

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

FILED
 2009 AUG 24 PM 2:35
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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,)

vs.)

No. 09-384-III

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.

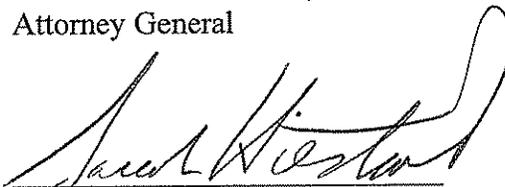
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Respectfully submitted.

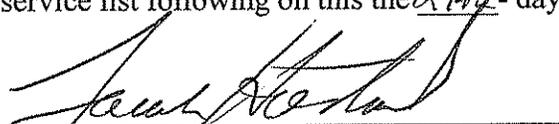
ROBERT E. COOPER, JR.
Attorney General



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 24th 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

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

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
Phone: (615)263-1300 Fax: (615)263-1301
Brentwood Services Administrators, Inc.
104 Continental Place, Suite 200
Brentwood, TN 37027