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

10 STATE OF NEVADA, ex rel. COMMISSIONER) Case No. CV14-00807
11 OF INSURANCE, in his Official Capacity as)
12 Statutory Receiver for Delinquent Domestic) Dept. No. B13
13 Insurer,)
14)

15 Plaintiff,)

16 vs.)

17 NATIONAL GUARANTY INSURANCE)
18 COMPANY, a Nevada Domiciled Property and)
19 Casualty Company,)

20 Defendant.)
21)
22)

23 **ORDER TO SHOW CAUSE; INJUNCTION ORDER**
24 **APPOINTING COMMISSIONER AS RECEIVER PENDING**
25 **FURTHER ORDER OF THE COURT; ORDER TO PRESERVE ASSETS OF INSURER**

26 WHEREAS, a Petition for Appointment of Commissioner as Receiver pursuant to
27 NRS 696B.250 (the "Petition") was filed in the above-entitled Court initiating these
28 proceedings; and,

GOOD CAUSE APPEARING, Defendants are HEREBY ORDERED to appear and
show cause why Petition for Appointment of Commissioner as Receiver pursuant to
NRS 696B.290 should not be permanently granted against Insurer on the 6 day of
June, 2014, at the hour of 11:00 (a.m./p.m.), Department 13 of the Second

Nevada Office of the Attorney General
100 North Carson Street
Carson City, NV 89701-4717

1 Judicial District Court in Reno, Nevada.

2 IT IS FURTHER ORDERED that in the interim, before the above show-cause hearing,
3 the Commissioner of Insurance for the State of Nevada, Scott J. Kipper, is hereby appointed
4 as Receiver (the "Receiver") of NATIONAL GUARANTY INSURANCE COMPANY, a Nevada
5 Domiciled Property and Casualty Company (the "Insurer"), pending further order of the Court.

6 IT IS FURTHER ORDERED that pursuant to NRS 696B.270, the Insurer, all officers,
7 directors, stockholders, members, subscribers, agents, employees, and all other persons,
8 except the Receiver or any person or persons designated by the Receiver, are hereby
9 enjoined from transacting any further business on behalf of the Insurer or wasting or disposing
10 of any assets or property of the Insurer until further order of the Court.

11 IT IS FURTHER ORDERED that pursuant to NRS 696B.270 and 696B.340, all persons
12 are hereby immediately restrained from the commencement or prosecution of any actions by
13 or on behalf of the Insurer or against the Insurer. Further, all persons are hereby restrained
14 from obtaining any preferences, judgments, attachments, or other liens as to any property of
15 the Insurer, or making any levy against the Insurer or against its assets or any part thereof,
16 until further order of the Court.

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1 IT IS FURTHER ORDERED that pursuant to NRS 696B.290 and 696B.270, Receiver is
2 hereby vested with the title to all of the Insurer's real and personal property and assets,
3 including any bank accounts, contracts, and rights of action and all the books and records of
4 the Insurer, wherever located as of the date of entry of the order, and shall take possession of
5 the assets of the Insurer to administer under the order of the Court. All persons other than
6 Receiver are hereby enjoined from withdrawal of any funds from Insurer's account, or removal
7 of other property from Insurer.

8 DATED this 6 day of May 2014.

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10 Richard E. Robb
11 DISTRICT COURT JUDGE

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16 Respectfully submitted by:

17 CATHERINE CORTEZ MASTO
18 Attorney General

19 By: /s/ Richard Paili Yien
20 RICHARD PAILI YIEN
21 Deputy Attorney General
22 Nevada Bar No. 13035
23 100 N. Carson St
24 Carson City, NV 89701
25 P: (775) 684-1129
26 *Attorney for the Division of Insurance*
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