

IN THE COURT OF COMMON PLEAS, FRANKLIN COUNTY, OHIO

Mary Jo Hudson, Superintendent, Ohio
Department of Insurance, in her capacity as
Liquidator of Builders & Contractors
Employee Benefit Association Trust,

Case No. 02CVH02-2010

Plaintiff,

Judge Schneider

v.

Builders & Contractors Employee Benefit
Association Trust,

Defendant.

FILED
COMMON PLEAS COURT
FRANKLIN CO. OHIO
2008 JUN 12 AM 10:52
CLERK OF COURTS-C

**APPLICATION FOR ORDER: DISCHARGING AND RELEASING LIQUIDATOR;
AUTHORIZING FINAL ACCOUNTING, AUDIT REPORT AND FILING OF TAX
RETURN; AUTHORIZING CLOSING ESTATE AND SURRENDERING THE
CERTIFICATE OF AUTHORITY OF MEWA; APPROVING DESTRUCTION OF
RECORDS AND AUTHORIZATION
OF RELATED ACTIONS**

Plaintiff, Mary Jo Hudson, Ohio Superintendent of Insurance, in her capacity as Liquidator (the "Liquidator") of Builders & Contractors Employee Benefit Association Trust hereby moves this Court, pursuant to R.C. 3903.46(A), 3903.48, and 3903.21, for an Order:

1. Pursuant to R.C. 3903.46(A), discharging and releasing the Liquidator, her predecessors, assigns and any and all deputy liquidators and/or deputy rehabilitators, agents or employees of the Liquidator and employees of the Ohio Department of Insurance, of all liability relating to or involving any and all actions and decisions concerning Builders & Contractors Employee Benefit Association Trust ("BCEBAT"), the BCEBAT liquidation and/or rehabilitation proceedings or any proceedings related thereto;

2. Authorizing the Liquidator or her designee to retain limited authority for the following purposes: (a) taking such actions as set forth in the Final Order of No Asset Liquidation and Appointment of Liquidator filed on March 21, 2008; (b) filing a final accounting with the Court; (c) filing a final audit report with the Court; (d) executing the final BCEBAT 2008 tax return and filing it with the Internal Revenue Service in the manner provided by law; and (e) taking all related actions as authorized or as deemed necessary and appropriate by the Liquidator under various sections of R.C. Chapter 3903;
3. Closing the liquidation estate and, if necessary, surrendering the certificate of authority for BCEBAT to operate as a Multiple Employer Welfare Association (MEWA) that was granted pursuant to R.C. 1739.04 and in accordance with the actions authorized by the proposed Order; and;
4. Authorizing the Liquidator to take any and all related actions required to close the estate or carry out the orders of this Court, including, but not limited to, reserving \$20,350.00 for the payment of administrative expenses under Class 1 related to closing the BCEBAT estate, that the Liquidator incurred, but has not yet paid, or anticipates will necessarily be incurred.

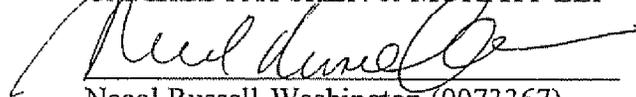
Respectfully submitted,

NANCY HARDIN ROGERS

Attorney General of Ohio

By Outside Counsel:

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as Liquidator of Builders & Contractors Employee
Benefit Association Trust

MEMORANDUM IN SUPPORT OF MOTION

On March 21, 2008, this Court issued an Order placing Builders & Contractors Employee Benefit Association Trust (“BCEBAT”) in a “No Asset” liquidation pursuant to Chapter 3903 of the Ohio Revised Code and appointing the Ohio Superintendent of Insurance as Liquidator (the “Liquidation Order”). Since the date the Liquidation Order was entered, the Liquidator has worked to expeditiously finalize all remaining administrative tasks necessary to close the estate as there are no funds with which to pay claims. The Liquidation Order further directed the Liquidator to close BCEBAT as soon as practicable after obtaining a federal release. On May 27, 2008, this Court approved the Release Agreement that was entered into between BCEBAT and the United States, which confirmed that the Liquidator had obtained the federal release.

Section 3903.46(A) of the Ohio Revised Code specifically authorizes the Court, in connection with the Liquidator’s application for discharge, to “grant the discharge and make any other orders, including an order to transfer any remaining funds that are uneconomic to distribute, as may be appropriate.” In this estate, there are no funds remaining except for the minimal amount of \$20,350.00 required to pay the administrative expenses necessary to conclude the administration of this liquidation proceeding.

The Liquidator has otherwise reviewed the books and records of the BCEBAT estate and determined that all other matters involving the estate have substantially been finalized, other than three ministerial functions, which cannot be performed until after the closing of the liquidation takes place.

The first two are a final accounting and a final auditor's report of the estate, in the form of previous auditor's reports submitted to this Court. This accounting and auditor's report will be filed with the Court upon their completion. Thirdly, a final 2008 tax return must be prepared and filed with the Internal Revenue Service ("IRS"). For these reasons, the Liquidator requests this Court to authorize the Liquidator or her designee to retain authority to prepare and file the final accounting, to obtain and file a final audit report, and to execute a final 2008 tax return and file it with the IRS in the manner provided by law, thus completing the liquidation of BCEBAT. Finally, once the liquidation of BCEBAT is completed and the Liquidator is discharged, then the certificate of authority to operate as a MEWA should be surrendered if it has not already been suspended or revoked pursuant to R.C. 1739.04 (C) and (D).

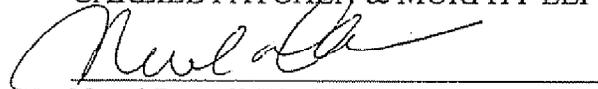
Accordingly, the Liquidator moves this Court for an Order:

1. Pursuant to R.C. 3903.46(A), discharging and releasing the Liquidator, her predecessors, assigns and any and all deputy liquidators and/or deputy rehabilitators, agents or employees of the Liquidator and employees of the Ohio Department of Insurance, of all liability relating to or involving any and all actions and decisions concerning BCEBAT, the BCEBAT liquidation and/or rehabilitation proceedings or any proceedings related thereto;
2. Authorizing the Liquidator or her designee to retain limited authority for the following purposes: (a) filing a final accounting with the Court; (b) filing a final audit report with the Court; and (c) executing the final BCEBAT 2008 tax return and filing it with the Internal Revenue Service in the manner provided by law;

3. Closing the BCEBAT liquidation estate effective immediately and, if necessary, surrendering the MEWA certificate of authority that was granted pursuant to R.C. 1739.04, in accordance with the actions authorized by this Order;
4. Pursuant to R.C. 3903.48, approving and authorizing the destruction of any BCEBAT books and records remaining after this Court's May 13, 2008 records destruction order, as follows: (1) all books and records that are more than 7 years old may be immediately destroyed; and (2) all other books and records may be destroyed on or after the date three years following the date of the order granting this application; and
5. Authorizing the Liquidator to take any and all related actions required to close the estate or carry out the orders of this Court, including, but not limited to, reserving \$20,350.00 for the payment of administrative expenses under Class 1 related to closing the BCEBAT estate, that the Liquidator incurred, but has not yet paid, or anticipates will necessarily be incurred.

Respectfully submitted,

NANCY HARDIN ROGERS
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