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6 **IN THE SECOND JUDICIAL DISTRICT COURT OF**  
7 **THE STATE OF NEVADA IN AND FOR THE**  
8 **COUNTY OF WASHOE**

9 STATE OF NEVADA, EX REL.  
10 COMMISSIONER OF INSURANCE, IN HER  
11 OFFICIAL CAPACITY AS STATUTORY  
RECEIVER FOR DELINQUENT DOMESTIC  
INSURER,

12 Petitioner,

13 vs.

14 PHYSICIANS INDEMNITY RISK  
15 RETENTION GROUP, INC., a Nevada  
Domiciled Association Captive Insurance  
Company,

16 Respondent.  
17

Case No. CV20-00496

Dept. No. 1

18 **ORDER GRANTING MOTION FOR GOOD FAITH SETTLEMENT**

19 This Court having considered the Motion For Good Faith Settlement (“Motion”) filed by Barbara  
20 D. Richardson, Commissioner of Insurance (the “Commissioner”) in her capacity as Permanent Receiver  
21 (“Receiver”) of Physicians Indemnity Risk Retention Group, Inc., (“PIRRG” or the “Company”) on  
22 December 21, 2022, no opposition having been filed in response to the same, and for good cause shown,  
23 the Court finds and orders as follows:

- 24 1. A proposed settlement has been reached between PIRRG by and through Regulatory Services  
25 Group (“RSG”), the Special Deputy Receiver (“SDR”) of PIRRG and Aspen Insurance UK,  
26 Ltd, Underwriting Members of Ascot Syndicate 1414 at Lloyd’s, Underwriting Members of  
27 Barbican Syndicate 1955 at Lloyd’s, XL Bermuda LTD (formerly Catlin Insurance Company

1 Ltd.), Underwriting Members of Catlin Syndicate 2003 at Lloyd’s, Underwriting Members of  
2 Chaucer Syndicate 1084 at Lloyd’s, Underwriting Members of Faraday Syndicate 435 at  
3 Lloyd’s, Underwriting Members of Hiscox Syndicate 33 at Lloyd’s, Underwriting Members  
4 of Liberty Syndicate 472 at Lloyd’s, Canopius Managing Agents Limited on Behalf of  
5 Syndicate 4444, Underwriting Members of Vibe Syndicate 5648 at Lloyd’s Medical  
6 Protective (collectively “Reinsurers”) by which the Reinsurers have agreed to make a  
7 settlement payment to the Receiver of PIRRG in the amount of \$725,000.

- 8 2. The Court finds that the overall circumstances of the case support a finding of good faith in  
9 relation to the proposed settlement agreement.
- 10 3. The Court has reviewed the factors set forth in *The Doctors Company v. Vincent*, 120 Nev.  
11 644, 98 P.3d 681 (2004) and *In re MGM Grand Hotel Fire Litigation*, 570 F.Supp. 913 (D.  
12 Nev. 1983) and finds the proposed settlement consistent with the same. Specifically, the  
13 proposed settlement of \$725,000 is fair and reasonable given the reinsurance contracts at issue  
14 and the history of this matter as further detailed in the Motion. Additionally, based on the  
15 record the Court finds that the proposed settlement was a result of arm’s length negotiations  
16 and the settlement funds are anticipated to be utilized to pay creditors of the receivership  
17 estate. The Court has also taken into consideration the financial condition of the Settling  
18 Parties and the costs and expenses associated with contested arbitration proceedings. Further,  
19 there is no evidence of collusion, fraud, or tortious conduct aimed to injure any party.
- 20 4. The Court also finds that the proposed settlement agreement is such that the release  
21 contemplated in NRS 17.245 is applicable.
- 22 5. Due to the unique nature of delinquent proceedings and concerns raised in the Motion, the  
23 court finds that it is also appropriate to designate this order as a Final Order pursuant to NRS  
24 696B.190(5) with any and all appeal rights associated with the same.

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**ACCORDINGLY, IT IS HEREBY ORDERED, ADJUDGED and DECREED that:**

1. The Motion for Good Faith Settlement is GRANTED; and
2. This Order is designated as a Final Order pursuant to NRS 696B.190(5).

Dated this 27<sup>th</sup> day of January, 2023.



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Kathleen M. Drakulich  
District Judge