

STATE OF MICHIGAN
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT
INGHAM COUNTY

ANITA G. FOX, DIRECTOR
OF THE DEPARTMENT OF INSURANCE
AND FINANCIAL SERVICES,

Petitioner,

v

PAVONIA LIFE INSURANCE COMPANY
OF MICHIGAN,

Respondent.

Case No. 19-504-CR

HON. WANDA M. STOKES

[IN REHABILITATION]

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**EX PARTE ORDER APPROVING WILLIS TOWERS WATSON'S
COMPENSATION AS VALUATION ACTUARIES**

At a session of said Court
held in the Circuit Courtrooms
for the County of Ingham,
State of Michigan, on the
22 day of September, 2021.

PRESENT: HONORABLE WANDA M. STOKES, CIRCUIT COURT JUDGE

WHEREAS, Anita G. Fox, Director of the Michigan Department of Insurance
and Financial Services ("DIFS") and statutory and Court-appointed Rehabilitator of

Pavonia Life Insurance Company of Michigan (the "Rehabilitator"), has filed an *Ex Parte* Petition for Approval of Willis Towers Watson's Compensation as Valuation Actuaries (the "*Ex Parte* Petition");

WHEREAS, MCL 500.8114(1) authorizes the Rehabilitator to employ such assistants as she considers necessary, whose compensation shall be fixed by the Rehabilitator with the approval of the Court; and

WHEREAS, the Rehabilitator and Special Deputy Rehabilitator James E. Gerber have determined that the employment of Willis Towers Watson ("Willis Towers") as valuation actuaries for Pavonia Life Insurance Company of Michigan ("Pavonia"), together with the compensation to be paid Willis Towers in exchange for its services, are necessary and appropriate for the effective and efficient administration of this rehabilitation proceeding and will assist in providing the maximum protection to creditors, policyholders, and the public;

NOW, THEREFORE, IT IS HEREBY ORDERED that the Court APPROVES the compensation to be paid Willis Towers, as fixed by the Rehabilitator pursuant to the terms set forth in the *Ex Parte* Petition and the Statement of Work attached as Exhibit A thereto, in connection with its employment as valuation actuaries for Pavonia.

IT IS FURTHER ORDERED that due to the difficulty and prohibitive cost associated with personally serving the *Ex Parte* Petition and this Order on any individuals or entities that may have a general interest in Pavonia's rehabilitation, the Court authorizes, approves, and/or ratifies the Rehabilitator's service of the *Ex*

Parte Petition and this Order by posting electronic copies on the DIFS website, www.michigan.gov/difs, under the section "Who We Regulate," the subsection "Receiverships," and the sub-subsection, "Pavonia Life Insurance." The Court finds that service in this manner is reasonably calculated to give potentially interested individuals and entities actual notice of these proceedings and is otherwise reasonable under the circumstances.

IT IS FURTHER ORDERED that Pavonia (through Special Deputy Rehabilitator James E. Gerber) will only instruct Willis Towers to commence the valuation services contained in the Statement of Work, and thereby become responsible for compensating Willis Towers, after twenty-one (21) calendar days have elapsed following entry of this approval Order, which is the applicable appeal period (the "Appeal Period"). Accordingly: (a) any potentially interested individual or entity will receive notice of the *Ex Parte* Petition and this Order through the DIFS website posting; (b) any such individual or entity having standing can timely object to or appeal this Order during the Appeal Period; and (c) Pavonia (through Special Deputy Rehabilitator James E. Gerber) will not instruct Willis Towers to commence the valuation services contained in the Statement of Work until the Appeal Period has expired, or if a valid objection or appeal has been timely filed, until such objection or appeal is fully and finally resolved. The Court finds that this procedure provides additional due process and ensures the ability of individuals or entities having standing to timely object to or appeal this approval Order.

IT IS SO ORDERED.

This Order does not resolve the last pending claim and does not close this case.

Wanda M. Stokes

Honorable Wanda M. Stokes
Circuit Court Judge

