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**EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, NEVADA**

STATE OF NEVADA, ex rel. COMMISSIONER
OF INSURANCE, in her official capacity as
Statutory Receiver for Delinquent Domestic Insurer,

Plaintiff,

vs.

SPIRIT COMMERCIAL AUTO RISK
RETENTION GROUP, INC., a Nevada Domiciled
Association Captive Insurance Company,

Defendant.

CASE NO. A-19-787325-B
DEPARTMENT 15

[HEARING REQUESTED]

**MOTION FOR HEARING OF
REMAINING CLAIMANT OBJECTIONS
INVOLVING LEGAL ISSUES
PURSUANT TO NRS 696B.330(8)**

The Nevada Insurance Commissioner, in his official capacity as the Permanent Receiver (“Receiver”) of Spirit Auto Commercial Auto Risk Retention Group, Inc. (“Spirit”), files this Motion for Hearing of Remaining Claimant Objections Involving Legal Issues Pursuant to NRS 696B.330(8) (“Motion”). This Motion is made and based on the following Memorandum of Points and Authorities, the papers on file, and any oral argument the Court permits.

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

This Motion requests that the Court enter an Order fixing a time for a hearing on three objections to a Notice of Claim Determination (“NCD”) issued by the Special Deputy Receiver (“SDR”).

As this Court is aware, Spirit is an insolvent insurer placed in Permanent Receivership by an Order entered by this Court on February 27, 2019 (the “Receivership Order”). On November 6, 2019, the Court entered its Final Order Placing Spirit into Liquidation (the “Liquidation Order”) and its Final Order Setting Claims Filing Deadline for Spirit and Related Relief (the “Claims Order”). The Claims Order established a Claims Filing Deadline and procedures for filing claims against Spirit. On September 30, 2020, the Court entered an order extending the claims filing deadline to May 31, 2021.

As set forth in the Twenty-Eighth Status Report, there were 1,472 Proof of Claim (“POC”) submissions received by the SDR. The SDR resolves the POC by issuing an NCD, which approves or denies the claim in whole or in part. The SDR issued 1,396 NCDs. When an NCD is sent to a claimant, the claimant is advised that they have a right under NRS 696B.330 to object to the NCD, and the Court “shall” hold a hearing on such objections, either itself or through a Special Master. *See* NRS 696B.330(8)-(9).

On March 3, 2023, this Court entered an Order Granting Motion to Establish Claims Appeal Process and Procedure and for the Appointment of a Special Master to Assist with the Same (“Appeals Order”). The Appeals Order established a procedure for resolving claim objections and appointed two Special Masters to preside over objection hearings to address legal issues this Court has already decided, or to resolve objections that primarily rest on factual disputes. Through the Appeals Order, this Court reserved the right to hold a hearing on claim objections that involved the court making legal determinations of first impression.

There are three remaining claim objections involving legal determinations.¹ The Receiver

¹ There are also approximately eight additional unresolved claim objections involving factual disputes or legal disputes that have already been resolved by this Court. These eight other claim objections are currently being scheduled for hearing before Special Master David Lee.

hereby requests the Court set a hearing to resolve these three outstanding claim objections, as detailed further below, pursuant to NRS 696B.330(8).

II. LEGAL ANALYSIS AND ARGUMENT

NRS Chapter 696B is the statutory framework for receivership actions involving delinquent insurers, including their conservation, rehabilitation, and liquidation. Under the framework, “[a]ll claims against an insurer...must be filed in the manner and form established by the receiver[.]” NRS 696B.330(1). Upon the filing of a timely POC, the Receiver shall “determine whether to approve or deny, in whole or in part, each claim against the insurer” by issuing an NCD. NRS 696B.330(3). Following the NCD, a claimant “may file with the receiver an objection to the determination of the receiver on a claim.” NRS 696B.330(7). When such an objection is filed, the Court “shall fix a time for a hearing on such claims and shall direct the receiver to give notice of the hearing.” NRS 696B.330(8). If the Court holds a hearing on the objection itself, it “shall enter an order approving or denying, in whole or in part, a claim filed against an insurer,” and such an order “is an appealable order.” NRS 696B.330(9).

As stated above, three claim objections involving legal disputes remain unresolved and thus necessitate a hearing. These three claims are POC Nos. SP-001306, SP-001360, and SP-001313. These three objections relate to legal or contractual issues about underlying coverage availability, including whether specific exclusions under the policy apply. Due to the nature and similarity of each of these objections, the Receiver anticipates that a hearing on all three would not exceed an hour and a half. The procedure set forth in this Court’s Appeals Order would apply.

For the above-referenced claims, the Receiver requests that the Court fix a time, place, and date for a hearing and direct the Receiver to give notice to each claimant of such hearing, pursuant to NRS 696B.330(8)(a)-(b), by mailing the same to the last known address of the claimants.² Additionally, it is requested that claimants and/or their counsel be allowed to participate in the objection process *via* electronic means such as Bluejeans or Zoom as several do not reside in the state of Nevada or within a reasonable driving distance from the Court. The Receiver further proposes that claimants

² As part of the POC procedures set forth in the Claims Order, claimants were required to keep the SDR apprised of any change in address.

1 be informed in the notice of hearing that they may decline a hearing for their objection by submitting
2 a formal withdrawal of their objection in writing to the SDR. The SDR will keep the Court apprised
3 of any claimants that withdraw their objections.

4 Similar to what is set forth in the Appeals Order, the Receiver proposes that the Receiver submit
5 an Opening Brief to the Court identifying the claimants, summarizing the issues on appeal, attaching
6 relevant documents, and setting forth the Receiver's legal position; that claimants be provided thirty
7 (30) days to file a Response Brief with the Court (or to provide to counsel for the Receiver to file (if a
8 claimant does not have Nevada counsel)); and that the Receiver may have fourteen (14) days to submit
9 any Reply Brief.

10 As part of its Opening Brief, the Receiver will submit all documents and correspondence
11 exchanged between the claimant and the Receiver pertaining to the claimant's POC and the Receiver's
12 determination of the claim. The Receiver proposes that the hearings be limited to the record as
13 described in NRS 696B.330(1) (i.e., only those materials filed by the Claimant in support of the POC,
14 and excluding any documentation or information submitted by the Claimant for the first time on
15 appeal). Due to privacy concerns relating to the individual claimants, the Receiver proposes submitting
16 the records *in camera*, but will provide each claimant with a full copy of the exhibit that pertains to
17 their specific claim.

18 After review of the *in camera* exhibits, any oral argument given at the hearing, and any
19 supplement to the written record the Court may order, the Receiver requests that the Court enter an
20 order approving or denying, in whole or in part, each claim. *See* NRS 696B.330(9). Any such order
21 is an appealable order, pursuant to NRS 696B.330(9), and thus may be appealed to the Nevada Supreme
22 Court (at which point, the Nevada Rules of Appellate Procedure apply, and written briefing may
23 proceed under such rules).

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1 **III. CONCLUSION**

2 Based on the foregoing, the Receiver respectfully requests that this Motion be granted and a
3 further procedure established for the handling of the three remaining legal claim objections and a
4 hearing be set relating to the same.

5 DATED this 4th of December 2025.

GREENBERG TRAURIG, LLP

/s/ Kara B. Hendricks

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Counsel for Plaintiff and the SDR

CERTIFICATE OF SERVICE

I am a resident of the state of Nevada, over the age of eighteen years, and not a party to the within action. My business address is 10845 Griffith Peak Drive, Suite 600, Las Vegas, Nevada 89135. On **December 4, 2025**, I served the within document(s):

**MOTION FOR HEARING OF REMAINING CLAIMANT OBJECTIONS INVOLVING
LEGAL ISSUES PURSUANT TO NRS 696B.330(8)**

☒ via **ELECTRONIC FILING THROUGH ODYSSEY EFILENV.** Pursuant to Administrative Order 14-2 and Rule 9 of the Nevada Electronic Filing and Conversion Rules (N.E.F.C.R.), the above-referenced document was electronically ***filed and served*** upon the parties registered for e-service.

/s/ Evelyn Escobar Gaddi
An employee of GREENBERG TRAURIG, LLP