

**STATE OF SOUTH CAROLINA**

**IN THE COURT OF COMMON PLEAS**

**COUNTY OF RICHLAND**

**FOR THE FIFTH JUDICIAL CIRCUIT**

Raymond G. Farmer, as Director of the South  
Carolina Department of Insurance,

C.A. No. 2017-CP-40-05195

Petitioner,

**ORDER APPROVING AMENDED  
FIRST CLAIMS REPORT &  
RECOMMENDATION  
OF LIQUIDATOR**

vs.

Oceanus Insurance Company, a Risk Retention  
Group,

Respondent.

This matter comes before the Court pursuant to the Liquidator's Amended First Claims Report, Recommendation & Application for Order Approving Same ("the Application") filed in accordance with S.C. Code Ann. § 38-27-620 (2015). Attached as Exhibit A to the Application is an amended schedule containing the names or initials and addresses of all claimants and recommended amounts to be paid on each claim, as well as the priority class of each claim. The number of claims in the schedule remains sixty-two (62). It appearing that the Recommendation is in the interests of all claimants and other creditors in this matter, the Application is hereby approved, with actual distributions to be determined at a later time in accordance with S.C. Code Ann. § 38-27-610 (2015).

**IT IS THEREFORE ORDERED** that pursuant to S.C. Code Ann. §§ 38-27-10 *et seq.*, the Amended First Claims Report and Recommendation is APPROVED.

**IT IS FURTHER ORDERED** that to the extent any conflict exists between this Order and the Order Approving First Claims Report & Recommendation of Liquidator filed May 30, 2019, the former shall control.

**IT IS FURTHER ORDERED** that if any additional factors hereafter come to the attention of the Liquidator or his Special Deputy as to the Application that may require modification, the Liquidator shall promptly file an application to modify these claims or the Recommendation thereon.

**AND IT IS SO ORDERED.**

---

Jocelyn Newman  
Chief Administrative Judge  
Fifth Judicial Circuit

June 26, 2019  
Columbia, South Carolina



Richland Common Pleas

**Case Caption:** Raymond G Farmer , plaintiff, et al vs Oceanus Insurance Company

**Case Number:** 2017CP4005195

**Type:** Order/Other

So Ordered

Jocelyn Newman, Chief Judge for Administrative  
Purposes, Court of Common Pleas, 5th Judicial  
Circuit

**STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND**

**IN THE COURT OF COMMON PLEAS  
FOR THE FIFTH JUDICIAL CIRCUIT**

Raymond G. Farmer, as Director of the South  
Carolina Department of Insurance,

C.A. No. 2017-CP-40-05195

Petitioner,

**LIQUIDATOR'S AMENDED FIRST  
CLAIMS REPORT,  
RECOMMENDATION &  
APPLICATION FOR ORDER  
APPROVING SAME**

vs.

Oceanus Insurance Company, a Risk  
Retention Group,

Respondent.

---

Comes now Petitioner Raymond G. Farmer, as Liquidator of the above-captioned insurance company (Oceanus), by and through the undersigned counsel and files herewith his Amended First Claims Report, applies to the Court for an Order approving the Liquidator's undisputed claim determinations specified herein and recommends approval thereof.

This application is made pursuant to the South Carolina Insurers Rehabilitation and Liquidation Act, S.C. Code Ann. §§ 38-27-10 *et seq.*, specifically, S.C. Code Ann. § 38-27-620(a) (2015), wherein the Liquidator is required to review all claims duly filed in the liquidation proceedings, make such further investigation as he deems necessary, and submit a claims report to the Court containing his claim recommendations.

In support of his report, recommendation and application, the Liquidator would respectfully show the following:

1. On September 21, 2017, the Court entered an Order Commencing Liquidation Proceedings & Granting an Injunction & Automatic Stay of Proceedings regarding Oceanus.
2. Between the Liquidation Date of September 21, 2017 and March 20, 2018, the latter being the Claims Bar Date, the Liquidator issued approximately seven thousand one hundred and

sixty-two (7,162) Notices of Liquidation and Proof of Claim (POC) forms, with instructions to policyholders, third-party claimants and other potential claimants and/or creditors of Oceanus.

3. For five (5) consecutive days commencing October 27, 2017, notice of the liquidation was published in the New York Times, a newspaper of nationwide circulation, informing interested parties of the liquidation proceedings and including contact information and instructions for the timely filing of a POC.

4. For two (2) consecutive days commencing October 22, 2017, notice of the liquidation was published in the Miami Herald, a newspaper of countywide circulation in Miami-Dade, Broward, and Monroe Counties, informing interested parties of the liquidation proceedings and including contact information and instructions for the timely filing of a claim.

5. On or before the Bar Date of March 20, 2018, the Liquidator received one thousand three hundred and eighty-seven (1,387) timely-filed POCs. The Liquidator also received twenty-nine (29) late-filed claims, one (1) of which has been deemed timely filed, with the remaining twenty-eight (28) pending review.

6. Sixty-two (62) claims have now been completely adjudicated. All remaining POCs received, totaling one thousand three hundred and fifty-four (1,354), are presently under evaluation. Determinations, once concluded and agreed, will be submitted to this Court for approval in the form of subsequent Claim Report(s) to this Court.

7. Attached hereto as Exhibit A and incorporated herein is an amended Schedule listing the names or initials and addresses of the sixty-two (62) claimants holding a priority class 2 claim as defined by S.C. Code Ann. § 38-27-610(2) (2015), the POC number assigned by the Liquidator and the valuation of the claim proposed by the Liquidator. This Exhibit A corrects the Exhibit A filed with the Liquidator's First Claim Report filed on May 22, 2019.

WHEREFORE, the Liquidator prays the Court issue an Order approving this Amended First Claims Report and recommendation, with the actual distribution to be determined at the appropriate time in accordance with S.C. Code Ann. §§ 38-27-610 & -630 (2015), as well as such other relief as the Court deems just and proper.

June 26, 2019

Respectfully submitted,

s/ Geoffrey R. Bonham  
Associate General Counsel  
South Carolina Department of Insurance  
P.O. Box 100105  
Columbia, South Carolina 29202

Capitol Center  
1201 Main Street, Suite 1000  
Columbia, South Carolina 29201

Telephone: 803-737-6200  
Fax: 803-737-6229  
Email: [gbonham@doi.sc.gov](mailto:gbonham@doi.sc.gov)

One of the attorneys for the Liquidator of  
Oceanus Insurance Company, a Risk  
Retention Group in Liquidation

Exhibit A

Oceanus Insurance Company, a RRG in Liquidation  
First Claims Report

POC #	Claimant	Contact	Contact II	Address	City	State	Zip	Class Code	Liquidator's Recommended Amount
1000017	M.B.	Hadley Hutchon Esq.	Boyaki Law Firm	4621 Pershing Drive	El Paso	TX	79903	2	18,500.00
1000053	V.R.	Phillip Rakhunov, Esq.	Pollack Solomon Duffy LLP	101 Huntington Ave, Suite 530	Boston	MA	02199	2	-
1000054	A.P.	Phillip Rakhunov, Esq.	Pollack Solomon Duffy LLP	101 Huntington Ave, Suite 530	Boston	MA	02199	2	-
1000079	T.S.	Lisa Levine, Esq.	Lisa S. Levine, P.A.	1655 N. Commerce Parkway Suite 101	Westin	FL	33326	2	125,000.00
1000100	F.A.	James Karamanis, Esq	Barney & Karamanis, LLP	180 North Stetson, Suite 3050	Chicago	IL	60601	2	-
1000101	F.A.	James Karamanis, Esq	Barney & Karamanis, LLP	180 North Stetson, Suite 3050	Chicago	IL	60601	2	-
1000129	F.L.	Charles Gucciardo, Esq	The Gucciardo Law Firm, PLLC	170 Old Country Road, Suite 609	Mineola	NY	11501	2	275,000.00
1000152	H.M.	Mary Reilly, Esq.	Lawrence, Worden, Rainis & Bard, P.C.	225 Broad Hollow RD, Suite 105E	Melville	NY	11747	2	-
1000154	E.M. as Admin. Of Estate of M.M.	Robin Marzelle, Esq	Marzella & Associates	3513 N. Front Street	Harrisburg	PA	17110	2	-
1000160	S.R.	Bruce Ressler, Esq.	Ressler & Ressler	48 Wall St	New York	NY	10005	2	150,000.00
1000220	J.B.	Peter D. Rosenberg Esq.	Rosenberg, Minc, Falfokk, & Wolff	122 E 42nd St. Suite 3800	New York	NY	10168	2	125,000.00
1000243	J.G.T. MD	Ben Coats, Esq	Engle, Carobini & Coats LLP	3295 Telegraph Rd.	Ventura	CA	93003	2	-
1000280	K.N. by and through her attorney J.M.	Janice Maloney, Esq	Law Offices of Pat Maloney	322 West Woodlawn	San Antonio	TX	78212	2	175,000.00
1000288	L.H.	Elliott Sinel, Esq.	7 Penn Plaza	Ste 820	New York	NY	10001	2	-
1000290	B. and Z. I.	Jon-Paul Gabriele Esq	The Gucciardo Law Firm, PLLC	170 Old Country Road, Suite 609	Mineola	NY	11501	2	-
1000312	E.M. MD	Jeffrey M. Feldman, Esq.	Feldman, Kleidman, Coffey, Sappe & Regenbaum LLP	POBox A, 995 Main St.	Fishkill	NY	12524	2	-
1000325	K.M.O.	Erwin Cohn, Esq	Cohn & Cohn	77 W. Washington St., Ste. 1422	Chicago	IL	60602	2	-
1000328	I.Y.	Sheldon Green Esq. PC	566 Sunset Drive		Woodmere	NY	11598	2	-
1000333	R.S.	John Bonina, Esq	Bonina & Bonina, PC	16 Court St., Ste. 1800	Brooklyn	NY	11241	2	200,000.00
1000340	Estate of C.P.	Seth Bader, Esq	Bloomberg, Steinberg & Bader	3 W 35th St, 6th Floor	New York	NY	10001	2	50,000.00
1000410	A.P.	Phillip Rakhunov, Esq.	Pollack Solomon Duffy LLP	101 Huntington Ave, Suite 530	Boston	MA	02199	2	-
1000411	V.R.	Phillip Rakhunov, Esq.	Pollack Solomon Duffy LLP	101 Huntington Ave, Suite 530	Boston	MA	02199	2	-
1000449	H.X.	Huifang Xiao, MD	41-61 Kissena Blvd	Suite A	Flushing	NY	11355	2	-
1000458	J.G.	Keith M Sullivan, Esq	Sullivan & Galleshaw, LLP	108-15 Crossbay Blvd	Ozone Park	NY	11417	2	-
1000468	H.M.	Mary Reilly, Esq.	Lawrence, Worden, Rainis & Bard, P.C.	225 Broad Hollow RD, Suite 105E	Melville	NY	11747	2	-
1000469	H.M.	Mary Reilly, Esq.	Lawrence, Worden, Rainis & Bard, P.C.	225 Broad Hollow RD, Suite 105E	Melville	NY	11747	2	-
1000518	J.P.L.	John Paul Lunas, MD	Western Healthcare, LLC	5080 Spectrum Dr., Suite 800E	Addison	TX	75001	2	-
1000525	S.W.	Stephen Weinman, MD	222 Route 299		Highland	NY	12528	2	-
1000526	A.T.S.	Phillip Rakhonov, Esq.	Pollack Solomon Duffy LLP	48 Wall St - 26th Flr	New York	NY	10005	2	-
1000528	A.T.S.	Phillip Rakhonov, Esq.	Pollack Solomon Duffy LLP	48 Wall St - 26th Flr	New York	NY	10005	2	-
1000542	V.H.	Lauren M. Pennisi, Esq.	Wingate, Russoti, Shapiro & Halperin, LLP	420 Lexington Ave Suite 2750	New York	NY	10170	2	-
1000552	W.L.	James P Fitzgerald, Esq	The Fitzgerald Law Firm	538 Riverdale Ave	Yonkers	NY	10705	2	-
1000563	N.K., ind & as Exec of est M.K.	Keith M Sullivan, Esq	Sullivan & Galleshaw, LLP	108-15 Crossbay Blvd	Ozone Park	NY	11417	2	-
1000665	S.W.	Denny Tang, Esq.	Parker Waichman	6 Harbor Park Dr	Port Washington	NY	11050	2	-
1000693	H.M.	Mary Reilly, Esq.	Lawrence, Worden, Rainis & Bard, P.C.	225 Broad Hollow RD, Suite 105E	Melville	NY	11747	2	-
1000706	Estate of G.A.U./ T.U. & E.R. PR's	J. Clancey Bounds, Esq.	Bounds Law Group	1751 N Park Ave	Maitland	FL	32751	2	-
1000715	M.U.	Marla Jonas, Esq.	Okun, Oddo & Babat, P.C.	8 West 38th St 10th Fl	New York	NY	10018	2	-
1000735	J. & C. M.	Steven S. Siegel, Esq.	Steven S. Siegel	401 Frankline Ave, Suit 300	Garden City	NY	11530	2	15,000.00
1000807	M.A.	Aaron S Halpern, Esq.	Jacob D Fuchsberg Law Firm	500 Fifth Ave, 45 Fl	New York	NY	10110	2	75,000.00
1001041	D.M.M.	Pablo A. Sosa, Esq.	Law Office: William A. Gallina PLLC	1250 Waters Place, Suite 708	Bronx	NY	10461	2	-
1001042	G.Z., Deceased	David Freeman, Esq	Philip J. Rizzuto PC	50 Charles Lindbergh Blvd, Suite 501	Uniondale	NY	11553	2	-
1001045	E.J.B., admin of the Estate of M.B.	J Michael Benninger, Esq.	Benninger Law PLLC	PO Box 623	Morgantown	WV	26507	2	75,000.00
1001051	J.L., as admin of estate of J.L.	Richard Winkler, Esq.	Winkler Kurtz LLP	1201 Route 112, Suite 200	Port Jefferson Station	NY	11776	2	200,000.00
1001061	S.O.	Fred Rispoli, Esq.	Rispoli Law PLLC	420 W Roosevelt St	Phoenix	AZ	85003	2	-
1001184	J.B.	Peter D. Rosenberg Esq.	Rosenberg, Minc, Falfokk, & Wolff	122 E 42nd St. Suite 3800	New York	NY	10168	2	-
1001185	O.M.C.	Eleni Coffinas, Esq.	Sullivan Papain Block McGrath & Cannavo, P.C.	120 Broadway 18th Floor	New York	NY	10271	2	-
1001189	D.I.A.	John Sandberg, Esq	Sandberg, Phoenix & Von Gontard PC	600 Washington Ave., 15th Floor	St Louis	MO	63101	2	-
1001222	R.L.P., personal rep of N.L.P.	Darryn L Silverstein, Esq	Silverstein, Silverstein & Silverstein	20801 Biscayne Blvd Suite 504	Aventura	FL	33180	2	-
1001228	M.A.	Aaron S Halpern, Esq.	Jacob D Fuchsberg Law Firm	500 Fifth Ave, 45 Fl	New York	NY	10110	2	-
1001240	M. K. B.-H.	Michael P. Ellman, Esq	Birbrower & Beldock, PC	151 N Main St #300	New City	NY	10956	2	-

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**Exhibit A**

Oceanus Insurance Company, a RRG in Liquidation  
First Claims Report

POC #	Claimant	Contact	Contact II	Address	City	State	Zip	Class Code	Liquidator's Recommended Amount
1001241	C. N. B.-H.	Michael P. Ellman, Esq	Birbrower & Beldock, PC	151 N Main St #300	New City	NY	10956	2	-
1001260	R.F.	John McChristian, Esq	Ray McChristian & Jeans	101 Summit Ave, Suite 705	Ft. Worth	TX	76102	2	-
1001286	C. H.	Hart Green, Esq.	Weller, Green, Touns & Terrell, LLP	2615 Calder, Suite 400	Beaumont	TX	77702	2	100,000.00
1001305	S.	James V. Hatem, Esq.	Nixon Peabody, LLP	900 Elm Street, Suite 1400	Manchester	NH	03101	2	-
1001306	S.	James V. Hatem, Esq.	Nixon Peabody, LLP	900 Elm Street, Suite 1400	Manchester	NH	03101	2	-
1001311	H. A. S.	James V. Hatem, Esq.	Nixon Peabody, LLP	900 Elm Street, Suite 1400	Manchester	NH	03101	2	-
1001314	A. H.D.O / Medical Office of H. B. P.C	Helen M. Benzie, Esq.	Law Office of Vincent D. McNamara	1045 Oyster Bay Road	East Norwich	NY	11732	2	-
1001334	R. S.	Caitlin Robin, Esq.	Caitlin Robin & Associates	30 Broad Street, Suite 702	New York	NY	10004	2	-
1001362	T. P.	Gary Mitchel Gash, Esq.	Gash & Associates, P.C.	235 Main Street, 3rd Floor	White Plains	NY	10601	2	-
1001366	M. K B.- H.	Michael P. Ellman, Esq	Birbrower & Beldock, PC	151 N Main St #300	New City	NY	10956	2	-
1001367	C. N. B.-H.	Michael P. Ellman, Esq	Birbrower & Beldock, PC	151 N Main St #300	New City	NY	10956	2	-
1001401	T.M., CRNA	Mark B. Connely, Esq.	Hall, Heatt & Connely, LLP	1319 Marsh St., 2nd Floor	San Luis Obispo	CA	93401	2	-
<b>Total</b>									<b>1,583,500.00</b>



**Exhibit B**

**STATE OF SOUTH CAROLINA**

**COUNTY OF RICHLAND**

Raymond G. Farmer, as Director of the South  
Carolina Department of Insurance,

Petitioner,

vs.

Oceanus Insurance Company, a Risk  
Retention Group,

Respondent.

**IN THE COURT OF COMMON PLEAS**

**FOR THE FIFTH JUDICIAL CIRCUIT**

C.A. No. 2017-CP-40-05195

**AFFIDAVIT OF MICHAEL J.  
FITZGIBBONS  
IN SUPPORT OF LIQUIDATOR'S  
FIRST CLAIMS REPORT,  
RECOMMENDATION &  
APPLICATION FOR ORDER  
APPROVING SAME**

Michael J. FitzGibbons, being first duly sworn, deposes and says as follows:

1. I am the Special Deputy Liquidator of Oceanus Insurance Company, a Risk Retention Group ("Oceanus"). I was appointed to my position by the Liquidator, Raymond G. Farmer, Director of the South Carolina Department of Insurance, which designation was approved by the Court on September 21, 2017.

2. I am over 21 years of age and suffer no legal disability.

3. By virtue of my appointment as Special Deputy Liquidator, I have been actively and personally involved in the liquidation of Oceanus at all times since it was placed into liquidation, including the matters addressed in this Affidavit. My responsibilities as the Special Deputy Liquidator include supervision and oversight of and direct involvement in the liquidation process. I am familiar with the claims process and with the claims that have been filed. Therefore, I have personal knowledge of the matters addressed in this Affidavit.

4. The claims process has included the following components, each and every one of which has been followed:

a. Notice of Oceanus' liquidation was given in accordance with S.C. Code Ann. § 38-

27-410(a) (2015).

- b. In accordance with S.C. Code Ann. § 38-27-410(b) (2015), the notice specified that the last date to file a timely proof of claim with the Liquidator was March 20, 2018. Proofs of claim had to be postmarked no later than 5:00 P.M. Eastern Daylight Time on that date to be considered timely.
- c. The Liquidator's Proof of Claim (POC) forms are in compliance with S.C. Code Ann. § 38-27-550(a) (2015) and provided notice of the liquidation of Oceanus in accordance with S.C. Code Ann. § 38-27-410(b) (2015).
- d. As the duly-appointed Special Deputy Liquidator, I have considered each and every of the sixty-two (62) POCs subject to this Claims Report, in accordance with the requirements of the South Carolina Insurers Rehabilitation and Liquidation Act, S.C. Code Ann. §§ 38-27-10 *et seq.*
- e. I am administering the claims process. I retained as Oceanus employees Tim Morris and Jennifer Arias to assist me in the adjudication of claims under policies for losses incurred. I have charged Mr. Morris and Ms. Arias with the responsibility to make recommendations to the Liquidator as to the validity, valuation and priority of each POC. The Liquidator and/or his duly-appointed Special Deputy then independently approve or deny these recommendations, in whole or in part, and submits the same to this Court for approval.
- f. Each and every POC subject to this Claims Report contains the necessary claim file documentation for the Liquidator's recommendation thereon.
- g. To the extent this Claims Report includes claims that were denied in whole or in part, notice of such denial complying with S.C. Code Ann. § 38-27-580(a) (2015)

was provided to the affected claimants and either no timely objection was made by the affected claimants or the objection was resolved by mutual agreement.

5. I am submitting this Affidavit in support of the Liquidator's First Claims Report, Recommendation & Application for Order Approving Same ("Report, Recommendation and Application"), which pertains to sixty-two (62) claims in priority class 2, as prescribed by S.C. Code Ann. §§ 38-27-610 & -620 (2015).

6. Between the entry of the Liquidation Order on September 21, 2017 and March 20, 2018, I caused to be issued approximately seven thousand one hundred and sixty-two (7,162) Notices of Liquidation and Proof of Claim (POC) forms, with instructions to policyholders, third-party claimants, and/or other potential claimants and creditors of Oceanus.

7. For five (5) consecutive days commencing October 27, 2017, I caused to be published Notice of the liquidation in the New York Times, a newspaper of nationwide circulation, informing interested parties of the liquidation proceedings and including contact information and instructions for the timely filing of a claim.

8. For two (2) consecutive days commencing October 22, 2017, I caused to be published Notice of the liquidation in the Miami Herald, a newspaper of countywide circulation in Miami-Dade, Broward and Monroe Counties, informing interested parties of the liquidation proceedings and including contact information and instructions for the timely filing of a claim.

9. On or before the Bar Date of March 20, 2018, I received one thousand three hundred and eighty-seven (1,387) timely filed POCs, and I received twenty-nine (29) late-filed claims. One (1) of the twenty-nine (29) late-filed claims has been deemed timely filed, with twenty-eight (28) pending further review.

10. Sixty-two (62) claims have now been adjudicated and are the subject of this

application. All remaining unadjudicated POCs are under evaluation.

11. Attached to the Report, Recommendation and Application and incorporated by reference as Exhibit A is a listing of the names and addresses of sixty-two (62) claimants in this liquidation proceeding with claims falling within priority class 2 as defined in S.C. Code Ann. § 38-27-610(2) (2015), the number assigned to the Proof of Claim submitted by each of these claimants and the determined value assigned to the claim and now presented as the Liquidator's recommendation pursuant to S.C. Code Ann. § 38-27-620 (2015). Actual distributions will be determined and made at the appropriate time in accordance with S.C. Code Ann. §§ 38-27-610 & -630 (2015).

12. To the best of my knowledge and belief, the claims and recommendation thereon subject to this Report and Application are not subject to modification. If any additional factors hereafter come to my attention which may require any modification, such as third-party payments or releases of any such claims, I will immediately notify the Liquidator, and he and/or I will promptly bring those matters to the attention of this Court in an application to modify such claims and recommendation.

FURTHER AFFIANT SAYETH NOT.



Michael J. FitzGibbons  
Special Deputy Liquidator

SWORN to before me this 21<sup>st</sup> day of May, 2019

Sarah E. Alexander  
Notary Public for the State of Arizona  
My commission expires 9/15/22



**SARAH E. ALEXANDER**  
Notary Public - Arizona  
Maricopa Co. / #551135  
Expires 09/15/2022