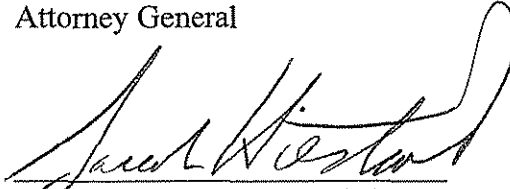
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Respectfully submitted.

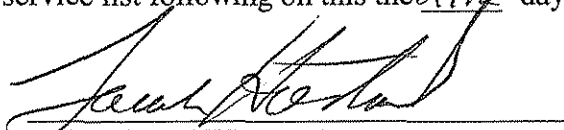
ROBERT E. COOPER, JR.  
Attorney General



SARAH A. HIESTAND (14217)  
Senior Counsel, Financial Division  
Office of the Attorney General  
P.O. Box 20207  
Nashville, TN 37202-0207  
(615) 741-6035; fax 615-532-8223  
Attorneys for Petitioner Leslie A. Newman,  
Commissioner, Tennessee Department of  
Commerce and Insurance  
Administrator of the Bond Fund

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Notice is being served by United State mail, postage prepaid, on the interested parties, as set forth in the service list following on this the 24<sup>th</sup> day of August, 2009.



SARAH A. HIESTAND

Notice/ Service list

Aubrey L. Brown, Esq.  
Glankler Brown  
One Commerce Square, Ste 1700  
Memphis, TN 38103  
Direct Dial 901-576-1710  
[abrown@glankler.com](mailto:abrown@glankler.com)

*Counsel to Respondent MWECC*

Thomas L. Sandifer  
Claims Attorney  
Midwest Employers Casualty Company  
14755 North Outer Forty Drive, Suite 300  
Chesterfield, MO. 63017  
Direct Dial 636-449-7148  
[Tsandifer@mwecc.com](mailto:Tsandifer@mwecc.com)

INTERESTED NON PARTIES:

Brentwood National Insurance Company     *Original LPT insurer*  
104 Continental Place, Suite 200  
Brentwood, Tennessee 37027

Safety National Casualty Corporation     *Substituted insurer for LPT*  
1832 Schuetz Road                             sent via BSAI  
St. Louis, Missouri 63146

Brentwood Services Administrators, Inc.  
104 Continental Place, Suite 200  
Brentwood, Tennessee 37027  
ATTN: Everett Sinor  
(615) 263.1300 (tel.) (615) 263.1301 (fax)  
Everett.Sinor@bwood.com                     *Norwalk/TN's Third Party Administrator*

Craig P. Fickling, Esq.  
Fickling & Madewell  
118 E. First St.  
P.O. Box 1483  
Cookeville, TN 38503  
Phone 931-528-6403; fax 931-520-1628  
*Attorney for claimant employees Darrell Denney, Clarence Grider and John Shock*

David Day, Esq.  
Law Office of David Day, PC  
19 South Jefferson Ave., Suite 100  
Cookeville, TN 38501  
931-528-7002, fax 931-372-8280; david@daviddaypc.com  
*Attorney for claimant employee Kenneth D. Lane*

Dan Rader, III, Esq.  
Moore, Rader, Clift & Fitzpatrick  
46 North Jefferson Avenue  
P.O. Box 3347  
Cookeville, TN 38502-3347  
Phone: 931-526-3311, fax 931-526-3092  
danrader@citlink.net  
*Norwalk/TN's defense counsel in workers' compensation cases.*

SECOND INJURY FUND  
STATE OF TENNESSEE

William G. Calhoun, Director of Legal Services, via email delivery to william.calhoun@tn.gov

Josh Baker, Esq.  
General Civil Division  
Tennessee Attorney General's Office  
P.O. Box 20207  
Nashville, TN 37202-0207  
(handdelivery by intraoffice mail)  
Department of Labor and Workforce Development

(No mailing to Norwalk Furniture Corporation of Tennessee as all prior mailings have returned undeliverable and unable to be forwarded).

*State of Tennessee ex rel. Newman, Comms'r of Commerce and Insurance, on behalf of employees of Norwalk Furniture Corporation of Tennessee (aka Norwalk Wood Products Division) for Tennessee self-insured workers' compensation benefits, vs. Midwest Employers Casualty Company and Norwalk Furniture Corporation of Tennessee.*  
Davidson County Chancery Court No. 09-384-III

**NOTICE OF LOSS PORTFOLIO TRANSFER AND  
INSTRUCTIONS TO AFFECTED EMPLOYEES AND OTHERS CLAIMING  
WORKERS' COMPENSATION BENEFITS RELATED TO EMPLOYMENT WITH  
NORWALK FURNITURE CORPORATION OF TENNESSEE.**

**Notice of assumption of liabilities for Tennessee Workers' Compensation Benefits for Employees of Norwalk Furniture Corporation of Tennessee, aka Norwalk Wood Products Division, which operated a plant in Cookeville, Tennessee:** The employer was self-insured during the period **January 1, 1992 to July 1, 2007**, and in October, 2008, stopped paying any self-insured workers' compensation payments. On April 2, 2009, the Davidson County Chancery Court, ordered bond funds securing the employer's self-insurance obligation under Tenn. Code Ann. § 50-6-405(b) to be turned over to the Tennessee Commissioner of Commerce and Insurance. On July 13, 2009, the Court approved the Commissioner to use the fund to purchase coverage from a Tennessee insurance company through a loss portfolio transfer (LPT) for the employer's self-insured Tennessee workers' compensation liability. Copies of these orders are available on this website. Under the LPT, Brentwood National Insurance Company assumed insurance obligations to continue to pay and administer the valid workers' compensation benefits due from Norwalk Furniture Corporation of Tennessee.

**INSTRUCTIONS FOR OBTAINING BENEFITS**

If your date of injury was between January 1, 1992 and July 1, 2007, to access any workers' compensation benefits or medical care to which you may be entitled, or to which you may be entitled by prior judgment against your employer, you must contact the assuming insurer's third party administrator, Brentwood Services Administrators, Inc. (BSAI), the same entity that administered the employer's self-insured workers' compensation claims, at the contact number below. Contact BSAI with any and all notices, claims for coverage, or questions regarding this employer's Tennessee workers' compensation benefits. **Do not delay if any matter requires attention. The contact information is as follows:**

Eryn Crawford – Claims [Eryn.Crawford@bwood.com](mailto:Eryn.Crawford@bwood.com)  
Phone: (615)263-1300 Fax: (615)263-1301  
Brentwood Services Administrators, Inc.  
104 Continental Place, Suite 200  
Brentwood, TN 37027