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June 17, 2016

David L. Young
112 Route 109
West Babylon, NY 11704

Re: *In the Matter of the Liquidation of Health Republic Insurance of New York, Corp.* (No. 450500/2016)

Dear Mr. Young:

As you know, we represent Health Republic Insurance of New York, Corp. ("Health Republic" or "HRINY") in the above-referenced action. We write in response to your email dated June 13, 2016, which attached a draft of an Order to Show Cause and a proposed Order.

At the hearing before the Supreme Court on May 10, 2016 (the "May 10 Hearing"), which the Court held for the limited purpose of determining whether to issue an order pursuant to Article 74 of the New York Insurance Law placing Health Republic into liquidation (the "Liquidation Order"), you objected to breadth of the injunctive relief provided in Paragraph 10 of the Liquidation Order, which states:

Except for any investigation or enforcement action by any state or federal agency, all persons and entities are enjoined and restrained from (a) commencing, continuing, advancing, or otherwise prosecuting any Proceeding or (b) proceeding with any discovery or other litigation tasks or procedures, including serving any subpoenas or other third-party discovery requests in any pending or future action, against (i) HRINY; or (ii) the New York State Department of Financial Services ("NYDFS"), the Superintendent [of Financial Services of the State of New York (the "Superintendent")],¹ the [New York Liquidation Bureau], or any of their respective officers, employees, attorneys, representatives, or agents, or any directors, officers, employees, attorneys, representatives, or agents of HRINY, in each case arising out of or related to HRINY or the commencement or continuation of the Liquidation Proceeding.

Liquidation Order ¶ 10.

¹ The Superintendent was appointed as liquidator of HRINY (the "Liquidator") on May 11, 2016.

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The day after the May 10 Hearing, you submitted a written request for relief from the Liquidation Order's stay of litigation. Specifically, on May 24, 2016, you emailed us to identify three claims that you wished to bring against NYDFS, a party covered by the stay, and to ask that these claims be released from the stay. All three of these claims related to NYDFS's supposed knowledge of HRINY's insolvency in November 2015 (prior to the liquidation proceedings). On June 8, 2016, we informed you that the Liquidator would not agree to such relief. On June 13, 2016, you sent us a draft Order to Show Cause and proposed Order.

Despite the ambit of your request for relief from the stay on May 11, 2016 (and as clarified thereafter by your May 24 email), your proposed Order seeks relief that sweeps far beyond the exemption of your claims against NYDFS, including preventing the Liquidator and Health Republic from retaining the counsel of their choice by seeking the disqualification of Weil, Gotshal & Manges LLP. The filing of any such order will be in willful violation of Paragraph 10 of the Liquidation Order, which expressly enjoins the raising of any claims or arguments against Health Republic or its attorneys.

You are hereby expressly on notice that your proposed filing contravenes the Liquidation Order and the injunction contained therein. Please be advised that the Liquidator hereby reserves her right to seek an order finding you in contempt of the Liquidation Order's stay and further reserves her right to seek reimbursement for all costs and fees expended in addressing any such violation of the Liquidation Order.

Sincerely,



Richard W. Slack