

STATE OF VERMONT

SUPERIOR COURT  
WASHINGTON UNIT

_____ )	
COMMISSIONER OF THE )	
DEPARTMENT OF FINANCIAL )	
REGULATION )	
PLAINTIFF, )	
)	
v. )	
)	
HOSPITALITY RISK )	
RETENTION GROUP, INC., )	
RESPONDENT. )	
_____ )	

**CIVIL DIVISION**  
DOCKET NO. 21-CV-0406

**MOTION FOR AN ORDER APPROVING THE THIRD CLAIM REPORT**

Kevin J. Gaffney, Commissioner of the Vermont Department of Financial Regulation (“Commissioner”) in his capacity as Liquidator (“Liquidator”) of Hospitality Risk Retention Group, Inc. (“Hospitality” or the “Company”), hereby moves for an order approving the Liquidator’s Third Report of Claims, attached as Exhibit B to the simultaneously filed Liquidator’s Fourth Status Report, Annual Accounting, and Third Report of Claims (“Status Report”).

1. The Liquidator is required to “receive all completed proofs of claim, conduct such investigation as he deems necessary, and make a determination as to priority classification.” See 8 V.S.A. §§ 7081 (regarding priority) and 7082 (investigation and determination of claims); Plan of Liquidation, ¶ 2.c. “If the claim falls within priority classes 4 through 10, the Liquidator may decline to make a determination as to the amount of such claim and instead issue a determination solely as to priority. See ids. “If the claim falls within priority class 3 the Liquidator shall

conduct such further investigation as he deems necessary and determine the claim [as to amount].” See 8 V.S.A. §§ 7081 and 7082; Plan of Liquidation, ¶ 2.d.

2. The Liquidator may “compound, compromise or in any other manner negotiate the amount for which claims will be recommended to the court”. 8 V.S.A. § 7082(a). “When a claim is denied in whole or in part by the liquidator, written notice of determination shall be given to the claimant... by first class mail at the address shown in the proof of claim.” 8 V.S.A. § 7078(a). “Within 60 days from the mailing of the notice [of determination], the claimant may file objections with the liquidator” and “[i]f no such filing is made, the claimant may not further object to the determination.” *Id.* “As soon as practicable” – i.e. after the Liquidator issues a determination and the objection period runs or is waived – “the liquidator shall present to the court a report of the claims against the insurer with recommendations.” 8 V.S.A. § 7082(a) (report to include names, addresses, and amount recommended, if any).

3. Since the Liquidator’s last report of claims, an additional 10 claims have become finally determined or been withdrawn. See 8 V.S.A. § 7078(a). These 10 claims are submitted, together with the Liquidator’s recommendations, in the Liquidator’s Third Report of Claims attached to the Status Report as Exhibit B. See 8 V.S.A. § 7082(a).

4. The governing statute authorizes the Court to “approve, disapprove, or modify the report on claims [filed] by the liquidator.” 8 V.S.A. § 7082(b).

WHEREFORE, the Liquidator requests that the Court enter an order:

- (a) Granting this Motion for Order Approving Liquidator's Third Report of Claims; and,
- (b) Granting such other and further relief as justice may require.

Dated in Montpelier, Vermont, this 9<sup>th</sup> day of February, 2024.

KEVIN J. GAFFNEY, COMMISSIONER  
DEPARTMENT OF FINANCIAL REGULATION  
AS LIQUIDATOR OF HOSPITALITY RISK  
RETENTION GROUP, INC.

/s/Jennifer Rood

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