

IN THE COURT OF COMMON PLEAS, FRANKLIN COUNTY, OHIO

Mary Jo Hudson, Ohio Superintendent of Insurance, in her capacity as Liquidator of American Chambers Life Insurance Company, Plaintiff, v. American Chambers Life Insurance Company, Defendant. Case No. 00CVH-03-2206 Judge Richard S. Sheward

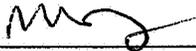
MOTION FOR APPROVAL OF PERIODIC ACCOUNTING FOR THE PERIOD OF JULY 1, 2007 THROUGH DECEMBER 31, 2007

Plaintiff, Mary Jo Hudson, Ohio Superintendent of Insurance, in her capacity as Liquidator of American Chambers Life Insurance Company (the "Liquidator") moves this Court for an Order approving the Statement of Receipts and Disbursements of the Liquidator for the period July 1, 2007 through December 31, 2007, as set forth in the attached Exhibit A. The grounds in support of this Motion are set forth in the accompanying Memorandum in Support.

Respectfully submitted,

MARC DANN
Attorney General State of Ohio

By Outside Counsel:
KEGLER, BROWN, HILL & RITTER
A Legal Professional Association



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MEMORANDUM IN SUPPORT

This motion is brought by the Liquidator requesting that this Court approve the Statement of Receipts and Disbursements of the Liquidator for the period July 1, 2007 through December 31, 2007, as set forth in the attached Exhibit A.

By Order of this Court entered on May 8, 2000, the Ohio Superintendent of Insurance was appointed Liquidator of American Chambers Life Insurance Company ("ACLIC") and was empowered, authorized and directed to liquidate all of the property and assets of ACLIC in accordance with the laws of Ohio and under the continuing jurisdiction of this Court. As part of the liquidation, the Liquidator collects all debts and moneys due ACLIC, and makes payment of necessary expenses. R.C. 3903.21(A)(4) provides, in pertinent part, that the Liquidator may:

Pay reasonable compensation to persons appointed and defray from the funds or assets of the insurer all expenses of taking possession of, conserving, conducting, liquidating, disposing of, or otherwise dealing with the business and property of the insurer.

Section 3903.42(A) of the Ohio Revised Code provides that the expenses of administration be given first priority in the distribution of assets.

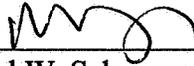
The Liquidator is also required by R.C. 3903.18(E) to periodically account to the Court, throughout the pendency of the ACLIC liquidation proceedings, to be submitted in the form attached hereto as Exhibit A. Such accountings may assist the Court in monitoring the progress and status of the liquidation, and in particular, the receipts and disbursements in the ACLIC proceedings.

WHEREFORE, for the reasons outlined above, the Liquidator respectfully requests the Court to approve the attached Statement of Receipts and Disbursements of the Liquidator for the period July 1, 2007 through December 31, 2007.

Respectfully submitted,

MARC DANN
Attorney General State of Ohio

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true copy of the foregoing instrument was served via ordinary mail to Charles Richardson, Esq., Baker & Daniels, 805 15th Street NW, Suite 700, Washington, DC 20005 and Alan F. Berliner, Esq., Thompson Hine LLP, 10 West Broad Street, Suite 700, Columbus, OH 43215 on this 26th day of March, 2008.



Richard W. Schuermann, Jr. (0032546)

EXHIBIT A

American Chambers Life Insurance Company, in Liquidation
Statement of Receipts and Disbursements
For the period of July 1 to December 31, 2007

	<u>Cash</u>	<u>Securities/ Investments</u>	<u>Total for Period</u>	<u>Inception to Date</u>
Balance at June 30, 2007	\$ 40,013,705.81	\$ -	\$ 40,013,705.81	14,484,114.96
Receipts:				
Adjustment to 5/8/00 Balance			-	391,703.74
Cole Taylor CD Return			-	588,869.05
Proceeds From Sale Riverbend Venture			-	17,500,000.00
Adjustment to Securities Value			-	(99,722.72)
Investment Income	958,309.46	-	958,309.46	6,557,451.02
Change in Market Value			-	77,936.90
Claim Recoveries			-	1,619,005.82
Premiums Received			-	8,859,713.90
Administration Fees			-	1,097,891.19
MMO Reimbursements			-	619,669.93
Disbursements Funded by Others			-	14,012,450.44
Sale of Equipment			-	114,714.37
Miscellaneous Income			-	60,746.65
Insurance Recovery - Theft of			-	265.60
Checks Clearing after Liquidation			-	6,588,601.12
Tax Payment Refunds			-	268,214.28
Refund of Assessment			-	46,802.29
Reinsurance Premium Recovered			-	817,556.19
Checks not Cleared			-	1,258,435.22
Fen-Phen Settlement			-	60,341.84
Premium Refund			-	38,940.64
Preferential Recoveries			-	3,151,388.70
Settlements	163,458.31		163,458.31	254,547.47
Recovery from Directors & Officers	1,500.00		1,500.00	493,500.00
Recovery of Arkansas Deposit			-	199,250.00
Recovery of Florida Deposit			-	2,058,336.48
Recovery of South Carolina Deposit	1,234,460.00		1,234,460.00	1,234,460.00
Proceeds from ACLIC - Protective Escrow Account	491,407.68		491,407.68	491,407.68
Subrogation			-	5,000.00
Total Receipts:	\$ 2,849,135.45	\$ -	\$ 2,849,135.45	\$ 68,367,477.80
Disbursements:				
General Operating Expenses	103,300.60	-	103,300.60	4,570,310.64
Bank Withdrawal for CD			-	3,873.27
Loan Payments			-	124,203.83
Riverbend Transactions			-	1,360,051.40
Legal Expenses	160,213.89		160,213.89	4,060,986.01
Bank Charges			-	130,137.88
Salaries:				
Chief Deputy Liquidator	8,792.15		8,792.15	42,977.62
Deputy Liquidators	21,215.74		21,215.74	216,127.53
Employee Wages, Taxes, Benefits	85,788.95		85,788.95	550,434.26
Payroll (Note 2)			-	716,140.25
Premiums Paid			-	4,172,902.57
Commissions Paid			-	6,391,632.50
Claims Paid			-	14,370,260.15
Dental Claims			-	8,102.71
Premium Refunds Paid to Policy			-	1,091,942.26
Medical Records Fee			-	39,818.32
Flex Benefits			-	5,268.77
Medco Fees			-	691,795.34
PPO Fees			-	104,039.85
Chrgit Sys Ach Debit			-	288.00
Balance Deficiency Chg			-	2,129.10
NSF Premiums			-	318,854.47
Deposit Returns			-	13,750.94
Outside Contracts	7,724.77		7,724.77	1,389,753.93
Investment Purchases (Note 1)			-	6.00
Total Disbursements:	\$ 387,036.10	\$ -	\$ 387,036.10	\$ 40,375,787.60
Balance at December 31, 2007	\$ 42,475,805.16	\$ -	\$ 42,475,805.16	\$ 42,475,805.16
	Note 3			\$ -

Note 1: The captions "Investment Proceeds" or "Investment Purchases" represent the difference between total maturities or sales and purchases for the reporting period. This excludes interest and dividend income.

Note 2: Represents total payroll expense from Liquidation Date to 06/30/03. Beginning with the reporting period 07/01/03-12/31/03 the payroll expenses are reported as shown.

Note 3: This balance includes \$41,978,000.00 investment in repurchase agreements.