Docket #3674 Date Filed: 10/28/2020

THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ALABAMA SOUTHERN DIVISION

In re:)
NEW WEI, INC., et al.) Case No. 15-02741-TOM Chapter 7
Debtor(s))

EXPEDITED MOTION FOR AN ORDER REGARDING GENERAL REINSURANCE PAYMENTS

COMES NOW, Andre' Toffel, in his capacity as the Trustee of the Chapter 7 estates of New WEI, Inc. (the "Trustee") along with Warrior Met Coal, Inc. ("Warrior Met") and Alabama Workmen's Compensation Self-Insurers Guaranty Association (the "Guaranty Association"; and collectively with Sedgwick Claims Management Services, Inc., the "Parties") and hereby jointly move this Court as follows:

- 1. General Reinsurance Corporation ("GenRe") paid excess coverage reimbursement payments to the Guaranty Association since Walter Energy, Inc. n/k/a New WEI, Inc. and certain related entities (collectively, "Walter Energy") were deemed "insolvent" by the Alabama Department of Labor. However, GenRe has so far declined to pay an approximate amount of \$1,130,279.35 (the "GenRe Withheld Funds") for reimbursement obligations originally paid by Walter Energy.
- 2. To the extent the GenRe Withheld Funds are payable to either the Trustee or the Guaranty Association, GenRe indicated that it would make the payment only if both the Trustee and the Guaranty Association agreed on to whom the payment is to be made *or* the Bankruptcy Court directed to whom the payment is to be made.

- 3. GenRe has made other payments on the excess coverage reimbursement insurance policies that GenRe issued in favor of the Debtor.
 - 4. The GenRe Withheld Funds are the only payments that have been delayed.
- 5. All Parties have agreed that the GenRe Withheld Funds are to be paid to the Guaranty Association's attorney Brian Walding ("Walding") to be held in trust for the benefit of the Parties, subject to further order by this Court.
- 6. To the extent GenRe pays the GenRe Withheld Funds pursuant to this Order, the only recourse against GenRe for the GenRe Witheld Funds shall be heard by this Court, as the GenRe Withheld Funds are property of the Debtor's estate pursuant to 11 U.S.C. § 541.

WHEREFORE, the parties hereto move the Court to enter the following order:

- A. Within fourteen (14) days of the order, GenRe (a) shall pay the GenRe Withheld Funds to Walding to be held in trust for the benefit of the Parties; or (b) shall file such papers in the Bankruptcy Court explaining any objection it may have to the payment.
- B. In the alternative, within the same time period, GenRe may, at is election, pay the GenRe Withheld Funds jointly to the Trustee and the Guaranty Association. In such case, they each shall endorse the funds over to Walding to be held in trust as set forth above.
- C. The Trustee, with the assistance of the others of the Parties, shall cause this Order to be served by appropriate means on Gen Re.

/s/ Stephen B. Porterfield

Stephen Porterfield
Thomas B. Humphries
Attorneys for Chapter 7 Trustee
Sirote & Permutt, PC
2311 Highland Avenue South
Birmingham, AL 35205
sporterfield@sirote.com

/s/ Brian Walding

Brian Walding Attorney for Guaranty Association WALDING, LLC 2227 First Avenue South, Suite 100 Birmingham, Alabama 35233 Telephone: 205-307-5047

Email: bwalding@waldinglaw.com

/s/ Michael Leo Hall

Michael Leo Hall Anna Akers Attorneys for Warrior Met 420 20th St. N, Suite 3400 Birmingham, AL 35203 Telephone: (205) 251-3000

mhall@burr.com aakers@burr.com

CERTIFICATE OF SERVICE

I hereby certify that on October 28, 2020, I electronically filed a true and correct copy of the foregoing with the Clerk of the United States Bankruptcy Court for the Northern District of Alabama by using the CM/ECF system and a copy of the foregoing document has been provided by electronic filing to all persons receiving notice by CM/ECF, including the following attorneys:

Alabama Department of Labor c/o Fitzgerald Washington, Commissioner 649 Monroe Street Montgomery, Alabama Nancy J.W. Brown Musick, Peeler & Garrett LLP One Wilshire Building 624 South Grand Avenue, Suite 2000 Los Angeles, California 90017-3383 n.brown@musickpeeler.com

/s/ Stephen Porterfield OF COUNSEL