

**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,**

**No. 03-295-(IV)**

**Petitioner,**

**v.**

**THE RECIPROCAL ALLIANCE (RRG),  
a Tennessee Domiciled Insurance  
Company,**

**Respondent.**

---

**TRA LIQUIDATOR'S MOTION, PURSUANT TO T.C.A. § 56-9-333,  
TO HOLD UNCLAIMED FUNDS SUBJECT TO DISTRIBUTION  
FOR A PERIOD OF TWO (2) YEARS**

---

**I. BACKGROUND**

The TRA Liquidation Estate has paid millions of dollars of adjudicated and approved claims through the course of these liquidation proceedings. In some instances, however, those claim payments have not been deposited by the claimant and/or have been returned to the TRA Special Deputy Receiver as “undeliverable,” “address not valid,” “no forwarding address,”<sup>1</sup> etc. Reasonable and good faith efforts have been made to contact the claimants at issue, including extensive internet searches and further mailings and telephone calls, some of which were successful in making contact with the claimants who, in turn, were paid the approved claim

---

<sup>1</sup> As set forth in the Proof of Claim forms utilized in this liquidation process, the claimant submitting a Proof of Claim has the responsibility of informing the TRA Special Deputy Receiver of any changes in address/contact information.

amounts. Despite those efforts, there remains in the TRA Liquidation Estate an amount of \$92,044.75 in unclaimed funds. That amount is on deposit in an account for TRA at Regions Bank (Acct No. XXXX-9690). Because there are no outstanding claims in the TRA Liquidation Estate, the issue of disposition of unclaimed funds, as set forth herein, is ripe for presentation to the Court.

## **II. DISPOSITION OF UNCLAIMED FUNDS**

T.C.A. §56-9-333 addresses disposition of unclaimed funds in an insurance company liquidation context. T.C.A. §56-9-333 sets forth two options relating to the disposition of unclaimed funds. First, the statute states that in conjunction with a request for discharge, the liquidator will deposit all unclaimed funds with the state treasurer. Second, and in the alternative, “the liquidator may elect to apply to the Court for authority to hold the unclaimed funds subject to distribution for a period of two (2) years.” After the passage of that two year period, the liquidator will further address the unclaimed funds as allowed under the statute. T.C.A. § 56-9-333.

As part of the progression of the TRA Liquidation Estate toward closure, the TRA Liquidator, by and through her Special Deputy Receiver, moves the Court for authority to hold the TRA unclaimed funds for a period of two years. If during the running of that two year period, claimants with rights to unclaimed fund amounts come forward, the TRA Liquidator, through her appointed Special Deputy Receiver, will address the payment of unclaimed funds to those claimants. If, after two years passes, unclaimed funds remain, then the TRA Liquidator, through her Special Deputy Receiver, will address disposition of those funds, in her discretion, as set forth in T.C.A. § 56-9-333.

### **III. NOTICE**

The TRA Special Deputy Receiver has employed reasonable and good faith efforts to locate the claimants of the remaining unclaimed funds, but without success. That situation compels the conclusion that efforts to notify those claimants of this Motion would be futile. Therefore, to address reasonable notice of this Motion, the TRA Liquidator, through her appointed Special Deputy Receiver, will post a copy of this Motion on the Tennessee Department of Commerce and Insurance website (<https://www.tn.gov/commerce/insurance/company-resources/insurance-company-actions.html>) and will serve the Tennessee Attorney General's Office with a copy of this Motion.

### **IV. REQUEST FOR ORDER TO BE ENTERED AS FINAL AS TO ALL MATTERS ADDRESSED HEREIN**

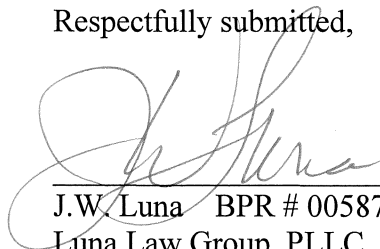
This Motion seeks relief that needs to be relied upon in advancing the progression of the TRA Liquidation Proceedings toward closure. But the relief afforded through granting this Motion does not address all matters at issue in the TRA Liquidation Proceedings. In order to provide certainty with regard to the relief granted, the TRA Special Deputy Receiver requests that the Court expressly find that there exists no just reason for delay and that the Order granting this Motion be entered as final regarding the matters addressed in that Order. Rule 54.02 Tenn. R. Civ. P.

### **V. CONCLUSION**

Accordingly, the TRA Liquidator, by and through her Special Deputy Receiver, moves the Court to order (a) that the unclaimed funds relating to the TRA Liquidation Estate (i.e. the \$92,044.75 deposited in Regions Bank Acct No. XXXX-9690) be held by the TRA Liquidator for two years, (b) that unclaimed amounts be paid to any claimants who, within that two year

period, show legitimate right to such amounts and (c) that thereafter, the funds remaining be further addressed in the discretion of the TRA Liquidator, as set forth in T.C.A. §56-9-333.

Respectfully submitted,



---

J.W. Luna BPR # 005870  
Luna Law Group, PLLC  
333 Union Street, Suite 300  
Nashville, TN 37201  
615.254.9146

*Counsel for The Reciprocal Alliance (RRG) in  
Liquidation Special Deputy Receiver*

**NOTICE OF HEARING**

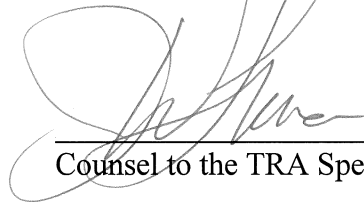
**THIS MOTION IS SET TO BE HEARD ON FRIDAY, NOVEMBER 30, 2018 AT 9:00 A.M. (CENTRAL TIME) IN THE COURTROOM FOR THE CHANCERY COURT OF DAVIDSON COUNTY, TENNESSEE (PART IV) LOCATED AT THE METRO COURTHOUSE IN NASHVILLE, TENNESSEE. ANY RESPONSE IN OPPOSITION IS TO BE FILED WITH THE COURT AND SERVED ON ABOVE-NOTED COUNSEL ON OR BEFORE MONDAY, NOVEMBER 26, 2018. IF NO RESPONSE IS TIMELY FILED AND SERVED, THE MOTION CAN BE GRANTED WITHOUT FURTHER NOTICE.**

**CERTIFICATE OF SERVICE**

I certify that a true and correct copy of the foregoing has been delivered by e-mail transmission and U.S. Mail, First Class postage prepaid, to the following on this 8<sup>th</sup> day of November, 2018:

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

I further certify that a copy of this Motion was posted on the Tennessee Department of Commerce and Insurance website (<https://www.tn.gov/commerce/insurance/company-resources/insurance-company-actions.html>) on this the 8<sup>th</sup> day of November, 2018.



\_\_\_\_\_  
Counsel to the TRA Special Deputy Receiver