

**SUPERIOR COURT OF THE DISTRICT OF COLUMBIA  
CIVIL DIVISION**

<b>DISTRICT OF COLUMBIA,</b> a Municipal Corporation,  Petitioner,  v.  <b>OCEAN RISK RETENTION GROUP, INC.</b>  Respondent.	Civil Action No.: 2013 CA 006110 2 Judge: Bartnoff Calendar No.: 15 Next Event: Status Hearing 4/14/16
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**PRAECIPE  
NOTICE OF FILING OF LIQUIDATOR'S SIXTH STATUS REPORT**

The District of Columbia, at the request and on behalf of Stephen C. Taylor,  
Commissioner of the District of Columbia Department of Insurance, Securities and Banking, as  
Liquidator of Ocean Risk Retention Group, Inc., and the Special Deputy to the Liquidator,  
Robert H. Myers, Jr., by and through the Office of the Attorney General for the District of  
Columbia, files the attached Liquidator's Sixth Status Report.

Respectfully Submitted,

KARL A. RACINE  
Attorney General for District of Columbia

ELIZABETH SARAH GERE  
Acting Deputy Attorney General  
Public Interest Division

/s/ Eric S. Glover   
ERIC S. GLOVER  
Chief, Civil Enforcement Section

/s/ E. Louise R. Phillips  
E. LOUISE R. PHILLIPS  
Assistant Attorney General  
Bar Number 422074  
441 Fourth Street, NW, 630 South  
Washington, DC 20001  
tel: 202-727-0874, fax: 202-730-0658  
[louise.phillips@dc.gov](mailto:louise.phillips@dc.gov)

Attorneys for the District of Columbia

### CERTIFICATE OF SERVICE

I hereby certify that on this 4<sup>th</sup> day of April, 2016, a copy of the foregoing was filed and served by email upon:

Stephen C. Taylor, Liquidator for  
Ocean Risk Retention Group, Inc.  
c/o Charlotte W. Parker  
District of Columbia Department of Insurance,  
Securities and Banking, Office of the General Counsel  
810 First Street, NE, Suite 701  
Washington, D.C. 20002  
[Charlotte.Parker@dc.gov](mailto:Charlotte.Parker@dc.gov)

Robert H. Myers, Jr.  
Special Deputy to the Liquidator  
Morris, Manning & Martin, LLC  
1401 Eye Street, N.W.  
Washington, D.C. 20005  
[rhm@mmmlaw.com](mailto:rhm@mmmlaw.com)

/s/ E. Louise R. Phillips  
E. LOUISE R. PHILLIPS  
Assistant Attorney General

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<p><b>DISTRICT OF COLUMBIA,</b> a Municipal Corporation,</p> <p style="text-align:center">Petitioner,</p> <p>v.</p> <p><b>OCEAN RISK RETENTION GROUP, INC.</b></p> <p style="text-align:center">Respondent.</p>	<p>Civil Action No.: 2013 CA 006110 2 Judge: Bartnoff Calendar No.: 15 Next Event: Status Hearing 4/14/16</p>
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**LIQUIDATOR'S SIXTH STATUS REPORT**

Stephen C. Taylor, Commissioner of the Department of Insurance, Securities and Banking (DISB),<sup>1</sup> as Liquidator of Ocean Risk Retention Group, Inc. (Ocean), by and through Robert H. Myers, Jr. as Special Deputy to the Liquidator (Special Deputy), respectfully submits this status report. This report provides an update on the status of Ocean's liquidation, supplementing the First Status Report filed on September 20, 2013, the Second Status Report filed on April 3, 2014, the Third Status Report filed on October 23, 2014, the Fourth Status Report filed on April 1, 2015, and the Fifth Status Report filed October 28, 2015.

**I. BACKGROUND AND PROCEDURAL HISTORY**

Ocean is a captive insurer organized and licensed under the laws of the District of Columbia. Ocean operated in New Jersey and Pennsylvania as a commercial liability risk

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<sup>1</sup> On June 22, 2015, Stephen C. Taylor became DISB's Acting Commissioner and, therefore, Ocean's Liquidator since the Emergency Consent Order of Liquidation for Ocean named as Liquidator "the Commissioner and his successors in office." On November 3, 2015, Stephen C. Taylor became DISB's Commissioner.

retention group, offering liability insurance to taxi owner-operators and taxi fleet owners. The procedural history is contained in prior reports.<sup>2</sup>

## **II. CLAIM STATUS AND OTHER LEGAL PROCEEDINGS**

There are 665 pending claims under policies issued by Ocean. Pursuant to the Court's Stay Orders, all litigation against Ocean's policyholders has been stayed through December 9, 2016, as have all cases in which Ocean may have a duty to defend or indemnify its policyholders.

The Stay Orders do not impede Ocean's ability to pursue subrogation claims, however, and the Liquidator, through outside counsel, has continued to pursue such claims on Ocean's behalf. As previously reported, prior to its withdrawal, Rovner recovered over \$26,935 (after deducting its court-approved contingent fee) for the liquidation estate. To date, the Maneri Law Firm has recovered \$9,349.73 for Ocean.

## **III. PROOF OF CLAIM PROCESS AND VALUATION ISSUES**

The prior status reports detailed the Special Deputy's efforts to notify policyholders and known creditors of Ocean's liquidation and of the January 31, 2014 deadline for filing proof of claims. As previously reported, the Special Deputy has 665 policyholder claims in process. Furthermore, proofs of claims have also been reviewed from a total of 28 creditors of Ocean in

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<sup>2</sup> On September 6, 2013, this Court entered an Emergency Consent Order of Liquidation for Ocean (the Liquidation Order), appointing the Commissioner as Ocean's Liquidator pursuant to D.C. Official Code § 31-1316 (2012 Repl.). On September 24, 2013, the Court approved Mr. Myers appointment as Special Deputy to the Liquidator and granted the Liquidator's requested stay of, among other things, "any litigation against Ocean [and . . .] any litigation against Policyholders of Ocean in cases in which Ocean may have a duty to defend or indemnify its Policyholders." On December 9, 2013, this Court issued the requested Supplementary Order Clarifying the September 24, 2013 Order Staying and Enjoining All Litigation, explaining that the prior order does not stay, enjoin, or otherwise interfere with actions where Ocean as a plaintiff and/or claimant seeks to recover assets including, but not limited to, subrogation actions. On December 9, 2014, this Court issued an Order Extending Stay and Injunction Until December 9, 2015.

With the court's approval, GB Group, LLC (GB Group) is handling claims administration during Ocean's liquidation. The court also approved the use of Rovner, Zimmerman & Nash, PC (Rovner) – and later approved the substitution of the Maneri Law Firm for Rovner – to pursue subrogation claims on Ocean's behalf.

regard to services provided but not paid for, return of premium to policyholders, and subrogation. The Special Deputy has 111 total creditor claims in process. Additionally, 89 subrogation cases have been reviewed, with a 123 total claims in process.

The Special Deputy and GB Group completed the valuation of policyholders' proofs of claims. Although each claim was valued at what was designed to be a reasonable settlement value, claimants (and, in particular, claimants' counsel) have inundated the Deputy Liquidator with letters, emails and phone calls requesting further review of the claims with the intent of obtaining a higher valuation. The Deputy Liquidator is responding to each inquiry with the assistance of GB Group and, where appropriate, adjusting claim valuations. As of March 18, 2016, the Deputy Liquidator valued the outstanding claims as follows:

**Overall Review<sup>3</sup>:**

Total Number of Claims: 899

Total Valuation: \$6,240,415.57

**Policyholder Claims:**

Number of Claims: 665

Total Valued: \$5,134,963.01

**Creditor Claims (Including Subrogation)**

Number of Claims: 234

Total Valued: \$1,105,452.56

The review of claim valuations is continuing. The Deputy Liquidator's goal is to prepare a schedule of policyholder claims with a determined value, which can then be recommended for approval by the Court. *See* D.C. Official Code § 31-1341 (2012 Repl.) There will be a number of the claims where the claimant will want to continue to contest the valuation. As required by D.C. Official Code § 31-1337(b), these matters will be referred to the Court.

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<sup>3</sup> The total number of claims do not equal the total of the Policyholder claims and Creditor claims because some claims include more than one claimant.

#### **IV. STAY ORDER ENFORCEMENT**

Prior status reports detailed the voluminous inquiries received in 2014 from claimants and their counsel in Pennsylvania and New Jersey (where Ocean operated), particularly with respect to the Stay Orders. The letter to Pennsylvania counsel of record, plus the New Jersey Superior Court Chancery Division's Civil Action Order Staying and Enjoining All Litigation Pursuant to Rule 4:52, described in the Fourth Status Report, have been effective. The flood of questions and complaints about the stay has slowed to a trickle, although the Special Deputy nevertheless has had to address periodic attempts to lift the stay in specific matters.

#### **V. ACCOUNTING, ASSETS, AND ADMINISTRATIVE EXPENSES**

Pursuant to the Liquidation Order and D.C. Official Code § 31-1319 (2012 Repl.), the title of all of Ocean's accounts has been transferred to the Commissioner as Liquidator. As detailed in prior status reports, the Liquidator has marshalled and consolidated Ocean's liquid assets into a single money market account at the Bank of Georgetown. As further detailed in Exhibit 1, income received by the Liquidator included both proceeds from subrogation claims and interest on existing funds, as well as a tax refund from New Jersey. As of March 10, 2016 the Ocean account balance at the Bank of Georgetown is \$2,530,911.98.

#### **VI. FUTURE ACTIONS**

When all assets have been received and accounted for, and the valuation issues have been resolved either by the Deputy Liquidator or the Court, the Liquidator will be in a position to petition the Court for approval of a schedule of distribution to policyholder claimants.



## Ocean RRG Accounting

Date Posted	Credit	Debit	Balance	Purpose
<b>Bank of Georgetown Premium Money Market Acct. Ending 6255</b>				
10/15/13				Account opened
10/17/13	\$408,272.64		\$408,272.64	Check from closed Wells Fargo account ending 9518
10/17/13/	\$2,024.00		\$410,296.64	Check 5883 – Settlement distribution - ORRG v. New Jersey One Taxi & Limo, LLC, Docket # MER-L-000120-12
10/24/13		\$52.83	\$410,243.81	Check order
10/25/13	\$321,277.46		\$731,521.27	Check 732828 – from closed Provident/Cetera Investments acct ending 3371
10/31/13	\$103.60		\$731,624.87	Credit Interest
11/08/13	\$4,810.15		\$736,435.02	Check 5891 – Roman of NJ Net Distribution (matter 5-1203-0713)
11/12/13		\$30,000.00	\$706,435.02	Check 1026 - GB Group Initial Service Fee
11/30/13	\$264.94		\$706,699.96	Interest Credit
12/11/13	\$5,451.00		\$712,150.96	IRS Refund
12/20/13		\$2,000.00	\$710,150.96	Check 1051 – Provident Bank – LOC ending 2049
12/20/13		\$3,000.00	\$707,105.96	Check 1052 – Provident Bank – LOC ending 0328
12/31/13	\$11,870.00		\$719,020.96	Check 5895 - \$5184.00 J&H Cab Co Distribution and Check 5893 - \$6686.00 – Fraga, LLC t/a Metro Taxi Distribution
12/31/13	\$270.91		\$719,291.87	Interest Credit
1/8/14		\$21,782.79	\$697,509.08	Check 1053 – Morris, Manning & Martin, LLP
1/8/14		\$20,177.95	\$677,3361.13	Check 1054 – Morris, Manning & Martin, LLP
1/15/14	\$117,859.05		\$795,190.18	Check from PNC Bank Sky Claims LLC account
1/28/14		\$16,750.00	\$778,440.18	Check 1055 – GB Group, LLC
1/31/14	\$286.37		\$778,726.55	Interest Credit
2/18/14		\$12,375.00	\$766,351.55	Check 1057 – GB Group, LLC
2/18/14		\$7,125.00	\$759,226.55	Check 1058 – GB Group, LLC
2/28/14	\$266.18		\$759,492.73	Interest Credit

3/4/14		\$15,000.00	\$744,492.73	Check 1059 – DC Treasurer – Premium Tax
3/10/14		\$17.00	\$744,475.73	Check 1060 – PNC Bank – Document Copies
3/12/14		\$8,000.00	\$736,475.73	Check 1061 – GB Group, LLC
3/18/14		\$12,375.00	\$724,100.73	Check 1062 – GB Group, LLC
3/27/14	\$3,434.00		\$727,534.73	Check 5906 - Kamal Jit, Inc. Distribution
3/27/14	\$2,000,000.00		\$2,727,534.73	Collection on outstanding letters of credit - Wire Transfer - From Fulton Bank of New Jersey
3/31/14	\$404.52		\$2,727,939.25	Interest Credit
4/16/14	\$3,150.00		\$2,731,089.25	Check 5935 – Hoda A. Shaker Distribution
4/16/14	\$1,647.00		\$2,732,736.25	Distribution check
4/30/14	\$1,009.85		\$2,733,746.10	Interest Credit
5/2/14		\$12,375.00	\$2,721,371.10	Check 1064 – GB Group, LLC
5/5/14		\$4,720.30	\$2,716,650.80	Check 1065 – GB Group, LLC
5/8/14	\$350.00		\$2,717,000.80	Check 5938 – Hoda A. Shaker Distribution
5/19/14		\$3,500.00	\$2,713,455.80	Check 1066 – GB Group, LLC
5/19/14		\$2,375.00	\$2,713,500.80	Check 1067 – GB Group, LLC
5/31/14	\$1,037.83		\$2,712,163.63	Interest Credit
6/11/14		\$10,481.75	\$2,701,681.88	Check 1068 – GB Group, LLC
6/30/14	\$1,000.54		\$2,702,682.42	Interest Credit
7/21/14		\$4,089.31	\$2,698,593.11	Check 1069 – GB Group, LLC
7/31/14	\$1,032.39		\$2,699,625.50	Interest Credit
8/27/14	\$1,444.46		\$2,701,069.96	Check 85119 - \$700.00 Hoda A. Shaker Distribution and Check 5570 - \$744.46 – Ocean v. Budget Leasing Corp Distribution
8/27/14		\$1,430.03	\$2,699,639.93	Check 1071 – Megna Law Firm
8/30/14	\$1,031.78		\$2,700,671.71	Interest Credit
9/2/14		\$8,075.90	\$2,692,595.81	Check 1070 – GB Group, LLC
9/4/14		\$811.72	\$2,691,784.09	Check 1072 – Washington Times – Publication of NJ Order
9/4/14		\$4,612.61	\$2,687,171.48	Check 1073 – Legal Intelligencer (Philadelphia) – Publication of NJ Order
9/4/14		\$103.55	\$2,687,067.52	Check 1074 – New Jersey Law Journal – Publication of NJ Order
9/9/14		\$78.41	\$2,686,989.52	Check 1075 – Megna Law Firm

9/17/14		\$3,500.00	\$2,683,489.52	Check 1076 – GB Group, LLC
9/30/14	\$993.53		\$2,684,483.05	Interest Credit
10/28/14		\$107.63	\$2,684,375.42	Check 1079 – New Jersey Law Journal – Publication of Stay Order
10/29/14		\$4,566.31	\$2,679,809.11	Check 1080 – GB Group, LLC
10/31/14	\$1,025.81		\$2,680,834.92	Interest Credit
11/03/14		\$223,305.27	\$2,457,529.65	Check 1081 - Morris, Manning & Martin, LLP
11/05/14		\$86.25	\$2,457,443.40	Check 1078 – Megna Law Firm
11/10/14		\$100.00	\$2,457,343.40	Check 1077 – Wells Fargo statement copies
11/29/14	\$914.40		\$2,458,257.80	Interest Credit
12/03/14	\$4,788.95		\$2,463,046.75	Close Bank of America accts ending 6538 and 9042 (\$3,811.90) and Bashwiner check (977.05)
12/04/14		\$3,500.00	\$2,459,546.75	Check 1082 – GB Group
12/16/14		\$3,500.00	\$2,456,046.75	Check 1083 – GB Group
12/17/14	\$338,918.68		\$2,794,965.43	Close Wells Fargo accts ending 6260 and 1185
12/31/14	\$1,002.02		\$2,795,967.45	Interest Credit
1/20/15		\$3,500.00	\$2,792,467.45	Check 1084 – GB Group
1/31/15	\$1,068.08		\$2,793,535.53	Interest Credit
2/28/15	\$964.34		\$2,794,499.87	Interest Credit
3/2/15		\$3,750.00	\$2,790,749.87	Check 1085 – GB Group
3/3/15		\$15,000.00	\$2,775,746.87	Check 1086 – DC Treasurer – Premium Tax
3/12/15		\$3,500.00	\$2,772,249.87	Check 1087 – GB Group
3/30/15	\$2,922.56		\$2,775,172.43	Deposit – Sime/Amboy Distribution
3/31/15	\$1,060.49		\$2,776,232.92	Interest Credit
4/7/15		\$7,332.31	\$2,768,900.61	Check 1088 – Saslow Lufkin & Buggy – Invoice 27331
4/9/15		\$3,625.00	\$2,765,275.61	Check 1089 – GB Group
4/30/15	\$1,023.67		\$2,766,299.28	Interest Credit
5/11/15		\$3,500.00	\$2,762,799.28	Check 1090 – GB Group
5/30/15	\$1,056.35		\$2,763,855.63	Interest Credit
6/11/15		\$3,500.00	\$2,760,355.63	Check 1091 – GB Group
6/30/15	\$1,021.38		\$2,761,377.01	Interest Credit
7/9/15	\$83.22		\$2,761,460.23	Deposit – Jenail Leslie Distribution
7/9/15		\$3,500.00	\$2,757,960.23	Check 1092 – GB Group

7/29/15	\$2,110.15		\$2,760,070.38	Deposit – Teodoro Martinez dba Go US Cab and Transport – Distribution
7/31/15	\$1,054.48		\$2,761,124.86	Interest Credit
8/20/15		\$3,500.00	\$2,757,624.86	Check 1093 – GB Group
8/31/15	\$1,054.76		\$2,758,679.62	Interest Credit
9/9/15	\$36,293.78		\$2,794,973.40	Deposit – New Jersey Tax Refund
9/11/15		\$3,500.00	\$2,791,473.40	Check 1094 – GB Group
9/15/15	\$186.55		\$2,791,661.95	Deposit - Jenail Leslie Distribution
9/22/15	\$1,472.95		\$2,793,134.90	Deposit – C & K Distribution
9/23/15		\$59.56	\$2,793,075.34	Check order – Harland
9/30/15	\$1,029.51		\$2,794,104.85	Interest Credit
10/19/15		\$3,500.00	\$2,790,604.85	Check 1096 – GB Group
10/31/15	\$1,067.32		\$2,791,672.17	Interest Credit
11/09/15		\$3,500.00	\$2,788,172.17	Check 1098 – GB Group
11/12/15	\$182.52		\$2,788,354.69	Deposit – ORR v. Leslie Payment
11/30/15	\$1,031.63		\$2,789,386.36	Credit Interest
12/18/15	\$143.30		\$2,789,529.62	Deposit – Fee for #1597325
12/31/15	\$1,066.11		\$2,790,595.73	Credit Interest
1/6/16	\$127.04		\$2,790,722.77	Deposit – ORR v. Leslie #1597328
1/6/16		\$3,500	\$2,787,222.77	Check 1100 – GB Group
1/22/16		\$236,460.88	\$2,550,761.89	Check 1102 – Morris Manning & Martin, LLP
1/30/2016	\$1,033.48		\$2,551,795.37	Credit Interest
2/02/2016	\$210.28		\$2,552,005.65	Deposit – 5900 Maneri LLC Claim #1597328
2/16/2016		\$3,500.00	\$2,548,505.65	Check 1104 – GB Group
2/16/2016		\$3,500.00	\$2,545,005.65	Check 1105 – GB Group
2/17/2016		\$15,000.00	\$2,530,005.65	Check 1103 - 2015 Premium Tax Return
2/29/2016	906.33		\$2,530,911.98	Credit Interest
<b>Total</b>				
2/17/2016			\$2,530,911.98	