

IN THE CIRCUIT COURT OF COLE COUNTY, MISSOURI

CHLORA LINDLEY-MYERS, Director,)	
Department of Commerce and Insurance of the)	
State of Missouri,)	
)	
Plaintiff,)	
)	Case No. 23AC-CC04735
v.)	
)	
CAMERON MUTUAL INSURANCE COMPANY, and)	
CAMERON NATIONAL INSURANCE COMPANY,)	
)	
Defendants.)	

FINAL JUDGMENT, DECREE, AND ORDER OF LIQUIDATION

On this 15 day of November, 2023, Plaintiff Chlora Lindley-Myers, the Director (“Director”) of the Missouri Department of Commerce and Insurance (“Department”), in her capacity as the court-appointed Rehabilitator (“Rehabilitator”) of Cameron Mutual Insurance Company (“Cameron Mutual”) and its wholly owned subsidiary, Cameron National Insurance Company (“Cameron National”), appears by counsel upon Plaintiff’s Verified Petition for Judgment, Decree, and Final Order of Liquidation (“Petition”) authorizing the liquidation of Cameron Mutual. Having reviewed the Petition, the applicable law, and presentation of counsel, the Court finds and concludes as follows:

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED:

a. **Liquidation of Cameron Mutual.** The Court finds that sufficient cause exists for liquidation of Cameron Mutual under §§ 375.1174 and 375.1175.1, RSMo, because, among other reasons:

- i. Cameron Mutual is a Missouri domiciled insurer subject to the Act.
- ii. Cameron Mutual’s condition satisfies the statutory requirements for the Court to place it in liquidation because further attempts to rehabilitate it would

substantially increase the risk of loss to policyholders, creditors or the public, or would be futile; the further transaction of business would be hazardous, financially or otherwise, to its policyholders or the public, and would otherwise be futile; and Cameron Mutual does not meet the statutory requirements for authorization to operate as an insurer in Missouri because it is not in compliance with its statutory surplus requirements.

- iii. It is in the best interest of policyholders, creditors, and the public that Cameron Mutual be liquidated under the Act.
- iv. The Court orders that:
 1. The judgment is final and subject to an immediate right of appeal, except that the Court may retain jurisdiction to issue further orders pursuant to the Act that may be necessary during any appeal.
 2. The Court shall have exclusive jurisdiction over this proceeding or relief relating to this proceeding pursuant to the Act, and to Cameron Mutual's property, wherever located.
 3. This Final Judgment, Decree, and Order of Liquidation shall be hereafter referred to as the "Liquidation Order".
 4. The rehabilitation of Cameron Mutual is terminated as of the Effective Date (defined below). Cameron National shall remain in rehabilitation.

b. **Full Faith and Credit.** Pursuant to the Act, the Court declares that the courts of other states should give full faith and credit to injunctions, stays, and this Court's Liquidation Order. § 375.1188, RSMo.

c. **Termination of All Cameron Mutual Policies.** Under § 375.1178.3, RSMo, all insurance policies/contracts/bonds/covenants/certificates/or other evidence of insurance coverage issued in the name of Cameron Mutual in effect at the time of issuance of the Liquidation Order shall terminate by operation of law on the earliest of:

- i. A period of thirty days from the Effective Date of this Liquidation Order (as defined below);
- ii. The expiration of the policy coverage;
- iii. The date when the insured has replaced the insurance coverage with equivalent insurance with another insurer or otherwise terminated the policy; or
- iv. The Liquidator has transferred the policy obligation under § 375.1182.1(8), RSMo.

d. **Effective Date of this Liquidation Order.** To avoid any confusion regarding the specific date of policy terminations under § 375.1178.3, RSMo, this Liquidation Order shall become effective at 12:01 a.m. Central time on December 1, 2023 (“Effective Date”). Accordingly, all Cameron Mutual policies will terminate by operation of law on or before December 31, 2023.

e. **Appointment of Liquidator and Authority to Appoint Deputy Liquidator.** Under § 375.1176.1, RSMo, the Director and Rehabilitator is hereby appointed to serve as Liquidator of Cameron Mutual. The Director and any successor are appointed to serve in such capacity with all rights, power, and authority under the law. Further, the Liquidator is authorized to appoint a special deputy liquidator (“SDR”) who shall have all powers of the Liquidator under Missouri law and the Court’s Liquidation Order and who shall serve at the pleasure of the Liquidator.

f. **Liquidator's Authority, Charge, and Immunity.** The Court orders that the Liquidator and any SDR are vested with all the powers granted pursuant Missouri law and the Act, including, but not limited to, the powers set forth in §§ 375.1176, 375.1182, 375.1184, 375.1188, and 375.1220, RSMo.

g. The Court orders that the powers and authority of the directors, officers and managers of Cameron Mutual are terminated and that only persons acting under the Liquidator's direction and supervision are authorized to take further actions with respect to Cameron Mutual.

h. This Liquidation Order shall be liberally and broadly construed to the fullest extent allowed by state and federal law and provide that the enumeration of the powers and authority of the Liquidator shall not be construed as a limitation upon the statutory powers of the Liquidator, nor shall it exclude in any manner the right to do such other acts not specifically enumerated or otherwise provided for, as may be necessary or appropriate for the liquidation of Cameron Mutual. The Liquidator is authorized and empowered to take all actions as are deemed necessary to accomplish the full and complete liquidation of Cameron Mutual.

i. Finally (and as provided by § 375.1182.5, RSMo), the Liquidator, SDR, commissioners and referees appointed by this Court, the agents, attorneys and employees of the Liquidator and the Cameron Mutual liquidation estate ("Estate") and employees of the state of Missouri when acting with respect to the liquidation shall enjoy absolute judicial immunity and be immune from any claim against them personally for any act or omission committed in the performance of their functions and duties in connection with the liquidation. The Liquidator is authorized to appoint without further Court order agents who shall perform work for the Liquidator or SDR in connection with this liquidation.

j. **Title to and Disposition of Estate Property.** The Court further orders that:

- i. The Liquidator is vested by operation of law with the title to any and all property interests of Cameron Mutual wherever located, including, but not limited to, its contracts, rights of action, defenses, books, records, and accounts, including those of any wholly owned subsidiary of Cameron Mutual.
- ii. All banks, saving and loan associations, financial institutions or other persons or entities which have on deposit, in their possession, custody and control, funds or investments of Cameron Mutual are instructed that the Liquidator has absolute control over such accounts and other assets. The Liquidator may change the name of such accounts and other assets, withdraw them from any such bank or other institution, or take any other action necessary for the proper conduct of this liquidation. No bank, saving and loan association, financial institution, person, or entity shall exercise any form of set-off, alleged set-off, lien, or any form of self-help whatsoever or refuse to transfer any funds or assets to the Liquidator's control without the permission of the Court.
- iii. The Liquidator should take immediate possession of, secure, and protect all property and records of Cameron Mutual, wherever located. The Liquidator is authorized to remove any records or property of Cameron Mutual to the offices of the Director or such other places for the convenient and efficient execution of the liquidation under § 375.1182.1(15), RSMo.
- iv. The filing or recording of this Liquidation Order with the Clerk of the Court and the Recorder of Deeds of the county in which Cameron Mutual's principal office or place of business is located shall impart the same notice as a deed, bill

of sale, or other evidence of title duly filed or recorded with that Recorder of Deeds would have imparted.

v. The Liquidator is authorized to collect all debts and moneys due to Cameron Mutual under § 375.1182.1(6), RSMo.

vi. The Liquidator is authorized to do any acts as are necessary or expedient to collect, conserve, or protect assets or property of Cameron Mutual, including, but not limited to:

1. Conduct public and private sales of the property of Cameron Mutual or any of its wholly owned subsidiaries;
2. Use assets of the Estate to transfer policy obligations to a solvent insurer under § 375.1182.1(8), RSMo;
3. Acquire, hypothecate, encumber, lease, improve, sell, transfer, abandon, or otherwise dispose of or deal with any property of Cameron Mutual or any of its wholly owned subsidiaries at its market value or upon such terms and conditions as are fair and reasonable;
4. Borrow money on the security of Cameron Mutual's assets or without security and to execute all related documents as authorized by § 375.1182.1, RSMo;
5. Deposit in any bank in Missouri such sums as are required for meeting current administration expenses and to invest all sums not currently needed consistent with applicable Missouri law.

k. **Fixing of Rights and Liabilities.** The rights and liabilities of Cameron Mutual and each of its respective creditors, policyholders, members, and any other persons interested in the

Cameron Mutual Estate will become fixed under § 375.1176.3, RSMo upon the Effective Date of the Liquidation Order. Rights of shareholders or members provided by any law other than as provided in §§ 375.1150 to 375.1246, RSMo, shall be suspended upon the Effective Date of this Liquidation Order.

1. **Tolling of Statute of Limitations.** Pursuant to § 375.1176.3, RSMo, the termination of any period fixed by any statute of limitations provided by law shall be suspended as of the Effective Date of this Liquidation Order, except as provided in §§ 375.1178, 275.1206, and 375.1210, RSMo, Pursuant to § 375.1188.2, RSMo, within ten years after issuance of the Liquidation Order or such other longer time as applicable law may permit, the Liquidator may institute on behalf of the Estate of Cameron Mutual any cause of action against which the period of limitations was fixed by applicable law had not expired as of the Effective Date of the Liquidation Order. Where, by any agreement, a period of limitation is fixed for instituting a suit or proceeding upon any claim, or for filing any claims, proof of claim, proof of loss, demand, notice, or the like, or where in any proceeding, judicial or otherwise, a period of limitation is fixed, either in the proceeding or by applicable law, for taking any action, filing any claim or pleading, or doing any act, and where in any such case the period had not expired at the date of the filing of the petition for an order of liquidation, the expiration of such period shall be stayed and the Liquidator may take any such action or do any such act required of or permitted to the insurer within a period of ten years subsequent to the Effective Date of the Liquidation Order, or within such further period as is shown to the satisfaction of the court not to be unfairly prejudicial to the other party.

m. **Reinsurance.** The Court further orders that:

- i. The Liquidator is vested with all the rights, title, and interest in all funds recoverable under treaties, contracts, and agreements of reinsurance entered into by Cameron Mutual as a ceding insurer or assuming reinsurer.
- ii. To the extent any reinsurer of Cameron Mutual would have been required under any agreement pertaining to reinsurance to post letters of credit or other security prior to the date of the Liquidation Order to cover such reserves reflected upon a statement filed with the regulatory authority, such reinsurer shall be required to post letters of credit or other security to cover such reserves after the date of the Liquidation Order. If a reinsurer fails to post letters of credit or other security required by a reinsurance agreement, the Court authorizes the Director to issue an order barring such reinsurer from thereafter reinsuring any insurer which is incorporated under the laws of the State of Missouri. § 375.1176, RSMo.
- iii. The amount recoverable by the Liquidator from reinsurers shall not be reduced as a result of the rehabilitation or liquidation proceedings, regardless of any provision in the reinsurance contract or other agreement. Payment made directly to an insured or other creditor shall not diminish the reinsurer's obligation to Cameron Mutual's Estate except where the assuming insurer, with the consent of the direct insured or insureds, has directly assumed the ceding insurer's policy obligations to the payees under such policies in substitution for the ceding insurer's obligations to such payees. § 375.1202, RSMo.

n. **Notice to Policyholders and Others of the Liquidation, Termination of Policies, and the Proof of Claim Deadline and Process.**

- i. Under § 375.1185.1(1)-(5), the Court directs the Liquidator to promptly notify parties-in-interest of this Liquidation Order, termination of policies, proof of claim deadline, and process. The Court approves and directs the Liquidator to serve the following parties-in-interest at their last known address:
1. By first-class mail to the department of insurance of each state in which Cameron Mutual is doing business or is licensed to write insurance, i.e., Arkansas, Illinois, Iowa, Kansas, Missouri, and Nebraska.
 2. By first-class mail and email (if available) to all policyholders of Cameron Mutual.
 3. By first-class mail and email (if available) to all insurance brokers and/or agents of Cameron Mutual.
 4. By first-class mail to all persons known or reasonably expected to have claims against Cameron Mutual.
 5. By first-class mail to all potentially applicable Guaranty Associations which are or may become obligated as a result of the liquidation.
 6. By publication in a newspaper of general circulation in the county in which Cameron Mutual's principal place of business is in, DeKalb County, Missouri, and by publication on Cameron Mutual's website and the Department's website. § 375.1185.1(1), RSMo.
 7. By first-class mail and email (if available) to all counterparties to any contract or agreement that is being repudiated as of the Effective Date of the Liquidation Order.

- ii. **Bar date.** The Notice shall specify that March 29, 2024, is the last day for submitting any claim under a Policy and/or any Proof of Claim with the Liquidator or the Liquidator's designee.
- iii. **Exemption from Filing a Proof of Claim and Deadline for Policy Claims.**
 1. **Policy Claims Existing as of the Effective Date of the Liquidation Order.** A policyholder with an *existing* policy claim within the applicable Guaranty Association limit shall be exempted from having to file a proof of claim for the claim previously submitted. The Liquidator is authorized to pay policyholder claims for insurance coverage up to but not exceeding the same amount that the policyholder would be entitled to receive on the claim if state Guaranty Association coverage was triggered through a finding of insolvency for Cameron Mutual.
 2. **Policy Claims First Asserted During Liquidation.** Policyholders may submit a claim arising under a policy during liquidation to the Liquidator through the normal claims process, provided that any such claim must be submitted to the Liquidator or the Liquidator's designee by March 29, 2024.
 3. **Over-Limit Policy Claims.** The Court specifies that Policyholders asserting claims under a Cameron Mutual Policy need not file a Proof of Claim so long as the claim is within the applicable Guaranty Association statutory limit; however, a Proof of Claim should be submitted for any policy claim in excess of the applicable Guaranty Association limit. If a Policyholder is uncertain what the applicable

Guaranty Association statutory limit is then such Policyholder submit its claim to the Liquidator or the Liquidator's designee by March 29, 2024.

4. **Commission Claims.** Brokers and insurance agents are exempted from filing a Proof of Claim for commissions owed unless they disagree with the amount of commissions owed based on Cameron Mutual's records. If such a disagreement exists then the respective broker and/or insurance agent must submit its claim to the Liquidator or the Liquidator's designee by March 29, 2024.

- o. **Recovery of Premiums.** Pursuant to § 375.1204, RSMo, the Court hereby rules that a producer, premium finance company, or any other person, other than the insured, responsible for the payment of a premium, shall be obligated to pay any unpaid earned premium due Cameron Mutual at the Effective Date of the Liquidation Order as shown in the records of Cameron Mutual. The Liquidator shall have the right to recover from such person any part of an unearned premium that represents commission of such person/entity. Credits or setoffs or both shall not be allowed to a producer or premium finance company for any amounts advanced to Cameron Mutual by the producer or premium finance company on behalf of, but in the absence of a payment by the insured. An insured shall be obligated to pay any unpaid earned premium due Cameron Mutual at the time of the Liquidation Order, as shown in Cameron Mutual's records.

- p. **Resolution of Proof of Claims.** The Court directs the Liquidator to comply with §§ 375.1206-375.1222, RSMo, and all other requirements under the Act regarding disposition of claims against the Cameron Mutual Estate.

q. **Hearings and Subpoenas.** The Court authorizes the Liquidator to hold hearings; subpoena witnesses; request production of documents; and other items under § 375.1182.1(4), RSMo.

r. **Audits.** The Court authorizes the Liquidator to audit the books and records of all agents of Cameron Mutual under § 375.1182.1(5), RSMo.

s. **Litigation.** The Court authorizes the Liquidator to:

i. Prosecute any action which may exist on behalf of creditors, policyholders, or members or shareholders of either insurer; to assert all defenses available to the insurer;

ii. Enforce all rights, remedies, and powers of any creditor, shareholder, policyholder or member, including any power to avoid any transfer or lien that may be given;

iii. Intervene in any proceeding as necessary, at the discretion of the Liquidator;

iv. Avoid any fraudulent or preferential transfer pursuant to §§ 375.1192 and 375.1195, RSMo, including through litigation or otherwise;

v. Pursue any causes of action under the Missouri Uniform Fraudulent Transfer Act (§§ 375.428.005, RSMo *et seq.*) with any such recoveries to be used for the benefit of the Estate and its creditors;

t. **Authority to Enter or Disavow Contracts.** The Court authorizes the Liquidator to enter into contracts to carry out this Liquidation Order, or to affirm, disavow, or repudiate contracts to which Cameron Mutual is a party. §§ 375.1182.1(11) and 375.1184, RSMo.

Further, the Liquidator may disaffirm or repudiate any contract or lease:

i. To which either Cameron Mutual is a party;

- ii. The performance of which the Liquidator, in the Liquidator's sole discretion, determines to be burdensome; and
- iii. The disaffirmance or repudiation of which the Liquidator determines, in the Liquidator's sole discretion, will promote the orderly administration of the affairs of Cameron Mutual;
- iv. The Liquidator shall determine whether to exercise the right of repudiation within a reasonable period following the Effective Date of the Liquidation Order. In the sole discretion of the Liquidator, a contract shall be repudiated as of either:
 - 1. The Effective Date of the Liquidation Order; or
 - 2. Some other date after the Effective Date of the Liquidation Order selected by the Liquidator for the disaffirmance or repudiation of such contract or agreement.
- v. The liability of the Liquidator for the disaffirmance or repudiation of any contract pursuant to § 375.1184, RSMo shall be calculated as of the date of repudiation and shall be limited to actual direct compensatory damages as limited under § 375.1184.3, RSMo. Any such damages shall be submitted as a claim to the Liquidator pursuant to §§ 375.1206 to 375.1222, RSMo.
- u. **Injunctive Relief.** To preserve and protect the assets of the insurers, the Court hereby:
 - i. Prohibits any current or former officers, directors, managers, agents, employees, or any person acting in concert with Cameron Mutual, from

disposing, using, transferring, removing or concealing any property of Cameron Mutual, without the express written authority of the Liquidator;

- ii. Prohibits any party involved with Cameron Mutual from negotiating any settlement with any claimant or policyholders of either company other than the Liquidator or the SDR;
- iii. Prohibits any person from knowingly destroying, concealing, converting, or altering any records or property of Cameron Mutual or any of its wholly owned subsidiaries after entry of this Liquidation Order without written permission of the Liquidator or Court pursuant to § 375.1176.8, RSMo;
- iv. The Court enjoins any such conduct and prohibit any and all persons, including, but not limited to, general agents, agents, or brokers of Cameron Mutual as well as any banks, brokerage houses, reinsurers, third-party administrators, or other companies or persons having in their possession assets or unearned commissions which are or may be the property of Cameron Mutual, from disposing of or destroying the same, or disposing of or destroying any records pertaining to any business transactions between Cameron Mutual and its insureds, policyholders, general agents, agents, brokers, banks, brokerage houses, reinsurers, third-party administrators, or other companies or persons having done business with Cameron Mutual or having in their possession assets which are or were the property of Cameron Mutual;
- v. **Stay of Actions Against Cameron Mutual, the Liquidator or the SDR.**
 - i. The Court orders that no action at law or equity or in arbitration may be brought against Cameron Mutual, the Liquidator, or the SDR, whether in this state or

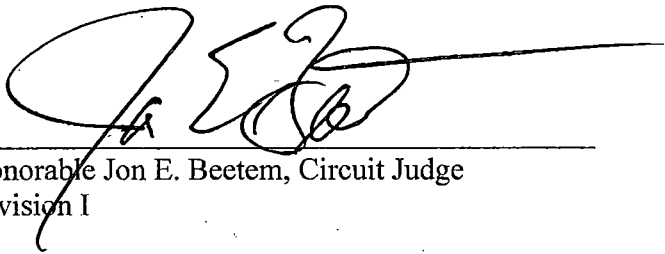
otherwise, nor shall any such existing action be maintained or further prosecuted after issuance of the Order.

ii. The Court hereby stays and enjoins any of the following:

1. The commencement or continuation of any judicial, administrative, or other action or proceeding against Cameron Mutual, the Liquidator, or the SDR that was or could have been commenced before the commencement of this case, or to recover a claim against Cameron Mutual that arose before the commencement of this case;
2. Any act to obtain possession of property of Cameron Mutual or to exercise control over property of Cameron Mutual;
3. Any act to create, perfect, or enforce any lien against property of Cameron Mutual;
4. Any act to create, perfect or enforce against property of Cameron Mutual any lien to the extent that such lien secures a claim that arose before the commencement of this case; and
5. The set-off of any debt owing to Cameron Mutual that arose before the commencement of this case against any claim against Cameron Mutual.

w. The Court retains the power and authority to grant such further decrees, orders, and judgments under and within the provisions of §§ 375.1150 to 375.1246, RSMo, as the Court shall find advisable or necessary.

IT IS SO ORDERED.



Honorable Jon E. Beetem, Circuit Judge
Division I