

## **Highlands Workers' Compensation Policy Transfer Frequently Asked Questions:**

### **What is Highlands Insurance Company?**

Highlands Insurance Company is a Texas property and casualty insurance company, which was placed into receivership on November 6, 2003. Highlands underwrote personal and commercial insurance policies and contracts and was licensed to transact business in all fifty states, the District of Columbia, Guam and Puerto Rico. Highlands ceased underwriting new insurance policies in December 2001.

### **The following entities were once affiliates of Highlands Insurance Company, but were merged into Highlands Insurance Company:**

Highlands Underwriters Insurance Company  
Highlands Lloyds Insurance Company  
Highlands Casualty Company  
Highlands P&C Insurance Company  
Aberdeen Insurance Company  
Northwestern National Casualty Company  
NN Insurance Company

Certain claims and liabilities of each of these companies are now liabilities of Highlands Insurance Company, in receivership.

### **Highlands also assumed certain liabilities from the following companies:**

Statesman Insurance Company  
Virginia Surety Company, Inc.,  
Qatar General Insurance and Reinsurance Company  
Highlands Insurance Company (UK) Ltd  
LMI Insurance Company  
Northwestern National Insurance Company

### **Why I am receiving this notice?**

You have been identified as a possible interested party (a policyholder, claimant or creditor) of the filing of an Application to approve the transfer of Highlands Insurance Company workers' compensation policies.

### **How does this affect me?**

If the Court issues an Order approving the sale or transfer of Highlands Insurance Company's workers' compensation policies, and the transaction is completed, you could be affected, depending on your situation. It is important that you review the Application and determine how it might impact you. You may need to consult with an attorney.

### **Workers' Compensation Claimants**

If you are a current workers' compensation claimant, then the completion of the proposed transaction is not expected to negatively impact you. Upon full approval of the transaction, your claim as well as all other Highlands workers' compensation claims will become liabilities of either Westport Insurance Corporation or Swiss Reinsurance America Corporation. Both of these insurance companies are highly-rated by independent insurance rating agencies. Your claim will be adjusted by Sedgwick Claims Management, Inc., a claims adjusting firm.

For additional information on any of these entities, please see the following webpages:

**Westport Insurance Corporation** (need a webpage or something here)

**Swiss Reinsurance America Corporation**

[www.swissre.com](http://www.swissre.com)

**Sedgwick Claims Management Services, Inc.**

[www.sedgwick.com](http://www.sedgwick.com)

### **Workers' Compensation Policyholders**

If you were issued a workers' compensation insurance policy from Highlands Insurance Company or one of its former subsidiaries including Statesman Insurance Company; or your policy was 100% assumed by Highlands Insurance Company, then your policy or the associated obligation of Highlands under your policy is being transferred to Westport Insurance Corporation or Swiss Reinsurance America Corporation. These companies are both highly rated by independent insurance rating agencies and are licensed in all 50 states. No further action on your part is necessary related to this transfer.

### **Other Creditors of Highlands Insurance Company**

The Application outlines the terms of the transfer of these liabilities and how they may affect all remaining claimants. Specifically, the Application outlines that this type of transaction was originally contemplated in the approved Second Amended Plan of Rehabilitation as a means to move the receivership estate to closing. Additionally, the Agreements transfer both a substantial portion of Highlands' outstanding liabilities as well as a substantial portion of Highlands' assets to Westport Insurance Corporation or Swiss Reinsurance America Corporation.

## **I am a workers' compensation claimant, whom should I contact regarding my claim?**

Until the closing of these transactions you should contact the Highlands adjuster as you have in the past. If you are not sure of whom your adjuster is, you may call the following number for assistance:

Highlands Insurance Company at **(800)288-8898, Press 2**

**If the Court approves the transaction, after the closing of this transaction:**

You will receive a letter providing you with the contact information for Sedgwick Claims Management Services, Inc. We anticipate the closing of this transaction in the next 60 to 90 days.

**I am a workers' compensation claimant, whom do I contact after the transaction is approved and my claim is transferred?**

All claimants will receive a letter with instructions that will provide you with the address and contact information for the third party adjuster assigned to your claim.

**Will my benefit checks be delayed due to this transaction?**

Prior to the transfer, Highlands will process advance benefits as needed to claimants for the transition period.

**How do I file an objection to the Special Deputy Receiver's Application?**

Pursuant to the Notice of Submission and TEX. INS. CODE § 443.007 (e) and TEX. R. CIV. P. 171, the Order of Reference has established the following rules:

1. The Master may consider the Motion by written submission or oral hearing.
2. If no objection is filed in compliance with the Order of Reference, the Master may consider the Motion without a hearing, and the Court may enter the order recommended by the Master upon its submission to the Court. A party waives any right to object to the recommendation of the Master if the party does not file an objection in compliance with the Order of Reference.
3. Any objection must be filed with the Travis County District Clerk at least three (3) calendar days before the Submission Date in the above referenced case.
4. A copy of any objection must be sent by email to the following:
  - (a) The Master's Docket Clerk at [SpecialMasterClerk@tdi.texas.gov](mailto:SpecialMasterClerk@tdi.texas.gov).
  - (b) All parties listed on the Certificate of Service attached to the Application.
  - (c) The Applicant's counsel at [Robert@wnrlaw.com](mailto:Robert@wnrlaw.com).
5. Any objection must specifically set out the reasons for the objection, with supporting references to and discussion of statutory and case authorities. Reasons not stated in writing will not be considered orally by the Master.
6. An objecting party must expeditiously coordinate with the Applicant's counsel and with the Master's docket clerk at (512) 676-6915 to request a hearing, unless

the Master determines that a hearing is not necessary. If a hearing is granted, the objecting party must send a Notice of Oral Hearing to the Applicant's counsel and all parties listed on the Certificate of Service.

7. Any Acknowledgment of Notice and Waiver by a party in interest should be filed with the Court at least three (3) calendar days before the submission or hearing date.