

**IN THE COMMONWEALTH COURT OF PENNSYLVANIA**

IN RE: PENN TREATY NETWORK :  
AMERICA INSURANCE COMPANY : NO. 1 PEN 2009  
IN REHABILITATION :

IN RE: AMERICAN NETWORK :  
INSURANCE COMPANY IN : NO. 1 ANI 2009  
REHABILITATION :

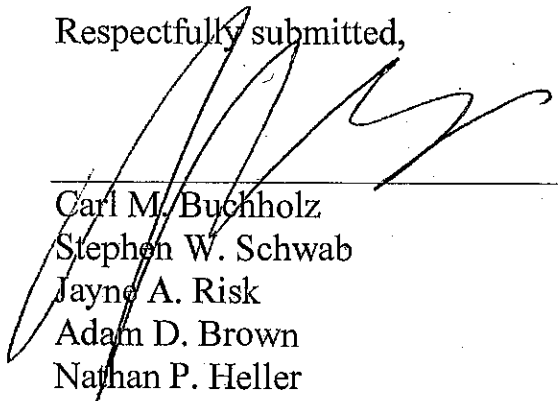
**OBJECTIONS OF THE REHABILITATOR TO THE TRANSCRIPT OF  
PROCEEDINGS TAKEN JULY 13 AND 14, 2015**

Teresa D. Miller, Insurance Commissioner of Pennsylvania, in her capacity as statutory rehabilitator of Penn Treaty Network America Insurance Co. and American Network Insurance Co. (the "Rehabilitator"), hereby requests the correction of the record of July 13 and 14, 2015 proceedings in this matter. The corrections are of certain words that, as indicated by context, were not pronounced clearly enough to be transcribed accurately or are misspelled in the transcript. The requested corrections appear on the attached errata sheet. The Rehabilitator respectfully requests that the Court settle its objections pursuant to Pennsylvania Rules of Appellate Procedure 1922(a) and (c).

RECEIVED  
COMMONWEALTH COURT  
OF PENNSYLVANIA  
11 21  
-8 DEC 2015

Dated: December 7, 2015

Respectfully submitted,



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American Network Insurance Co.*

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**PATRICK H. CANTILO'S ERRATA**  
 (Proceedings Taken July 13, 2015)  
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PAGE	LINE	ERROR	CORRECTION
11	20	end of the day	Effective Date
11	21	answer in	enter an
13	3	that income	the corresponding debt
16	2	have weighted	have avoided
16	19	policyholders in that	policyholders and that
16	20	inherent to the	inherent in the
17	13	answer a variety	answered a variety
18	5	most	much
18	7	court's	<b>Court's (this change should be global)</b>
18	17	The Court	<b>the Court (this change should be global)</b>
19	16	reasons for which	Reasons with which
19	23	I know with	I know of
20	4	cross-subsidiaries	Cross-subsidies
20	22	the other priced	the under priced
21	5	90,000. We	90,000, we
21	6	today,	today - -
21	10	Guaranty Fund Protection	<b>guaranty fund protection (this change should be global)</b>
21	15	knows	knows - -
24	19	elections, so all	elections. So all
24	24	best plan which	best plan of which
25	1	circumstances, and	circumstances. And

PAGE	LINE	ERROR	CORRECTION
25	5	businesses as	business as
26	19	company's	companies'
27	4	opposing firm	The Cozen firm
27	23	two companies	two companies'
28	7	projection based	projections based
28	13	rider reserve.	life reserve.
30	4	inefficient	insufficient
30	6	that the client and	that the decline in
30	11	that the yield	that the yields
30	17	company's expensive. Paying	company is expensive, paying
30	21	continues to climb	continues to decline
31	2	paying claims.	paying premiums.
31	14	anymore	any more
32	3	Guaranty	guaranty (this change should be global)
32	4	Association	association (this change should be global)
32	19	There's	There are
33	22	managing a CoOld	managing a troubled
34	3	that's the	that's owed to the
34	13	back and I'll	back. And I'll.
34	21	back but	back. But
34	22	on her Order	in her Order
35	4	payor payors	payor or payors
35	8	90,000 policies	90,000 policies,
35	19	of the other	of the under

PAGE	LINE	ERROR	CORRECTION
37	8	safety net,	safety net - -
37	9	source, if anything, to	source to fund
37	10	the policy roll out,	policyholder benefits
37	22	we do start	we could start
38	5	compassion	comparison
38	7	head	hat
38	19	billion dollars, and for	billion dollars in for
39	2	ongoing	ongoing,
39	12	Honor, this claim	Honor - - this plan
40	11	age	Aged
41	3	policy's	policies
41	8	It doesn't mean,	It does mean,
41	17	insurance, not only	insurance, normally
42	10	a	In
42	21	evasive,	invasive,
44	9	same, hundreds	same hundreds
44	15	T.V.	T.V.,
44	18	them or	them, or
44	19	circumstances, and	circumstances. And
45	6	products	products,
45	8	life	life,
45	10	mentioned and	mentioned. And
45	21	were	was
46	1	vision	inflation
46	13	issues, so	issues. So

PAGE	LINE	ERROR	CORRECTION
46	24	at, and	at. And
47	8	resources,	resources - -
47	14	figure	fraction
48	7	average, and	average. And
49	5	thumb-down	dumb-down
49	18	belabor mildly	labor mightily
51	10	of an equitable	of inequitable
51	16	(unintelligible) out	DLR out
52	12	life-saving	life-savings
52	14	future	future.
52	15	premiums, so	premiums. So,
53	6	intendant	attendant
53	8	taking place	taken care of
53	9	unless	Unless
54	9	not, and	not. And
54	12	from	On
54	20	nonsustaining	non self-sustaining
54	23	assets, so	assets. So
60	21	it's a total	it's total
61	1	benefit by	benefit-by-
61	11	investment	reduction
61	22	we love you,	we owe you,
64	5	of kind,	of that kind
65	2	as	Is
65	4	bank	Bang

PAGE	LINE	ERROR	CORRECTION
66	23	inclined to the	I defined the
66	24	is	As
68	9	premium	premium --
68	10	increased	increased --
70	10	premium so	premium. So,
71	4	way, so	way. So,
71	17	increases, but	increases. But,
71	24	getting to	get into
75	14	enabled	Named
76	12	start ANIC	start with ANIC
76	14	the limited	deliberately
76	14	or the limited will	or deliberately will
77	9	Strong	Shown
78	9	met lifetime	met the lifetime
78	17	side	Site
80	1	need the premium	need the gross premium
80	12	If I'm not	If I'm requiring
80	13	Italian and pay	it to pay
81	3	off	Of
81	5	assets to	assets to,
81	6	800 million	800 million,
81	9	policy	policies
81	13	thousand	million
82	1	association	associations'
82	9	go to	go to the

PAGE	LINE	ERROR	CORRECTION
82	18	above cap	above the cap.
82	23	Association	associations
83	2	pre-priced	repriced
83	17	excess in	assets to
84	15	Growth	Gross
85	3	at	that
85	5	as	Is
85	12	pre-priced	re-priced
85	24	it GA	it a GA
86	1	captive. That	captive -- that
88	5	under the	otherwise
90	17	transfer to for	transfer to it for
91	14-15	- (unintelligible).	elucidate.
93	6	income	company
93	24	to	two
95	22	a method	advantage
98	17	a	the
99	16	already	workable
100	3	ANIC Company	ANIC being Company
100	10	and survive	in the
100	11	recovery.	sale of ANIC.
101	5	inheritance.	hit.
101	11	compilation, so	compilation. So
101	12	factors and,	factors. And,
102	3	And	than



PAGE	LINE	ERROR	CORRECTION
103	18	where a policyholder values and	where policyholder values are
103	19	give it	given
105	2	resubmission	reduced level
105	10	forever and forever.	forever and ever.
105	14	Shop	chop
105	16	You do Rehabilitor	You could rehabilitate
105	20	on my bill	all my bills
105	21	utility, now	utility payment, now
105	22	drop off, but	drop off. But
107	9	deal, but	deal. But
107	11	pay varied by an assessment,	pay an assessment,
107	14	out of the sold	off my soap
108	6	Risking	risk
108	24	world, and	world. And
109	4	Provided	provide
109	5	net, so	net. So
109	10	competition, but	competition. But
109	12	You	You're
109	21	for balance.	for the balance.
110	6	legislature, but	legislature. But
110	10	Association, and	association. And
110	20	California, and	California. And
111	6	Carmonetti	Caminetti
113	10	Reserve: that then	Reserve. And then
113	14	allocated on	allocated to

PAGE	LINE	ERROR	CORRECTION
113	19	less in the	less than the
114	7	business, and	business. And
114	8	Washington	in proportion to
115	16	solvent, but	Solvent. But
115	20	had	Have
115	21	excess, so	assets, so
116	1	driven mildly	striven mightily
116	4	and proportions8	in proportions
118	19	policyholders so	policyholders. So
118	23	policy but	policy. But
119	1	under the	among the
119	7	not a unique	not annuity
119	21	each PTAC/Woznicki,	each of PTAC/Woznicki,
121	21	have two so if	have two. So, if
121	22	play	Place
122	5	anymore	any more
122	8	anymore election, and	any more election. And
122	18	Treaty, but	Treaty. But
123	5	what the	what is the
123	10	amount and	amount. And
123	21	laws, and	laws. And
124	1	uncovered Guaranty Fund limits	uncovered benefits
124	16	and that amount, so	of that amount. So
125	8	if they	and they
125	10	doesn't mean,	just means,

PAGE	LINE	ERROR	CORRECTION
126	1	election.	selection.
126	5	claim, so	claim. So
126	15	policy	policy,
126	16	policy	policy,
128	1	anymore	any more
128	7	policies,	policies.
128	8	so	So
128	10	years, but	years. But
128	11	insurances,	insurance,
128	12	your (unintelligible) to	your best to
128	13	and your survey	and you still will be
128	14	(sic) wrong, so	wrong. So
128	20	changes, so	changes. So
128	21	be premium	be no premium
129	6	them, but	them. But
129	7	underpriced, so	underpriced. So
129	16	if for	for
129	17	effective, so	effective. So
130	1	process, and	process. And
130	5	percentages	percentage
131	23	everyday	every day
133	2	inflation or	inflation rider or
133	6	believe I got	believe, got
133	7	much	"much
133	8	be.	be."

PAGE	LINE	ERROR	CORRECTION
135	5	a	as
136	16	you	you've
138	9	process, and	process. And
138	11	aggregate, or 3	aggregate, 3 or 3
138	13	accomplishment, and	accomplishment. And
138	22	much, so	much. So
138	24	going	going in
139	1	in any aggregate	in the aggregate
139	19	commentary	counterparty
141	18	elections, and	elections. And
141	20	syndrome, what you	syndrome - - what do you
141	21	rehabilitation,	rehabilitator - -
142	21	policies	policies - -
142	23	Treaty	Treaty - -
143	15	or	of
145	20	policy, but	policy. But
146	11	that, and	that. And
146	14	election	selection
146	16	most	most;
149	19	specialize in	safety net
149	20	on	to
149	21	rehabilitative	rehabilitated
150	3	6,000 so	6000. So,
150	5	company but	company. But,
150	9	company	company.

PAGE	LINE	ERROR	CORRECTION
150	10	and	And
150	14	have been	will have been
151	2	to Special	to the Special
151	10	option to	option or
152	18	cover	covered
153	12	law, but	law. But
154	2	Association, and	Association. And
154	5	premium reserve written	premium written
154	10	they were at	they wrote
154	17	year. If	year, if
154	19	insolvency --	insolvency. And
154	23	one year,	one year.
154	24	but for	But for
155	1	percent, so	percent. So
155	10	2079, so	2079. So
155	12	anyway, so	anyway. So
156	4	recoup revision	recoupment revision
156	6	recoup mechanism	recoupment mechanism
156	8	policyholders, but	policyholders. But
156	11	either in the	either to the
156	13	premium tax	the taxpayers for premium tax
156	16	on	in --
157	10	court, Your	Court -- Your
157	11	case finds	case" -- finds
157	12	and/or to	and orders it to

PAGE	LINE	ERROR	CORRECTION
158	11	licensed, but	licensed. But
158	17	entered, and	entered. And
158	18	contemplates,	contemplates - -
158	20	is in place	in place
158	21	Order,	Order - -
158	22	the coverage	the coverages
158	23	is in place	in place
159	12	about	about - -
159	15	Punitive Order finding a policy and	Final Order finding insolvency and
161	13	plans,	claims,
162	15	happen, but	happen. But
162	20	claims,	claims.
162	21	and	And
162	24	claims, just	claims. Just
163	5	statisticians	citations
163	13	PTA	PTNA
163	18	and which	and in which
164	11	insurer	insurer,
164	13	Association, and	Association. And
165	17	license, and	license. And
166	22	future. If	future, if
166	23	odd, things go badly for ANIC, so	odds, things go badly for ANIC. So
168	11	an	and
170	7	riding on	writing on

PAGE	LINE	ERROR	CORRECTION
170	10	them, but	them. But
170	21	hole, but	hole. But
170	24	ANIC, and	ANIC. And
171	8	asserted simply	asserted; simply
171	12	the plan, and	the plan. And
171	16	information and	information. And
175	15	policies and	policies. And
179	7	limits so all	limits. So, all
182	19	dollars and,	dollars. And,
183	16	The Warrant Act	the Warrantech
183	24	coverage so	coverage. So,
184	12	away, so	away. So,
188	6	greater GPR	greater of GPR
188	24	limit, so	limit. So
192	1	first,	first, then
192	19	paripassu policyholders	paripassu with policyholders
194	12	insurers by	insurers, by
197	4	enterprise, so	enterprise. So
197	20	sale, and	sale. And
197	24	both, so you	both. So, you
198	10	us, so	us. So,
198	11	personal consideration	principal consideration
198	13	business, and	business. And
199	13	somebody out	some money out
199	24	Treaty, so	Treaty. So

PAGE	LINE	ERROR	CORRECTION
200	20	ANIC TPACO?	ANIC or TPACO?
201	16	business or	business; or
201	21	selling at	selling it as
201	22	concern ANIC than	concern than
202	24	typically do	typically does
203	12	A, so	A. So,
204	4	filed	file
205	7	done, and	done. And
207	4	clawback; if	clawback. If
207	5	liquidation clause	liquidating trust
207	7	privateers in	creditors in
207	19	Funds, but	funds. But
208	19	company, as I think as Your Honor	company. As I think Your Honor
209	5	day, ANIC will	day, PTAC will
211	3	A Three-and-a-half-billion-	A three-and-a-half-billion-
212	3	plan, and	plan. And
212	15	considerations, and	considerations. And
213	10	the Commissioner's	the Commissioner as
213	23	who take	to take
214	2	that, but	that. But
214	5	inequities,	inequities - -
215	13	cap, so	cap. So,
216	1	liquidation, and	liquidation. And
216	5	the trust and	the trust in an
216	7	transfer, but	transfer. But



PAGE	LINE	ERROR	CORRECTION
218	9	it's imprimado (ph)	its imprimatur
218	13	ask,	ask - -
218	21	know, my	know - - my
218	24	Insurance	insurance
221	20	unfamiliar, and	unfamiliar. And
221	22	generally, so	generally. So
221	24	plan,	plan.
222	1	but	But
222	10	insurances	assurances
222	11	opposition	a position.
224	2	buyer	buyer.
224	3	and	And
224	11	minimum and	minimum. And
226	4	made, and	made. And
226	8	issuance	assistance
227	24	selections, and	selections. And
229	20	groups and	groups. And
230	9	suggested and	suggested; And
230	15	plan and	plan. And
234	16	access as	Axis as
234	22	Mr. Venisus	Mr. Vinas
235	4	discussions, and	discussions. And
235	5	men	man
235	6	power	hours
235	15	have	has

PAGE	LINE	ERROR	CORRECTION
236	2	have actuaries	be actuaries
236	3	replaced, so	replaced. So
236	8	estates, but	estates. But
237	2	force and	force. And
237	12	inequities and the	inequities in the
238	18	Chackoski	Chacosky
242	5	write Mr. Robinson,	write. Mr. Robinson
242	6	individual, who would	individual, would
242	10	issues	issues.
242	11	and	And
242	22	issues, so	issues. So
242	23	hypothetical. Suppose	hypothetical -- suppose
243	2	percent we	percent. We
243	16	plan	plan.
243	17	so	So
244	1	reports, and	reports. And
244	18	forth so	forth. So
245	11	meetings.	Issues.
245	18	eye-to-eye but	eye-to-eye. But
246	16	call is a	call a
246	16	Share File	ShareFile
246	20	historical,	historical
247	3	a mention	mention
247	4	share file	ShareFile
247	5	share file	ShareFile

PAGE	LINE	ERROR	CORRECTION
247	7	share files	ShareFiles
247	11	Share File	ShareFile
247	12	share file	ShareFile
247	24	that will	will
248	4	equitably and	equitably. And
248	5	standards but	standards. But
248	10	muster, or	muster; Or
248	13	accomplish, so	accomplish. So
248	21	premium reserve for	premium rates for
248	22	policyholders, and	policyholders. And
248	24	premium reserves	premium rates
249	1	slim, so	slim. So
249	3	principally or,	principally, or
250	4	spectrum is	spectrum, is
250	10	think as	think is
250	11	log of	lot of
251	12	companies, but	companies. But

PATRICK H. CANTILO'S ERRATA (Proceedings Taken July 14, 2015)

PAGE	LINE	ERROR	CORRECTION
8	13	identified the plan	identified in the plan
10	6	never	ever
11	6	policies, but	policies. But
11	11	funded, so	funded. So
11	13	be treat for	be there for
11	20	end of the day	Effective Date
11	21	answer in	enter an
12	11	restructuring, but	restructuring. But
13	3	that income	the corresponding debt
13	20	ANIC, so	ANIC. So,
15	1	policy	policy;
16	2	have weighted	have avoided
16	19	policyholders in that	policyholders and that
16	20	inherent to	inherent in
16	21	plan because we cannot pay it	plan, because we cannot pay it,
16	23	insurers	insurers;
17	9	pages, and	pages. And
17	13	answer a variety	answered a variety
17	16	is final and	is final. And
17	20	plan,	plan.
17	21	but	But
18	1	far,	far.

PAGE	LINE	ERROR	CORRECTION
18	2	so	So,
18	5	Most	much
18	7	court's	Court's (global change)
18	17	The Court	the Court (global change)
19	11	way, and	way. And
19	14	those, but	those. But
21	20	non-covered, but	non-covered. But
22	10	uncovered, yesterday	uncovered. Yesterday
22	19	benefits, and as	benefits. And as
25	23	future claim, but I thought	future claim. But I thought
26	2	Your Honor, but if they	Your Honor. But if they
26	9	plan, which I	plan - -which I
26	10	of the liability, but	of the liability - - but
31	15	First Federal	first federal
31	18	is halted by	is audited by
32	20	different mirror.	different matter.
34	3	that's the	that's owed to the
37	9	more government instead of do any	more for government instead of to any
42	6	plan, and some of that	plan. And some of that
42	11	collected by	handled by
42	13	THE COURT: Are 2000	THE COURT: Are the 2000
43	19	was at - -	was tent - -
50	5	uniform course, a	uniform chorus of

PAGE	LINE	ERROR	CORRECTION
50	21	already cried out successfully	already tried unsuccessfully
50	23	these circumstances	these circumstances,
51	16	indispensable and settling	indispensable in settling
54	9	to reach the	to grease the
54	20	think this morning	think the snoring
57	18	one one at a time	one—one at a time
59	12	without reservation to	without consideration to
60		liquidated, although	liquidated. Although
62	23	to this plan, but do I	to this plan. But, do I
63	24	Time is our — I think	Time is our enemy — I think
68	5	assets so	assets. So,
69	16	one that	one, that
70	19	get distributed and	get distributed. And
70	20	under the plan. Some goes to	under the plan, some goes to
70	23	we called it, but we're	we called it. But we're
71	16	that pre-priced premium	that re-priced premium
71	21	Honoring	Honor
72	15	way. Pre-priced premium	way. Re-priced premium
72	20	association and	association. And
74	2	those principals,	those principles,

**CERTIFICATE OF SERVICE**

I certify that on December 7, 2015, I caused the foregoing Objections to the Transcript of Proceedings Taken July 13 and 14, 2015 to be served via e-mail on the following counsel of record:

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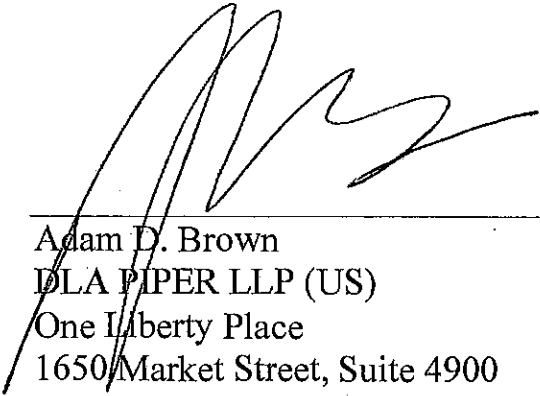
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**IN THE COMMONWEALTH COURT OF PENNSYLVANIA**

IN RE: PENN TREATY NETWORK :  
AMERICA INSURANCE COMPANY : NO. 1 PEN 2009  
IN REHABILITATION :

IN RE: AMERICAN NETWORK :  
INSURANCE COMPANY IN : NO. 1 ANI 2009  
REHABILITATION :

**ORDER**

AND NOW, this \_\_\_ day of \_\_\_\_\_, 2015, upon consideration of the Objections of Teresa D. Miller, Insurance Commissioner of Pennsylvania, in her capacity as statutory rehabilitator of Penn Treaty Network America Insurance Co. and American Network Insurance Co., to the Transcript of Proceedings Taken July 13 and 14, 2015, it is hereby ORDERED that the Objections are SUSTAINED and a copy of the corrections be attached as a certified addendum to the original certified transcript filed by the court reporter with the Chief Clerk pursuant to Pa. R.A.P. 1922(c).

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MARY HANNAH LEAVITT, Judge