

**IN THE CIRCUIT COURT OF THE SECOND JUDICIAL CIRCUIT,
IN AND FOR LEON COUNTY, FLORIDA**

State of Florida, ex rel., the
Department of Financial Services of
the State of Florida,

Relator,
v.

CASE NO: 2013-CA-000358

Universal Health Care Insurance
Company, Inc.,

Respondent,
_____ /

**AMENDED ORDER TO SHOW CAUSE, INJUNCTION, AND
NOTICE OF AUTOMATIC STAY FOR PURPOSES OF LIQUIDATION**

THIS CAUSE was considered on the Application of the State of Florida, Department of Financial Services (hereinafter the "Department") for an Order to Show Cause on the appointment of a Receiver of Universal Health Care Insurance Company, Inc. (hereinafter "Respondent" or "UHCIC") for purposes of liquidation. The Court, having considered the matter set forth in said Application and being otherwise fully informed in the premises, finds as follows:

1. The Department has made a prima facie showing that Respondent meets one or more of the following statutory grounds for the appointment of the Florida Department of Financial Services as Receiver by this Court:

- A. Respondent is found by the office to be to be impaired or insolvent. Section 631.051(1), Florida Statutes.
- B. Respondent is found by the office to be in such condition as to render its further transaction of insurance hazardous to its policyholders, creditors, stockholders, or the public. Section 631.051(3), Florida Statutes.

2. Respondent shall appear before the Honorable Charles A. Francis, Circuit Court Judge, in **Room 365, Leon County Courthouse**, Tallahassee, Florida, at **9:00 am on March 21, 2013**, to show good cause if any, as to why the Florida Department of Financial Services should not be appointed Receiver of Respondent for the purposes of liquidation in accordance with Chapter 631, Part I, Florida Statutes. Respondent shall file its written response, along with any defenses it may have, to the Department's allegations no later than twenty (20) days after the service of this ORDER. Should the hearing date fall within thirty-five (35) days after the service of this ORDER, then Respondent's defenses are due fifteen (15) days prior to the hearing date set by this ORDER. Said response shall include a list of all witnesses; a summary of the testimony of each witness and dates when those witnesses will be available for deposition by the Department; and any and all evidence and copies of all documents to be presented on behalf of Respondent at the hearing.

3. Pursuant to Sections 631.041(3) and 631.041(4), Florida Statutes, all persons, firms, corporations, associations and Respondent's affiliates as defined by Section 631.011, Florida Statutes, and all other persons or entities within the jurisdiction of this Court, including but not limited to, Respondent and its officers, directors, stockholders, trustees, members, agents, and employees, shall be enjoined and restrained from removing, destroying, or otherwise disposing of any documents, books, records, including but not limited to, electronic records, or assets of Respondent (or pertaining to Respondent); from doing, through acts of commission or omission, or permitting to be done any action which might waste or otherwise dispose of the books, records, and assets of, or directly or indirectly relating to the Respondent; from in any

manner interfering with the Department or the conduct of these proceedings; from the removal, concealment or other disposition of the property, books, records, and accounts of, or directly or indirectly relating to, the Respondent; and from the commencing or prosecuting of any actions against the Respondent, or the obtaining of preferences, judgments, writs of attachment or execution against Respondent or its property or assets. However, regulatory actions against Respondent by any regulatory body shall not be stayed or enjoined.

4. The Department is hereby authorized to conduct, at its discretion, an investigation authorized by Section 631.391, Florida Statutes, of Respondent and its affiliates, to uncover and make fully available to the Court the true state of Respondent's financial affairs. In furtherance of this investigation, Respondent and its parent corporation(s), its subsidiaries and affiliates shall make all books, documents, accounts, records, and affairs, which either belong to or pertain to the Respondent, wherever located, available for full, free and unhindered inspection and examination by the Department during normal business hours (8:00 a.m. to 5:00 p.m.), Monday through Friday, from the date of this Order. This investigation shall include a full and complete examination of any and all reviews, compilations, audits or any other work of whatever nature performed by any accounting firm to include all work papers, on behalf of, related to or in any way connected with Respondent, its affiliates and/or Respondent's corporate structure and affiliations. Respondent and its affiliates are hereby ordered and enjoined to cooperate with the Department to the fullest extent required by Section 631.391, Florida Statutes. Such cooperation shall include, but not be limited to, the taking of oral testimony under oath of Respondent's officers, directors, managers,

trustees, agents, adjusters, employees, or independent contractors of Respondent, its affiliates, and any other person who possesses any executive authority over, or who exercises any control over, any segment of the affairs of Respondent in both their official, representative and individual capacities and the production of all documents that are calculated to disclose the true state of Respondent's affairs.

5. Any officer, director, manager, trustee, agent, accountants, adjuster, employee, or independent contractor of Respondent, and any other person who possesses any executive authority over, or who exercises any control over, any segment of the affairs of Respondent, shall fully cooperate with the Department as required by Section 631.391, Florida Statutes, and as set out in the preceding paragraph.

6. In the event of the failure of Respondent or its affiliates, or any other persons or entities within the jurisdiction of this Court, to cooperate with the Department's investigation(s) as required by Section 631.391, Florida Statutes, or the failure to comply with this Order to Show Cause issued by this Court, shall result in the immediate entry of an order of liquidation.

7. Notice is hereby given that, pursuant to Section 631.041(1), Florida Statutes, the filing of the Department's initial application herein operates as an automatic stay applicable to all persons and entities, other than the Receiver, which shall be permanent and survive the entry of the order, and which prohibits:

a. The commencement or continuation of judicial, administrative or other action proceeding against the insurer or against its assets or any part thereof other than regulatory actions against Respondent by any regulatory body;

b. The enforcement of a judgment against the insurer or an affiliate, provided that such affiliate is owned by or constitutes an asset of Respondent, obtained either before or after the commencement of the delinquency proceeding;

c. Any act to obtain possession of property of the insurer;

d. Any act to create, perfect or enforce a lien against property of the insurer, except a secured claim as defined in Section 631.011(21), Florida Statutes.

e. Any action to collect, assess or recover a claim against the insurer, except claims as provided for under Chapter 631; and

f. The set-of or offset of any debt owing to this insurer except offsets as provided in Section 631.281, Florida Statutes.

8. All Sheriffs and all law enforcement officials of this state shall cooperate with and assist the Receiver in the implementation of this Order.

9. The Officers and Directors of Respondent shall comply with the provisions of Section 626.9541(1)(w), Florida Statutes.

10. Granting such other relief as the Court deems appropriate.

DONE and ORDERED in Chambers at the Leon County Courthouse, Tallahassee, Leon County, Florida, this 18 day of February, 2013.



CHARLES A. FRANCIS
CIRCUIT JUDGE

Copies furnished to:
Robert V. Elias, Esq.
Timothy L. Newhall, Esq.
Lourdes Calzadilla, Esq.
Jody E. Collins, Esq.