

CAUSE NO. D-1-GN-25-07344

THE TEXAS DEPARTMENT
OF INSURANCE,
Plaintiff

v.

NEW CENTURY INSURANCE COMPANY
Defendant

§
§
§
§
§
§
§
§
§

IN THE DISTRICT COURT OF

TRAVIS COUNTY, TEXAS

126TH JUDICIAL DISTRICT

NOTICE OF SUBMISSION OF THE APPLICATION FOR APPROVAL OF FEES AND EXPENSES

In accordance with the Order of Reference to Master ("Order of Reference") entered in this cause, the Application for Approval of Fees and Expenses is set for submission before the Special Master, Tom Collins, ("Master") on Monday, November 3, 2025. Pursuant to 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 Application by written submission or oral hearing.
2. If no objection is filed in compliance with the Order of Reference, the Master may consider the Application 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.
 - (b) All parties listed on the Certificate of Service attached to the Application.
 - (c) The Applicant's counsel at 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.

Original Signed By

Counsel for Applicant

THE TEXAS DEPARTMENT
OF INSURANCE,
Plaintiff

v.

NEW CENTURY INSURANCE COMPANY
Defendant

§
§
§
§
§
§
§
§
§

IN THE DISTRICT COURT OF

TRAVIS COUNTY, TEXAS

126TH JUDICIAL DISTRICT

APPLICATION FOR APPROVAL OF FEES AND EXPENSES

TO THE HONORABLE JUDGE OF THIS COURT:

FitzGibbons & Company, Inc., Special Deputy Receiver of New Century Insurance Company (SDR and NCIC, respectively), files this *Application for Approval of Fees and Expenses* (Application), and in support would respectfully show the Court the following:

I. BACKGROUND AND AUTHORITY

1.1 On September 3, 2025, this Court entered its Agreed *Order Appointing Liquidator, Permanent Injunction and Notice of Automatic Stay* (Liquidation Order) placing NCIC into liquidation.

1.2 Pursuant to Tex. Ins. Code § 443.102(a) and Tex. Ins. Code § 443.154(a), the SDR has all the powers of the Liquidator respectively, unless specifically limited by the Liquidator. The SDR is authorized to file this Application pursuant to Tex. Ins. Code § 443.015, which provides for the approval of expenses and compensation by the Court.

1.3 The subject matter of this Application has been referred to the master appointed by this Court in this proceeding (Master) in accordance with Paragraph III (5) of the *Order of Reference to Master* (Order of Reference) entered on October 3, 2025.

II. APPROVAL OF COMPENSATION AND EXPENSES

2.1 Tex. Ins. Code § 443.015(a) permits the SDR to pay necessary receivership expenses incurred under contracts and other agreements entered by an insurer prior to the date of receivership without court approval. Pursuant to the discretion granted by Tex. Ins. Code § 443.015(a), the SDR has continued payment for those services that are reasonable and necessary from assets of the estate.

2.2 Tex. Ins. Code § 443.015(b) provides that receivership expenses other than those described in Subsection (a) must be paid in accordance with Subsections (c)–(f). Tex. Ins. Code § 443.015(c)(1) requires the SDR to submit an application for the approval of the terms of compensation of the SDR or contractor when the SDR reasonably expects that the total amount of compensation to be paid over the course of the proceeding will exceed \$250,000, or such other amount established by the Court. Tex. Ins. Code § 443.015(d) also permits the SDR, at its discretion, to submit an application to approve any compensation, anticipated expenses, or incurred expenses not described by Subsection (c)(1).

2.3 To date, incurred compensation for the SDR and certain subcontractors is anticipated to exceed \$250,000. Given the uncertainties associated with the future administration of this proceeding, it is difficult to predict the potential total compensation for all subcontractors. It is anticipated that a number of the SDR's subcontractors will be paid less than \$250,000. To ensure compliance with Tex. Ins. Code § 443.015, the SDR requests the Court to approve the rates of compensation for the SDR and all of its subcontractors, which are reflected on Exhibit 2. The Liquidator has approved these rates in accordance with Tex. Ins. Code § 443.154(b). Those rates and expenses shall also apply to pre-receivership activities by the Special Deputy Receiver's subcontractors.

2.4 Tex. Ins. Code § 443.015(c)(2) requires court approval of anticipated expenses in excess of \$25,000, or another amount established by this Court. Prior to receivership, RVOS Farm Mutual Insurance Company provided services to NCIC under contracts. The SDR negotiated a Memorandum of Understanding to provide services to the NCIC receivership estate. This contract results in certain fees being payable to RVOS Farm Mutual Insurance Company. To ensure compliance with Tex. Ins. Code § 443.015(c)(2), the SDR requests the Court to approve the fees and monthly charges as shown on Exhibit 2.

III . FINANCIAL REPORTING

3.1 The expenses reported under Tex. Ins. Code § 443.015(g) are filed with the quarterly financial reports under TEX. INS. CODE § 443.016(a). The quarterly reporting periods coincide with the State of Texas fiscal year beginning September 1 and ending August 31. The reports are filed by the 15th day of the month following the end of the quarterly reporting periods.

IV. APPROVAL OF INCURRED EXPENSES

4.1 The Liquidation Order authorizes the SDR to incur and pay the fees and expenses of service providers from estate funds pursuant to Tex. Ins. Code § 443.015(e). The SDR requests that this Court approve the fees and expenses reported on the statements of expenses.

V. NOTICE AND HEARING

5.1. This Application has been submitted to the Master under the Order of Reference. In accordance with Tex. Ins. Code § 443.007(a) and the notice requirements in the Order of Reference, the SDR provided notice of the hearing on this Application to all persons entitled to notice, including those who have requested notice in the receivership. The SDR also noticed all known “parties in interest” as defined by Tex. Ins. Code § 443.004(a)(17) and all persons the SDR has determined should be noticed pursuant to Tex. Ins. Code § 443.007(d). Under Tex. Ins. Code § 443.007(a), notice of the Application to any party in interest does not confer standing in the

Court to raise, appear, or be heard on any issue. The SDR requests that the Court find that the notice given of the Application complied with the notice requirements in the Code and the Order of Reference and was sufficient.

5.2. As authorized by the Liquidation Order, the SDR provided notice of this Application by first class mail, electronic mail, or facsimile transmission. The SDR requests that the Court find that the notice given of the hearing on this Application complied with the notice requirement set forth in the Liquidation Order and was sufficient.

VI. OFFER OF PROOF

6.1 This Application is supported by the affidavit of Joshua Anderson, attached and incorporated by reference as Exhibit 1. The SDR requests that Exhibits 1 and 2 be accepted into evidence in support of this Application.

VII. REQUEST FOR RELIEF

WHEREFORE, PREMISES CONSIDERED, the SDR respectfully requests that this Court:

1. Admit Exhibits 1 and 2 into evidence;
2. Find that the notice of the Application complies with the notice requirements of Tex. Ins. Code § 443.007 and the Order of Reference;
3. Enter an order approving the terms of compensation and expenses listed in Exhibits 2 and 3 to the Application pursuant to Tex. Ins. Code § 443.015(c), and approving the incurred fees and expenses reported under Tex. Ins. Code § 443.015(g) pursuant to Tex. Ins. Code § 443.015(d);
4. Authorizing the SDR to execute any documents, incur any expenses, and take any actions necessary to effectuate the Order approving this Application; and

5. Granting such other and further relief for which the SDR shows itself entitled.

Respectfully submitted,

Wisener Nunnally Higgins, L.L.P

Original Signed By

By: _____
Robert H. Nunnally, Jr.
State Bar No. 15141600

245 Cedar Sage Drive, Suite 240
Garland, Texas 75040
Email Robert@wnrlaw.com
Tel. (972)530-2200
Fax. (972)530-7200
Attorneys for the Special Deputy Receiver

EXHIBIT 1

**AFFIDAVIT OF JOSHUA ANDERSEN
IN SUPPORT OF APPLICATION OF APPROVAL OF FEES AND EXPENSES**

Came before me, a notary public, Joshua Andersen, who, being duly sworn,
did upon his oath attest:

- I am Joshua Andersen. I am over the age of eighteen years. I am a Senior Consultant for and make this affidavit on behalf of FitzGibbons & Company, Inc., the Special Deputy Receiver of New Century Insurance Company. I am competent to be a witness. I base my affidavit upon my personal knowledge of the facts acquired through my work on this receivership matter. The facts in this affidavit are true and correct.
- I attach and incorporate herein as Exhibit 2 a fee and expense schedule for work prior to and during this receivership as to the professionals set forth in the exhibit. The exhibit also refers to the current interim arrangement under which New Century Insurance Company in receivership will pay for certain expenses for facilities and services.
- I request that the Court approve these fees and expenses.
Original Signed By


Joshua Andersen

Subscribed and sworn to before me, a notary public, on this 20th day of October, 2025.
Original Signed By

() Notary Public

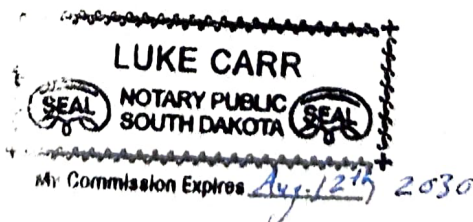


Exhibit 2

Rates for Compensation

NAME	POSITION	HOURLY RATE
<u>SDR</u>		
Michael J. FitzGibbons	President	\$300.00
Bill Baxter	Senior Consultant	\$285.00
Joshua Andersen	Senior Consultant	\$285.00
Victor Meza	Cyber and IT Consultant	\$150.00
Kristin Cooper	Senior Accountant	\$200.00
Sarah Alexander	Claim Administrator AVP	\$150.00
James FitzGibbons	Systems and Cyber Chief VP	\$150.00
Patrick FitzGibbons	Operations Manager	\$150.00
Tenna Dillon	Accounting Manager	\$150.00
Albert Garrett	IT Consultant	\$150.00
Anita Randall	Administrative Officer	\$150.00
Kristi Altman	Accounting Consultant	\$150.00
Cindy Essendrup	Claims Admin Assistant	\$125.00
Joanna LaRosa	Chief of Compliance	\$150.00

Hourly Rates of Sub-Contractors as follows:

Wisener Nunnally Higgins, LLP, Garland, TX:

Robert Nunnally, Jr.	Partner	\$295.00
Jacob Higgins	Partner	\$295.00
Braedon Jones	Paralegal	\$125.00
Administrative Staff		\$45.00

RVOS Farm Mutual Insurance Company

\$21,900 per month for services under
Facilities and Services Agreement
and Memorandum of Understanding

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served on all interested parties in accordance with the Texas Rules of Civil Procedure and TEX. INS. CODE ANN. §443.007(d) this 20th day of October, 2025.

Stephen DeVinney
Assistant Attorney General
P.O. Box 12548, Capitol Station
Austin, Texas 78711

stephen.devinney@oag.texas.gov

Shawn Martin

David Carbajal

Vane Hugo

David Ruedas

Nick Espinosa

Texas Department of Insurance

P.O. Box 149104

Austin, Texas 78714

Email: Shawn.Martin@tdi.texas.gov

David.Carbajal@tdi.texas.gov

Vane.Hugo@tdi.texas.gov

David.Ruedas@tdi.texas.gov

Nick.Espinosa@tdi.texas.gov

Michael W. Jones

Thompson Coe

2801 Via Fortuna Suite 300

Austin, TX 78746

mjones@thompsoncoe.com

Ms. Rachel Stroud

Texas Property & Casualty Ins Guaranty Assoc

9120 Burnet Road

Austin, Texas 78758

Via Email: rstroud@tpciga.org

Original Signed By

By: _____
Robert H. Nunnally, Jr.

Automated Certificate of eService

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Robert Nunnally, Jr. on behalf of Robert Nunnally, Jr.

Bar No. 15141600

robert@wnrlaw.com

Envelope ID: 107056027

Filing Code Description: Notice

Filing Description: NOTICE OF SUBMISSION OF THE APPLICATION
FOR APPROVAL OF FEES AND EXPENSES

Status as of 10/24/2025 3:53 PM CST

Associated Case Party: TEXAS DEPARTMENT OF INSURANCE

Name	BarNumber	Email	TimestampSubmitted	Status
Quennette Rose		Quennette.Rose@oag.texas.gov	10/20/2025 3:23:36 PM	SENT
Stephen DeVinney		stephen.devinney@oag.texas.gov	10/20/2025 3:23:36 PM	SENT

Associated Case Party: NEW CENTURY INSURANCE COMPANY

Name	BarNumber	Email	TimestampSubmitted	Status
Michael W.Jones		MJones@thompsoncoe.com	10/20/2025 3:23:36 PM	SENT

Case Contacts

Name	BarNumber	Email	TimestampSubmitted	Status
Robert HNunnally, Jr.		robert@wnrlaw.com	10/20/2025 3:23:36 PM	SENT
Braedon Jones		Braedon@wnrlaw.com	10/20/2025 3:23:36 PM	SENT