

MEMORANDUM IN SUPPORT

This motion is brought by the Liquidator requesting that this Court approve the Companies' Statements of Receipts and Disbursements of the Liquidator for the period of January 1, 2007 through June 30, 2007 (the "Statements"). These Statements are described and set forth in the attached Exhibits A and B.

By Orders of this Court entered on December 12, 2000 and January 5, 2001, the Ohio Superintendent of Insurance was appointed Liquidator of Credit General Insurance Company and Credit General Indemnity Company, respectively, and was empowered, authorized and directed to liquidate all of the property and assets of the Companies in accordance with the laws of Ohio and under the continuing jurisdiction of this Court. As part of the liquidation and pursuant to the Orders of Liquidation and Ohio Revised Code Chapter 3903, the Liquidator undertakes to collect all debts and moneys due to the Companies, and makes payment of necessary expenses. The Liquidation Order and O.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.

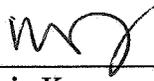
The Liquidator is also required by R.C. 3903.18(E) to periodically account to the Court, throughout the pendency of the Companies' liquidation proceedings, to be submitted in the form attached hereto as Exhibits A and B. Such accountings may assist the Court in monitoring the progress and status of the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

WHEREFORE, for the reasons outlined above, the Liquidator respectfully requests the Court to approve the Companies' Statements of Receipts and Disbursements of the Liquidator for the periods of January 1, 2007 through June 30, 2007, as set forth in the attached Exhibits A and B.

Respectfully submitted,

MARC DANN
Attorney General State of Ohio

By Outside Counsel:
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A Legal Professional Association



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CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing Motion and Accompanying Memorandum was served via first class ordinary U.S. Mail, postage prepaid, this 15th day of November, 2007, upon all parties on the attached Service List:


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EXHIBIT A
Credit General Indemnity Company
January 1, 2007 to June 30, 2007

CREDIT GENERAL INDEMNITY COMPANY, IN LIQUIDATION
LIQUIDATION DATE: DECEMBER 12, 2000
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
CUMULATIVE FROM DECEMBER 12, 2000 THROUGH JUNE 30, 2007

	Current Period 1/1/2007 TO 6/30/2007	Year To Date 1/1/2007 TO 6/30/2007	CUMULATIVE FROM 12/12/2000
Beginning Cash & Invested Assets (Note 1)	5,363,679.89	5,363,679.89	2,815,389.97
Receipts:			
Interest Income (Note 2)	161,055.40	161,055.40	1,585,644.21
Premiums Collected (Note 3)	1,676.50	1,676.50	1,248,042.06
Recovery of IRS Tax Refunds (Note 4)	451,321.41	451,321.41	451,321.41
Recovery of Statutory Deposits	0.00	0.00	673,253.01
Recovery of Unearned Commissions	0.00	0.00	1,271.85
Salvage & Subrogation	0.00	0.00	188,254.34
Premium & Losses Direct	0.00	0.00	972.34
Recovery of Tax Premium Refunds	0.00	0.00	10,373.00
Other Income	0.00	0.00	1,915.92
Total Receipts	614,053.31	614,053.31	4,161,048.14
Disbursements:			
Compensation:			
Salaries (Note 5)	55,442.43	55,442.43	567,322.06
Employee Benefits (Note 6)	9,815.00	9,815.00	61,445.20
Payroll and Other Taxes (Note 7)	4,407.55	4,407.55	42,899.58
Professional Fees:			
Tax Preparation and Audit Fees (Note 8)	3,227.89	3,227.89	8,367.12
Consulting Fees and Other Outside Contracts (Note 9)	1,927.21	1,927.21	301,989.24
Legal Fees (Note 10)	39.32	39.32	9,121.31
Other Expenses of Administration of Company and its Property:			
Office Supplies (Note 11)	305.23	305.23	3,598.65
Rent and Rent Items (Note 12)	9,976.03	9,976.03	69,186.80
Equipment Expense (Note 13)	151.09	151.09	2,812.44
Travel and Travel Items (Note 14)	434.94	434.94	4,889.67
Postage, Freight and Telephone (Note 15)	614.51	614.51	11,330.98
Data Processing (Note 16)	2,912.34	2,912.34	24,314.97
Investment Expense (Note 17)	75.00	75.00	6,502.99
Other Expenses (Note 18)	3,748.95	3,748.95	84,043.75
All Other Disbursements			
Additional Cost of Replacement of Special Deposit	0.00	0.00	3,376.39
Net Cost of Replacement Statutory Deposit	0.00	0.00	699,290.64
Total Disbursements	93,077.49	93,077.49	1,900,491.79
Net Recovery of Statutory Deposits (Various Securities)	0.00	0.00	566,632.06
Reclass of NCB Held CA Replacement Ancillary Security to Bonds	0.00	0.00	250,615.61
Security Amortization for the Period	0.00	0.00	(8,538.28)
Ending Cash & Invested Assets (Note 1)	5,884,655.71	5,884,655.71	5,884,655.71

See Schedule A for Analysis of Increase in Cash and Invested Assets (Unencumbered)

CREDIT GENERAL INDEMNITY COMPANY, IN LIQUIDATION
LIQUIDATION DATE: DECEMBER 12, 2000
ANALYSIS OF INCREASE IN CASH AND INVESTED ASSETS (UNENCUMBERED)
FOR THE PERIOD JANUARY 1, 2007 THROUGH JUNE 30, 2007

SCHEDULE A

Beginning Cash (Unencumbered) and Non Cash (Encumbered) Assets as of 01/01/07	8,144,328.36
Increase in Cash and Invested Assets (Unencumbered)	520,975.82
Decrease in Non Cash Assets (Encumbered)	<u>(461.53)</u>
Ending Cash (Unencumbered) and Non Cash (Encumbered) Assets as of 06/30/07	<u>8,664,842.65</u>

CREDIT GENERAL INDEMNITY COMPANY, IN LIQUIDATION
LIQUIDATION DATE: DECEMBER 12, 2000
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD JANUARY 1, 2007 THROUGH JUNE 30, 2007

Note 1	<u>Cash and Invested Assets</u>	Ending Balance 12/31/2006	Ending Balance 6/30/2007
Unencumbered Cash & Invested Assets			
Cash		6,679.89	6,655.71
Repurchase Agreements		5,357,000.00	5,878,000.00
Total Unencumbered Cash & Invested Assets		5,363,679.89	5,884,655.71
Encumbered Non Cash Assets			
Statutory Deposits (C)		2,780,648.47	2,780,186.94
Total Encumbered Non Cash Assets		2,780,648.47	2,780,186.94
Total Cash and Invested Assets and Non Cash Assets		8,144,328.36	8,664,842.65

These assets are held by various state insurance departments as statutory deposits for the benefit of creditors in their states. It is uncertain whether all or any portion of such assets will be returned to the Liquidator.

<u>State</u>	<u>Cusip # - Description</u>	<u>Where Deposited</u>	<u>Interest Rate</u>	<u>PAR Value</u>	<u>Amortized Value</u>	
CA	CD	Bank of America		25,000.00	25,058.56	
TX	CD	Wells Fargo Bank		-	-	NOTE B
TX	CD	Wells Fargo Bank		-	-	NOTE B
CA	31359-MDT-7	Citibank	5.7500	250,000.00	250,000.00	NOTE A
CA	912827-7E-6	Citibank	2.7500	450,000.00	450,000.00	NOTE A
CA	912828-AB-6	Citibank	3.3750	200,000.00	200,000.00	NOTE A
CA	912828-AD-2	Citibank	3.2500	100,000.00	100,000.00	NOTE A
CA	912828-AK-6	Citibank	2.1250	175,000.00	175,000.00	NOTE A
CA	912828-AL-4	Citibank	1.8750	280,000.00	280,000.00	NOTE A
CA	912828-AR-1	Citibank	1.7500	300,000.00	300,000.00	NOTE A
CA	912828-AV-2	Citibank	1.5000	100,000.00	100,000.00	NOTE A
CA	345397-NJ-8	Citibank	6.2500	100,000.00	100,000.00	NOTE A
CA	254687-AM-8	Citibank	6.7500	100,000.00	100,000.00	NOTE A
CA	590188-HQ-4	Citibank	7.0000	100,000.00	100,000.00	NOTE A
CA	617446-AZ-2	Citibank	6.8750	100,000.00	100,000.00	NOTE A
CA	976826-BA-4	Citibank	7.0000	100,000.00	100,000.00	NOTE A
CA	458200-AQ-4	Citibank	6.4500	100,000.00	100,034.71	
CA	616880-BM-1	Citibank	6.7000	100,000.00	99,980.68	
CA	031162-AB-6	Citibank	6.5000	100,000.00	100,094.43	
CA	06422K-AA-0	Citibank	6.2500	100,000.00	100,018.56	
Ending Balance As of June 30, 2007				2,780,000.00	2,780,186.94	

NOTE A: Matured securities, Citibank holding cash proceeds.

NOTE B: Texas Certificates of Deposit proceeds sent to liquidation office in March and April 2006.

Note 2	<u>Interest Income</u>	
	Interest on Repurchase Agreements	137,334.24
	Interest on Bonds Ancillary Rec.	23,721.16
		<u>161,055.40</u>
Note 3	<u>Premiums Collected</u>	
	Premiums Collected	1,676.50
		<u>1,676.50</u>

CREDIT GENERAL INDEMNITY COMPANY, IN LIQUIDATION
LIQUIDATION DATE: DECEMBER 12, 2000
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD JANUARY 1, 2007 THROUGH JUNE 30, 2007

Note 4	Recovery of IRS Tax Refunds CGIN portion of IRS tax refund of Overassessments for tax years 1995-1998	451,321.41 <u>451,321.41</u>
Note 5	Salaries Chief Deputy Liquidator Deputy Liquidators Employee Salaries	1,312.71 8,145.63 45,984.09 <u>55,442.43</u>
Note 6	Employee Benefits Salaries 401K Employer Contribution Employee, A&H, Dental, Vision Insurance Employee Relations Other	1,084.79 8,676.32 53.89 <u>9,815.00</u>
Note 7	Payroll & Other Taxes Workers Compensation Insurance State Unemployment Tax Federal Unemployment Tax FICA	227.38 366.62 146.80 3,666.75 <u>4,407.55</u>
Note 8	Tax Preparation and Audit Fees Schneider Downs & Co., Inc.	3,227.89 <u>3,227.89</u>
Note 9	Consulting Fees and Other Outside Contracts Automatic Data Processing (ADP) Charles S. Bronitsky - Legal Consultant Kim Burnside - POC Admin. Consultant Schneider Downs & Co. - Accounting Consultants	166.27 1,375.00 385.55 0.39 <u>1,927.21</u>
	Special Counsel Kegler Brown Ritter Kegler Brown Ritter - Expense Items	39.24 0.08 <u>39.32</u>
	Total Legal Fees & Expenses	<u>39.32</u>
Note 11	Office Supply Expense Liquidation Office - Office Supplies	305.23 <u>305.23</u>
Note 12	Rent & Rent Items Rent on Leased Properties Utilities - Gas/Electric Janitorial Service Furniture Fixture Equipment Rent	5,385.00 1,803.45 385.14 2,402.44 <u>9,976.03</u>

CREDIT GENERAL INDEMNITY COMPANY, IN LIQUIDATION
LIQUIDATION DATE: DECEMBER 12, 2000
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD JANUARY 1, 2007 THROUGH JUNE 30, 2007

Note 13	<u>Equipment Expense (Includes Furniture and Fixtures Expense)</u>	
	ADT Security Systems - Includes Key Card Purchases/Reimb	38.09
	Gordon Flesch Co Inc - Copier/Fax Maintenance	95.26
	Parallel Technologies - Telephone System Maintenance	13.87
	Pan-L-Tek - Electrical Repair	3.87
		<u>151.09</u>
Note 14	<u>Travel & Travel Items</u>	
	Travel-Accom. Transportation	389.30
	Travel Expenses and Meals	45.64
		<u>434.94</u>
Note 15	<u>Postage, Freight and Telephone</u>	
	Office Postage	176.67
	Express & Freight	38.16
	Office Telephone and Fax	302.01
	Internet	97.67
		<u>614.51</u>
Note 16	<u>Data Processing</u>	
	Computer Maintenance	1,181.85
	Computer Supplies	169.52
	Computer Software Lease	1,560.97
		<u>2,912.34</u>
Note 17	<u>Investment Expense</u>	
	Investment Expense	75.00
		<u>75.00</u>
Note 18	<u>Other Expenses</u>	
	Training & Seminars	67.72
	Insurance - Building Liability	431.86
	Furniture & Equipment - Non Capitalized Purchases	15.87
	Registration and Fees	41.83
	Contract Printing	60.10
	Books & Periodicals	106.95
	Temporary Help	2,867.97
	Misc. Expenses	2.67
	Allied Interstate Inc - Collection Agency Fees	153.98
		<u>3,748.95</u>

EXHIBIT B
Credit General Insurance Company
January 1, 2007 to June 30, 2007

CREDIT GENERAL INSURANCE COMPANY, IN LIQUIDATION
LIQUIDATION DATE JANUARY 5, 2001
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
CUMULATIVE FROM JANUARY 5, 2001 TO JUNE 30, 2007

	Current Period 1/1/2007 TO 6/30/2007	Year to Date TO 6/30/2007	Cumulative From 1/5/2001
Beginning Cash & Invested Assets (Note 1)	29,019,772.78	29,019,772.78	18,679,219.65
Receipts:			
Interest Income (Note 2)	877,903.53	877,903.53	5,979,666.97
Premiums Collected (Note 3)	1,835,903.46	1,835,903.46	19,197,957.24
Recovery of Statutory Deposit	0.00	0.00	709,975.37
Production of Document Income	0.00	0.00	350.25
Reinsurance Recoveries (Note 4)	3,454,580.77	3,454,580.77	19,690,680.56
Salvage & Subrogation (Note 5)	244,437.69	244,437.69	4,057,955.66
Reimbursement of Paid Claims	0.00	0.00	1,283,347.82
Recovery from TPA'S (Note 6)	131,590.12	131,590.12	2,972,510.92
Recovery of IRS Tax Refunds (Note 7)	10,247,341.91	10,247,341.91	10,247,341.91
Recovery of Workers' Comp Deposits	0.00	0.00	85,582.77
Recovery of Cash Value of Surrendered Life Insurance Policies	0.00	0.00	1,039,301.92
Refund of General Operating Expenses	0.00	0.00	21,172.73
Refund of Payroll Taxes	0.00	0.00	1,798.90
Refund of Insurance Department Licenses & Fees	0.00	0.00	1,968.84
Uncashed and Volded Checks	0.00	0.00	216,231.90
Return of Bond Collateral	0.00	0.00	323.25
Recovery from Prudential Securities Inc.	0.00	0.00	185,906.28
Proceeds from Sale of ISO Stock	0.00	0.00	775,173.60
Insurance Recovery-Theft of Computers/Equipment	0.00	0.00	1,972.33
Recoveries from Settlement Agreements (Note 8)	15,000.00	15,000.00	2,743,725.80
Proceeds from the Sale of Assets	0.00	0.00	118,027.92
Refund of Premium Taxes & Assessments	0.00	0.00	234,452.73
Proceeds from Closed Accounts	0.00	0.00	272,325.61
Recovery from Directors and Officers (Note 9)	23,500.00	23,500.00	5,573,266.31
Recovery from LOC Drawdowns	0.00	0.00	2,195,789.89
Recovery of Preference Payments (Note 10)	35,722.70	35,722.70	2,509,427.57
Recovery of Unearned Commissions	0.00	0.00	1,038,013.29
Recoveries Under High Deductible Policies	0.00	0.00	135,072.04
Transfer of Funds from CGIC/PRS Trust to CGIC Operating Account	0.00	0.00	375,577.20
Other Income (Note 11)	4,222.06	4,222.06	118,572.36
Total Receipts	16,870,202.24	16,870,202.24	81,783,469.94
Disbursements:			
Transfer of Funds to TTC escrow account	0.00	0.00	25,224.25
Transfer of Funds to CGIC/PRS Trust account	0.00	0.00	350,973.90
Transfer of PRS Portion of IRS Tax Refund (Note 25)	4,615,787.07	4,615,787.07	4,615,787.07
Transfer of CGIN Portion of IRS Tax Refund (Note 26)	451,321.41	451,321.41	451,321.41
Reinsurance Payment	0.00	0.00	5,000.00
Transfer of Funds to CGIC Cash Collateral	0.00	0.00	15,006.77
Reinsurance Ceded-AmTrust	0.00	0.00	2,326,068.04
Compensation			
Salaries (Note 12)	746,313.97	746,313.97	9,892,781.77
Employee Benefits (Note 13)	100,261.97	100,261.97	819,668.63
Payroll & Other Taxes (Note 14)	60,918.09	60,918.09	610,026.56
Professional Fees			
Legal Fees (Note 15)	595,071.96	595,071.96	14,645,508.88
Consulting Fees and Other Outside Contracts (Note 16)	1,589,322.45	1,589,322.45	24,818,903.70
Ohio Dept of Insurance-Examiner Fees	0.00	0.00	172,035.72
Accounting Fees (Note 17)	5,490.66	5,490.66	282,139.65
Other Expenses of Administration of Company and its Property:			
Rent & Rent Items (Note 18)	120,733.28	120,733.28	1,460,701.95
Equipment Expense (Note 19)	2,858.12	2,858.12	147,031.84
Travel & Travel Items (Note 20)	10,546.75	10,546.75	754,210.20
Postage, Freight, Internet, and Telephone (Note 21)	16,060.91	16,060.91	348,093.24
Office Supply Expense (Note 22)	6,015.26	6,015.26	100,390.65
Data Processing (Note 23)	26,182.79	26,182.79	292,692.37
Draft Clearing - Cleared Commercial Claims Checks	0.00	0.00	497,058.52
Security Deposit Expense	0.00	0.00	1,733.34
Investment Expense (Note 24)	1,608.99	1,608.99	59,850.69
Commissions and Brokers Direct	0.00	0.00	298,437.18
Third Party Administrators	0.00	0.00	1,181.63
Return of Funds Received in Error	0.00	0.00	404,193.39
Settlement Expense	0.00	0.00	85,657.16
Other Expenses (Note 27)	54,632.93	54,632.93	2,372,793.98
All Other Disbursements:			
Net Purchases (Proceeds) in Ancillary Security Deposits (Note 28)	(956.25)	(956.25)	275,168.09
Total Disbursements	8,402,170.36	8,402,170.36	66,129,620.58
Net Decrease in Impaired Assets	0.00	0.00	(662,114.85)
Increase in Encumbered Cash Accounts (Note 29)	38,146.58	38,146.58	1,554,895.20
Recovery of Special Deposits	0.00	0.00	2,446,123.86
Security Amortization for the Period	7,868.90	7,868.90	(138,153.08)
Ending Cash & Invested Assets (Note 1)	37,533,820.14	37,533,820.14	37,533,820.14

See Schedule A for Analysis of Increase in Cash and Invested Assets (Unencumbered)

**CREDIT GENERAL INSURANCE COMPANY, IN LIQUIDATION
LIQUIDATION DATE JANUARY 5, 2001
ANALYSIS OF INCREASE IN CASH AND INVESTED ASSETS (UNENCUMBERED)
FOR THE PERIOD JANUARY 1, 2007 THROUGH JUNE 30, 2007**

SCHEDULE A

Beginning Cash (Unencumbered) and Non Cash (Encumbered) Assets as of 01/01/07	36,532,710.57
Net Increase in Cash and Invested Assets (Unencumbered)	8,475,900.78
Net Increase in Cash and Invested Assets (Encumbered)	38,146.58
Net Increase in Non Cash Assets (Encumbered)	<u>7,835.43</u>
Ending Cash (Unencumbered) and Non Cash (Encumbered) Assets as of 06/30/07	<u><u>45,054,593.36</u></u>

Credit General Insurance Company, In Liquidation
 Liquidation Date: January 5, 2001
 Notes to Statement of Cash Receipts and Disbursements
 Cumulative From 1/5/01 to 06/30/07

Unencumbered Cash & Invested Assets	Ending Balance 12/31/2006	Ending Balance 6/30/2007
Note 1 <u>Cash and Invested Assets</u>		
Unencumbered Cash & Invested Assets		
Cash	87,400.00	28,431.88
Repurchase Agreements	26,657,000.00	35,184,000.00
Bonds at Amortized Value	749,220.18	757,089.08
Talcoff Notch-Other Structured Securities	1.06	1.06
Common Stock	120.00	120.00
Short Term Investments	9,282.92	9,282.92
Total Unencumbered Cash & Invested Assets	27,503,024.16	35,978,924.94
Encumbered Cash Assets	1,516,748.62	1,554,895.20
Total Cash & Invested Assets (Note 1)	29,019,772.78	37,533,820.14
Encumbered Non Cash Assets:		
Statutory Deposits (A)	7,512,937.79	7,520,773.22
Total Cash and Invested Assets and Non Cash Assets	36,532,710.57	45,054,593.36

Note A These assets are held by various state insurance departments as statutory deposits for the benefit of creditors in their states. It is uncertain whether all or any portion of such assets will be returned to the Liquidator.

<u>State</u>	<u>Cusip # Description</u>	<u>Where Deposited</u>	<u>PAR Value (12/31/06)</u>		<u>PAR Value (06/30/07)</u>	
ID	CDA0010973(Formerly CDA007508/8571)	Wells Fargo	279,012.98		283,410.19	
ID	CDA007508	Wells Fargo	3,718.78		3,845.08	
GA	Money Market - Matured Proceeds	Wachovia Bank, N.A.	35,125.07	B	38,436.99	B
GA	912827S86-Matured Proceeds	Wachovia Bank, N.A.	60,000.00	B	60,000.00	B
GA	912828BE9-Matured Proceeds	Wachovia Bank, N.A.	40,000.00	B	40,000.00	B
MA	912828BU3-Matured Proceeds (not replaced as of 06/30/07)	State Street Bank	340,000.00	B	340,000.00	B
MA	912828CF5-Matured Proceeds (not replaced as of 06/30/07)	State Street Bank	100,000.00	B	100,000.00	B
MA	912828DN7-Matured Proceeds (not replaced as of 06/30/07)	State Street Bank	750,000.00		750,000.00	B
AR	912828E29 - Various Matured Proceeds Put Into 1 Security	Bank of America	510,000.00	B	510,000.00	B
DOL	912828EH9 (Formerly 912828BJ8)	Federal Reserve Bank	820,000.00		820,000.00	
DOL	912828EH9 (Formerly 912828BJ8)	Federal Reserve Bank	200,000.00		200,000.00	
MA	912828EF3 (Formerly 957526AA4)	State Street Bank	500,000.00		500,000.00	
MA	912828EP1 (Formerly 912828BL3)	State Street Bank	420,000.00		420,000.00	
LA	912828EP1 (Formerly 912828BE9)	Hibernia Trust	70,000.00		70,000.00	
MA	575827EL0	State Street Bank	755,000.00		755,000.00	
ME	560551CA9	Key Trust Co./ McDonalds Invest.	200,000.00		200,000.00	
CA	CD - Matured Proceeds	Bank of America	40,000.00	B	40,000.00	B
CA	CD - Matured Proceeds	Bank of America	25,000.00	B	25,000.00	B
FL	341422JT1 - Matured Proceeds	First Union Nat'l. Bank	115,000.00	B	115,000.00	B
FL	912827W65 - Matured Proceeds	First Union Nat'l. Bank	110,000.00	B	110,000.00	B
NC	Money Market - Matured Proceeds	Wachovia Bank, N.A.	655,356.59	B	655,356.59	B
AZ	912827V66 - Matured Proceeds	BNY Western Trust Co.	110,000.00	B	110,000.00	B
AZ	912827G6 - Matured Proceeds	BNY Western Trust Co.	50,000.00	B	50,000.00	B
NM	Money Market - Matured Proceeds	The Bank of Santa Fe Trust	65,000.00	B	65,000.00	B
NM	Money Market - Matured Proceeds	The Bank of Santa Fe Trust	200,000.00	B	200,000.00	B
VA	921827V66 - Matured Proceeds	SunTrust	210,000.00	B	210,000.00	B
VA	912827L83- Matured Proceeds	SunTrust	25,000.00	B	25,000.00	B
OR	912827G6 - Matured Proceeds	US National Bank	330,000.00	B	330,000.00	B
NM	912827L83 - Matured Proceeds	The Bank of Santa Fe Trust	70,000.00	B	70,000.00	B
OK	679087AG1 - Matured Proceeds	Bank One	305,000.00	B	305,000.00	B
DE	Money Market - Matured Proceeds	Mellon Bank	119,724.37	B	119,724.37	B
SC	912827L83- Matured Proceeds	Wachovia Bank, N.A.	-	C	-	C
NV	912828CD0 (Formerly 912828AL4)	National City Bank	-	D	-	D
SC	912828AB6 - Matured Proceeds	Wachovia Bank, N.A.	-	C	-	C
MI	912827V66 - Matured Proceeds	Bank One, Michigan	-	C	-	C
			7,512,937.79		7,520,773.22	

Note B The various named Ancillaries kept the matured proceeds and have not reinvested them to our knowledge. They will stay in the account at their matured values until otherwise notified by the corresponding Ancillary office.

Note C The Michigan P & C Guaranty Association submitted a final accounting of the \$500,000 security deposit. On 6/13/05, \$348,948.54 was returned to the OH Liquidator. The remaining funds were used by MI to reimburse IGA Paid Losses, LAE and Administrative costs.

The South Carolina P & C Insurance Guaranty Association submitted a final accounting of the \$250,000 security deposit. The entire sum was used by SC to reimburse IGA Paid Losses, LAE and Administrative costs.

Note D The matured proceeds of the Nevada deposit were released to the liquidator and the funds are currently being invested in short term repurchase agreements. The Nevada IGA had previously requested the release of these funds to the IGA and the liquidator is in current discussions with the Nevada IGA regarding the status of these funds.

Credit General Insurance Company, In Liquidation
 Liquidation Date: January 5, 2001
 Notes to Statement of Cash Receipts and Disbursements
 Cumulative From 1/5/01 to 06/30/07

Note 2	<u>Interest Income</u>	
	Interest on Bonds	11,527.15
	Interest Paid on Bonds	(9,655.32)
	Interest on Repurchase Agreements	722,926.46
	Interest on Bonds Held as Statutory Deposit	114,870.17
	Int-Other Invested Assets - Interest Earned in Repo IRS Tax Refund	9,962.69
	Accrued Interest Income - California Commerical Ins Svcs/S. Stein Settlement	28,272.38
		<u>877,903.53</u>
Note 3	<u>Premiums Collected</u>	
	Receipt of Uncollected Premium	185,903.46
	California Commercial Ins. Svcs./S. Stein/Clarion Ins Co. Settlement	1,650,000.00
		<u>1,835,903.46</u>
Note 4	<u>Reinsurance Recoveries</u>	
	Hurst Holmes Ins Co	655,477.52
	Clarendon National Ins. Co.	2,000,000.00
	Sydney Re	9,798.10
	Medical Reinsurance Co.	591,400.32
	Federal Insurance Co.	197,904.83
		<u>3,454,580.77</u>
Note 5	<u>Salvage & Subrogation</u>	
	Salvage & Subrogation	197,503.65
	Indiana Dept. of Natural Resources	46,934.04
		<u>244,437.69</u>
Note 6	<u>Recovery from TPA's</u>	
	Gallagher Bassett	131,590.12
		<u>131,590.12</u>
Note 7	<u>Recovery of IRS Tax Refunds</u>	
	IRS tax refund received by CGIC/PRS Trust account	10,247,341.91
		<u>10,247,341.91</u>
<p>Total Amount of Tax refund was \$10,247,341.91 received on 6/01/07. The split per the agreement with PRS was that CGIC would receive 55% of tax refund and PRS would receive 45% of tax refund. PRS share was \$4,611,303.86 at 6/01/07. The amount was transferred on 6/11/07 with \$4,483.21 of earned interest. Total remitted to PRS was \$4,615,787.07. CGIC's Share was \$5,636,038.05, CGIN's share of the CGIC total was 8% - \$450,883.04 plus interest through 6/11/07 of \$438.36. Total remitted to CGIN was \$451,321.41. CGIC's share of the Refund was \$5,185,155.01 plus 5,041.11 in interest earned in CGIC/PRS Trust for a total transfer to Operating in the amount of \$5,190,196.12.</p>		
Note 8	<u>Recovery from Settlement Agreements</u>	
	Mountain View Construction	15,000.00
		<u>15,000.00</u>
Note 9	<u>Recovery from Directors and Officers</u>	
	John Boyko	1,000.00
	Ronald Pipoly	10,000.00
	Lewis Battaglia	5,000.00
	Stephen Greenfield	7,500.00
		<u>23,500.00</u>
Note 10	<u>Recovery of Preference Payments</u>	
	E J Halverson and Associates	35,722.70
		<u>35,722.70</u>

Credit General Insurance Company, In Liquidation
 Liquidation Date: January 5, 2001
 Notes to Statement of Cash Receipts and Disbursements
 Cumulative From 1/5/01 to 06/30/07

Note 11	<u>Other Income</u>	
	Intercompany Income-Equipment Income	3,643.32
	Intercompany Reimbursement of Expenses from Prior Period	578.74
		<u>4,222.06</u>
Note 12	<u>Salaries</u>	
	Chief Deputy Liquidator Salary	23,909.38
	Deputy Liquidator Salaries	69,683.07
	Employee Salaries	652,721.52
		<u>746,313.97</u>
Note 13	<u>Employee Benefits</u>	
	Salaries 401K Employer Contribution	16,308.11
	Employee Insurance Benefits	83,068.60
	Employee Relations Other	885.26
		<u>100,261.97</u>
Note 14	<u>Payroll & Other Taxes</u>	
	Workers Compensation Insurance	2,005.92
	State Unemployment Tax	3,321.33
	Federal Unemployment Tax	1,313.90
	FICA Tax	54,276.94
		<u>60,918.09</u>
Note 15	<u>Legal Fees</u>	
	<u>Special Counsel</u>	
	Dinsmore & Shohl LLP	236,843.50
	Kegler Brown Hill & Ritter	247,340.78
	Klehr Harrison Harvey Branzburg & Eilers LLP	893.00
	Tribler Orpett & Meyer PC	87,131.00
	Subtotal Special Counsel Legal Fees	<u>572,208.28</u>
	<u>Legal Expenses</u>	
	Dinsmore & Shohl LLP	9,055.35
	Kegler Brown Hill & Ritter	11,056.91
	Klehr Harrison Harvey Branzburg & Eilers LLP	38.00
	Tribler Orpett & Meyer PC	2,713.42
	Subtotal Special Counsel Legal Expenses	<u>22,863.68</u>
	Total Legal Fees and Expenses	<u>595,071.96</u>

Credit General Insurance Company, In Liquidation
 Liquidation Date: January 5, 2001
 Notes to Statement of Cash Receipts and Disbursements
 Cumulative From 1/5/01 to 06/30/07

Note 16	<u>Consulting Fees and Other Outside Contracts</u>	
	1099 Connection - 1099 Preparation	38.67
	ADP - Payroll Processing	1,549.72
	All World Tracers - Claims Consultant	63.60
	Buitner Hammock & Company - Accounting Consultants	60,953.01
	Charles S. Bronitsky - Legal Consultant	1,375.00
	Chester Wilcox & Saxbe LLP - Legal Consultant	4,710.00
	Diane L. Holewinski - Claims Consultant	18,081.03
	Dinsmore & Shohl LLP - Monthly Extranet Services	8,352.00
	Dykema Gossett - Claims Consultant	965.37
	Glenn Cornett - Claims Consultant	34,127.50
	Greer Law Office - Claims Consultants	5,000.00
	James Patterson - Claims Consultant	2,439.00
	Jamie Mason - Accounting Consultant	27,840.49
	Kathleen McCain - Legal Consultant	209,195.00
	KB Resolutions - Reinsurance Consultant	13,281.25
	Kegler Brown Hill & Ritter - Various Third-Party Legal Consultants - Agents Litigations	198,817.21
	Kim Burnside - POC Admin. Consultant	4,279.70
	LS Consulting LLC - Accounting Consultants	227,791.00
	Madison Consulting Group - Actuarial Consultants	83,349.67
	Nesser Consulting Group - Accounting Consultants	160,815.00
	Paragon Reinsurance Risk - Reinsurance Consultant	178,837.00
	Pluschau Consultants - Accounting Consultants	26,798.00
	Price Waterhouse Coopers - Tax Consultants	72,710.65
	Quinn Vu - Premium Audit Consultants	640.00
	Steven M. Schroeder - Reinsurance Consultant	117,178.30
	Steven B. Squires - Legal Consultant	8,977.20
	Tharp and Associates - Legal Consultant	35,487.93
	Thomas P. Clarke - Claims Consultant	57,929.52
	Thomas R. Brewer - Claim Consultant	180.00
	Veris Consulting LLC - Legal Consultants	27,559.63
		<u>1,589,322.45</u>
Note 17	<u>Accounting Fees</u>	
	Schneider Downs & Co., Inc.	5,490.66
		<u>5,490.66</u>
Note 18	<u>Rent & Rent Items</u>	
	Rent on Leased Properties	71,297.13
	Utilities - Gas/Electric	21,208.85
	Janitorial Service	7,405.80
	Furniture Fixture & Equipment Rent	20,821.50
		<u>120,733.28</u>
Note 19	<u>Equipment Expense-(Includes Furniture and Fixtures Expense)</u>	
	ABCO Fire Protection - Fire Extinguisher Maintenance	312.48
	ADT Security Services (Includes keycard activity)	355.62
	Custom Air	261.25
	Gordon Flesch Co Inc - Copier Maintenance	1,557.30
	IKON Office Solutions - Copier Rent & Maintenance	142.78
	Legacy Commercial Flooring - Carpet Repair	50.00
	Pan-L-Tek Inc - Electrical Repair	37.14
	Parallel Technologies - Copier/Fax Maintenance	141.55
		<u>2,858.12</u>
Note 20	<u>Travel & Travel Items</u>	
	Liquidation Employees - Travel & Accommodation	9,340.78
	Liquidation Employees - Meals	1,205.97
		<u>10,546.75</u>

Credit General Insurance Company, In Liquidation
 Liquidation Date: January 5, 2001
 Notes to Statement of Cash Receipts and Disbursements
 Cumulative From 1/5/01 to 06/30/07

Note 21	<u>Postage, Freight, Internet, and Telephone</u>	
	Postage	5,297.31
	Express & Freight	877.42
	Telephone and Fax	8,397.26
	Internet	1,488.92
		<u>16,060.91</u>
Note 22	<u>Office Supply Expense</u>	
	Office Expense	6,015.26
		<u>6,015.26</u>
Note 23	<u>Data Processing</u>	
	Computer Maintenance	10,550.22
	Computer Supplies	1,611.67
	Computer Software Lease	14,020.90
		<u>26,182.79</u>
Note 24	<u>Investment Expense</u>	
	Various Custodial Fees	1,608.99
		<u>1,608.99</u>
Note 25	<u>Transfer of PRS Portion of IRS Tax Refund</u>	
	Transfer of PRS portion of IRS 1995-1998 Tax Refund	4,611,303.86
	Transfer of Interest earned on PRS' portion of IRS 1995-1998 Tax Refund	4,483.21
	Total Amount Transferred to PRS for Tax Refund plus interest Earned Prior to Pmt.	<u>4,615,787.07</u>
Note 26	<u>Transfer of CGIN Portion of IRS Tax refund</u>	
	Transfer of Indemnity's portion of IRS 1995-1998 Tax Refund	450,883.04
	Transfer of Interest earned on CGIN's portion of IRS 1995-1998 Tax Refund	438.37
	Total Amount Transferred to CGIN for Tax Refund plus Interest Earned Prior to Pmt.	<u>451,321.41</u>
Note 27	<u>Other Expenses</u>	
	Computer Hardware - Printer Hardware/Software Purchase	25,269.34
	Collection Agency Fees - Premiums and Unearned Commissions	4,511.16
	Training & Seminars	633.31
	Insurance - Building Liability	4,404.97
	Registration and Dues	369.23
	Furniture & Equipment - Non Capitalized Purchases	140.17
	Books & Periodicals	1,177.70
	Contract Printing	595.36
	Collection & Bank Charges - Refund of Late Bank Fee Charged 12/06	(39.00)
	Moving Expense - Pan-L-Tek/Roadway Express - CCIS files relocation	6,433.78
	Temporary Help	5,839.68
	Copying Projects	4,499.78
	Miscellaneous Expenses	797.45
		<u>54,632.93</u>
All Other Disbursements		
Note 28	<u>Net Proceeds/Purchases in Ancillary Security Deposits</u>	
	Net Change in Replacement Cost of Matured AR Ancillary Security	(956.25)
		<u>(956.25)</u>

Note 29 Encumbered Cash Accounts (Cumulative)

Cash Collateral:

Reliance Insurance Collateral Account - Subrogation Recoveries	17,182.58	
Unified Staffing & Associates LOC Drawdown	28,520.60	
Distribution Services LOC Drawdown	16,284.79	
Pacific Secured Equities LOC Drawdown	134,046.91	
Total in Cash Collateral Account		196,034.88

TTC Cash Collateral		1,061,472.11
Oregon Special Deposits Proceeds		297,387.21

CGIC/PRS Bankruptcy Trust:

Trust Balance @ 1/1/07	1.00	
Wire transfers received by CGIC/PRS Trust for IRS tax refund - 6/01/07	10,247,341.91	(See Note 7)
Interest Earned on CGIC/PRS IRS tax Refund 6/01-6/11/07	9,962.69	(See Note 2)
CGIC portion of IRS tax refund transferred to Operating with Interest	(5,190,196.12)	(See Note 7)
PRS Trustee portion of IRS tax refund transferred to PRS w/interest	(4,615,787.07)	(See Note 25)
CGIN portion of IRS tax refund transferred to CGIN w/interest	(451,321.41)	(See Note 26)

Total in CGIC/PRS Bankruptcy Trust		1.00
		1,554,895.20