

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

R. ALEXANDER ACOSTA,	:	CIVIL ACTION
SECRETARY OF LABOR, UNITED	:	
STATES DEPARTMENT OF LABOR	:	
	:	
v.	:	
	:	
JOHN J. KORESKO, V, et al.	:	NO. 09-988

ORDER TO LIQUIDATE POLICIES (Batch 4)

AND NOW, this 26th day of February, 2018, upon consideration of the Department of Labor’s Motion for Equitable Distribution (Doc. 1384), the Unified Model for Equitable Distribution prepared by Marcum, LLP and adopted by the Court (Doc. 1471), and the Amended Timeline for the Distribution (Doc. 1494), IT IS ORDERED that in connection with the liquidation of the Regional Employers Assurance Leagues Voluntary Employees’ Beneficiary Association Trust (REAL VEBA) and the Single Employer Welfare Benefit Plan Trust (SEWBPT) (collectively “the Liquidating Trust”), Wilmington Trust, as Trustee for the Liquidating Trust, is directed to initiate the liquidation of the insurance policies listed on Exhibits A through D.¹

¹The Plan Sponsors for the Plans listed in Exhibits A through D have failed to comply with the Order of this court requiring the Plan Sponsors to make an election for the Plan’s distribution of assets (selecting cash and/or policies), and requiring the completion of additional documentation for the distribution. (Docs. 1515 and Declaration Forms available on the court’s website). The Plan Sponsors for the Plans listed in Exhibit A have failed to make any election as required by Court’s June 9, 2017 Notice (Doc. 1515). The Plan Sponsor for the Plan listed in Exhibit B has declined to restore premium payments made by Trusts on the Plan’s behalf (restore a negative PennMont Internal Balance), but failed to provide the required Declaration Form. The Plan Sponsors for the Plans listed in Exhibit C have returned Election Forms indicating

IT IS FURTHER ORDERED that Wilmington Trust shall surrender the annuity contract related to the Ming Court Management Plan, based on the death of the annuitant. See Docs. 1654 & 1655.

The insurance companies identified in Exhibits A through D shall liquidate the insurance policies listed on Exhibits A through D in accordance with instructions given to them by Wilmington Trust, **within 21 days of the presentment of this Order** by Wilmington Trust Company to the insurance company.

The insurance companies shall also provide Wilmington Trust with the following information concerning the insurance policies listed as of the date of liquidation:

1. The cash value of the policy
 - a. less applicable surrender charges;
 - b. plus or minus dividends or interest earned.
2. The loan amount, if any
 - a. plus or minus an adjustment for any interest earned, but not included in the balance;
 - b. plus or minus an adjustment for interest accrued (added to balance but not earned).
3. Premium refunds included in the surrender payment.
4. The cash payment that would be due to the Liquidating Trust if the policy was surrendered (#1 minus #2 plus #3).

that they have elected a cash distribution, but failed to provide the required Declaration Form. The policies listed in Exhibit D are owned by the Liquidating Trusts and relate to plans that have previously been determined to be closed.

The above information may be furnished to Wilmington Trust in a format specified by Wilmington Trust or as agreed to by both Wilmington Trust and the subject insurance company.

BY THE COURT:

/s/ELIZABETH T. HEY

ELIZABETH T. HEY, U.S.M.J.