

IN THE COURT OF COMMON PLEAS
FRANKLIN COUNTY, OHIO

Mary Taylor, 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

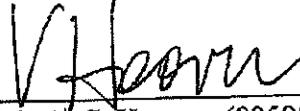
**MOTION FOR APPROVAL OF PERIODIC ACCOUNTING FOR THE
PERIOD OF JANUARY 1, 2011 TO JUNE 30, 2011**

Plaintiff, Mary Taylor, Ohio Superintendent of Insurance, in her capacity as Liquidator of American Chambers Life Insurance Company (the "Liquidator") requests this Court for an Order approving the Statement of Receipts and Disbursements of the Liquidator for the period January 1, 2011 to June 30, 2011, as set forth in the attached Exhibit A. The reasons in support of this Motion are set forth in the accompanying Memorandum in Support.

Respectfully submitted,

MIKE DEWINE
Attorney General State of Ohio

By Outside Counsel:
KOHRMAN, JACKSON & KRANTZ, PLL



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*Attorneys for Mary Taylor, in her capacity as Liquidator of
American Chambers Life Insurance Company*

CLERK OF COURTS

2011 OCT 19 PM 12:39

FILED
COMMON PLEAS COURT
FRANKLIN CO., OHIO

MEMORANDUM IN SUPPORT

Through this motion, the Liquidator requests this Court approve the Statement of Receipts and Disbursements of the Liquidator for the period January 1, 2011 to June 30, 2011. The Statement is described and 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 and pursuant to the Liquidation Order and Ohio Revised Code Chapter 3903, the Liquidator undertakes to collect all debts and moneys due ACLIC, and makes payment of necessary expenses. The Liquidation Order and R.C. 3903.21(A)(4) provide, 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.

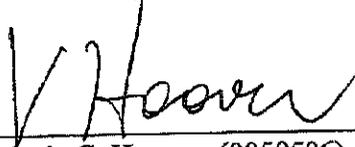
The Liquidator is also required by R.C. 3903.18(E) to periodically account to the Court, throughout the pendency of the ACLIC liquidation proceedings, to be submitted in the form of Exhibit A. Such accountings may assist the Court in monitoring the progress and status of the liquidation, and in particular,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

For these reasons, the Liquidator respectfully requests the Court to approve the Statement of Receipts and Disbursements of the Liquidator for the periods January 1, 2011 to June 30, 2011. Exhibit A. A proposed Order is attached as Exhibit B.

Respectfully submitted,

MIKE DEWINE
Attorney General State of Ohio

By Outside Counsel:
KOHORMAN, JACKSON & KRANTZ, PLL

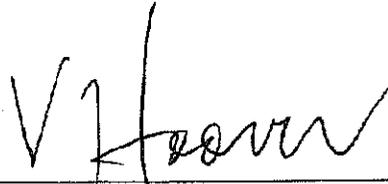


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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true copy of the foregoing motion was served via ordinary mail to Charles Richardson, Esq., Baker & Daniels, 1050 K Street NW, Suite 400, Washington, DC 20001 on this 19 day of October, 2011.

A handwritten signature in black ink, appearing to read "V Hoover", written over a horizontal line.

Valoria C. Hoover (0059596)

EXHIBIT A

January 1, 2011 to June 30, 2011

American Chambers Life Insurance Company, in Liquidation
Statement of Receipts and Disbursements
For the period of January 1 thru June 30, 2011

	<u>Cash</u>	<u>Securities/ Investments</u>	<u>Total for Period</u>	<u>Inception to Date</u>
Balance at June 30, 2010	<u>14,054,111.99</u>	<u>4,997,797.87</u>	<u>19,051,909.86</u>	<u>14,484,114.96</u>
Bond (Premium)/Discount Amortization		(792.51)	(792.51)	(357,690.43)
<u>Receipts:</u>				
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	10,820.22		10,820.22	7,728,632.11
Change in Market Value			-	77,936.90
Claims 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/Office Furniture	31.14		31.14	114,854.72
Miscellaneous Income			-	60,748.80
Insurance Recovery - Theft of Computer/Equipment			-	265.60
Checks Clearing after Liquidation			-	6,588,601.12
Interco Reimbursement of Expenses from Prior Period			-	844.46
Tax Payment Refunds			-	268,215.67
Refund of Auction Advertising Costs			-	47.60
Refund of VA IGA Assessment			-	142.54
Refund of AZ IGA Assessment			-	626.12
Refund of IL IGA Assessment			-	47,194.29
Refund of General Operating Expenses			-	72.57
Reinsurance Premium Recovered			-	817,556.19
Checks not Cleared			-	1,258,435.22
Fen-Phen Settlement			-	60,341.64
Premium Refund			-	38,940.64
Preferential Recoveries			-	3,157,952.38
Proceeds in Sale of Assets			-	179.35
Recovery from G. Meitzen Trust Settlement			1,500.00	1,629,547.47
Recovery from Directors & Officers	1,500.00		-	504,000.00
Recovery of Arkansas Deposit			69,565.16	199,250.00
Recovery of Florida Deposit	69,565.16		-	2,127,901.64
Recovery of South Carolina Deposit			-	1,261,680.63
Recovery Restitution Pmts			-	491,756.48
Subrogation			-	5,000.00
Investment Proceeds Funds Transfer			-	-
Total Receipts:	<u>81,916.52</u>	<u>0.00</u>	<u>81,916.52</u>	<u>71,030,305.59</u>

American Chambers Life Insurance Company, in Liquidation
Statement of Receipts and Disbursements
For the period of January 1 thru June 30, 2011

	<u>Cash</u>	<u>Securities/ Investments</u>	<u>Total for Period</u>	<u>Inception to Date</u>
<u>Disbursements:</u>				
General Operating Expenses	64,003.36		64,003.36	5,106,337.69
Moving & Relocation Costs	-		-	15,194.66
Warehouse Consolidation Project Expense	-		-	11,993.24
Bank Withdraw for CD	-		-	3,873.27
Loan Payments	-		-	124,203.83
Riverbend Transactions	-		-	1,360,051.40
Legal Expenses (Note 4)	12,597.18		12,597.18	4,446,385.73
Tax Prep & Audit Fees	222.22		222.22	14,256.73
Return of Premium Payable - IGAs	-		-	3,203,513.22
NOLHGA - Early Access Payments	9,800,092.78		9,800,092.78	22,622,933.78
Settlement-Return Property-Reliance Insurance Co	-		-	6,025,000.00
Settlement-Return Property-Protective Life Insurance Co	-		-	1,954,531.00
Bank Charges	-		-	130,137.88
Salaries:			11,928.06	119,419.52
Chief Deputy Liquidator	11,928.06		4,874.90	303,660.79
Deputy Liquidators	4,874.90		52,141.92	1,042,166.00
Employee Wages, Taxes, Benefits (Note 5)	52,141.92		-	716,140.25
Payroll (Note 2)	-		-	4,172,902.57
Premiums Paid	-		-	6,381,632.50
Commissions Paid	-		-	14,370,260.15
Claims Paid	-		-	8,102.71
Dental Claims	-		-	1,091,942.26
Premium Refunds Paid to Policy	-		-	39,818.32
Medical Records Fee	-		-	5,268.77
Flex Benefits	-		-	691,795.34
Medco Fees	-		-	104,039.85
PPO Fees	-		-	288.00
Chrgit Sys Ach Debit	-		-	2,129.10
Balance Deficiency Chg	-		-	318,854.47
NSF Premiums	-		-	13,750.94
Deposit Returns	-		-	1,558,976.70
Outside Contracts	-		-	1,879.13
Class 2 Interim Distribution	1,879.13		-	6.00
Investment Purchases (Note 1)	-		-	-
Total Disbursements:	<u>9,947,739.55</u>	<u>0.00</u>	<u>9,947,739.55</u>	<u>75,971,435.80</u>
Balance at December 31, 2010	<u>4,188,288.96</u>	<u>4,997,005.36</u>	<u>9,185,294.32</u>	<u>9,185,294.32</u>
	(Note 3)			

American Chambers Life Insurance Company, in Liquidation

Statement of Receipts and Disbursements

For the period of January 1 thru June 30, 2011

<u>Cash</u>	<u>Securities/ Investments</u>	<u>Total for Period</u>	<u>Inception to Date</u>
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- 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 \$3,932,400.13 investment in Money Market and \$250,000.00 investment in CD.
- Note 4: This does not include invoices billed for the month of June \$613.46 in legal fees that will not be paid until August 2011 or later due to delays with the Ohio Attorney General e-billing system.
- Note 5: This amount may have fluctuated over the last period due to changes in COBRA mandated by The American Recovery and Reinvestment Act of 2009, which reduced the cost of the COBRA health insurance premium remitted by eligible former employees. The reduced cost of COBRA results in an initial higher payment of COBRA premiums by the employer, subject to a later credit on their payroll FICA tax.

EXHIBIT B

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FRANKLIN COUNTY, OHIO

Mary Taylor, Ohio Superintendent of
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American Chambers Life Insurance Company,

Plaintiff,

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American Chambers Life Insurance Company,

Defendant.

Case No. 00CVH-03-2206

Judge Richard S. Sheward

**JOURNAL ENTRY AND ORDER APPROVING PERIODIC ACCOUNTING OF THE
LIQUIDATOR FOR THE PERIOD OF JANUARY 1, 2011 TO JUNE 30, 2011**

This matter is before the Court upon the motion of Mary Taylor, Ohio Superintendent of Insurance, in her capacity as Liquidator of American Chambers Life Insurance Company (the "Liquidator"), for approval of the Statement of Receipts and Disbursements of the Liquidator for the period January 1, 2011 to June 30, 2011, as set forth in Exhibit A attached to the motion (the "Liquidator's Motion"). Upon consideration of the Liquidator's Motion, Memorandum in Support and Exhibit A, the Court finds the Motion is well taken and it is hereby:

ORDERED, ADJUDGED AND DECREED that the Statement of Receipts and Disbursements of the Liquidator for the period January 1, 2011 to June 30, 2011, as set forth in Exhibit A attached to the Liquidator's Motion, is hereby approved.

Dated: _____

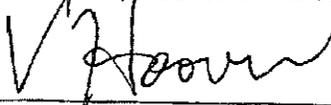
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APPROVED:

MIKE DEWINE
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