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IN THE COURT OF COMMON PLEAS
FRANKLIN COUNTY, OHIO

MARY TAYLOR,	:	
Superintendent of Insurance	:	CASE NO. 08CVH07-10725
in her Capacity as Liquidator of	:	
The Guarantee Title and Trust Company,	:	
	:	JUDGE GUY L. REECE, II
Plaintiff,	:	
	:	
vs.	:	
	:	
The Guarantee Title and Trust Company,	:	
	:	
Defendant.	:	

**MOTION FOR APPROVAL OF LIQUIDATOR'S FINAL PERIODIC ACCOUNTING
FOR THE PERIOD OF JULY 1, 2011 TO SEPTEMBER 30, 2011**

Plaintiff, Mary Taylor in her capacity as Liquidator of The Guarantee Title and Trust Company ("GTT") requests this Court for an Order approving the Final Statement of Receipts and Disbursements for the period July 1, 2011 to September 30, 2011, as set forth in the attached Exhibit A. A Memorandum in Support is attached.

Respectfully submitted,

MIKE DEWINE
Attorney General State of Ohio

By Outside Counsel:
KOHRMAN, JACKSON & KRANTZ, LLP

/s/ VALORIA C. HOOVER
Valoria C. Hoover (0059596)
655 Metro Place South, Suite 600
Dublin, OH 43017
Telephone: (614) 408-9700
Facsimile: (216) 621-6536
vch@kjk.com
Attorneys for Mary Taylor, Superintendent of Insurance, in her Capacity as Liquidator of The Guarantee Title and Trust Company

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MEMORANDUM IN SUPPORT

On September 27, 2011, this Court entered a Final Closing Order terminating the GTT liquidation proceedings, discharging the Liquidator, closing GTT bank accounts and closing this liquidation estate (the "Closing Order"). Pursuant to Ohio Revised Code 3903.46(A), paragraph 5(A) of the Closing Order requires the Liquidator to file for post-closure approval of a final periodic accounting with the Court. This Motion requests approval of the Liquidator's Final Statement of Receipts and Disbursements for the period July 1, 2011 to September 30, 2011, as set forth in the attached Exhibit A (the "Final Periodic Accounting").

As further background: On October 27, 2008, this Court entered a Liquidation Order declaring GTT insolvent and appointing the Ohio Superintendent of Insurance as Liquidator (the "Liquidation Order"). The Liquidation Order authorized and directed the Liquidator to liquidate the assets of GTT in accordance with the laws of Ohio under the continuing jurisdiction of this Court. As part of the liquidation, and pursuant to the Liquidation Order and Ohio Revised Code Chapter 3903 (Ohio Revised Code hereinafter shall be referred to as "R.C."), the Liquidator collected, where reasonable, all debts and moneys due to GTT, and made payment of necessary expenses. The Liquidation Order and R.C. 3903.21(A)(4) further 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.

The Liquidation Order and R.C. 3903.18(E) require the Liquidator to submit periodic accountings to the Court throughout the pendency of the liquidation proceeding. Such accountings may assist the Court in monitoring the progress and status of the liquidation, and in particular, the receipts and disbursements in the GTT liquidation proceedings. Prior to this

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motion, the Liquidator filed periodic accountings with this Court throughout the course of the liquidation, all of which this Court approved. The Final Periodic Accounting for the period July 1, 2011 to September 30, 2011 is attached as Exhibit A.

On June 8, 2011, this Court entered an order approving the Liquidator's final report of claims and authorizing the Liquidator to make a final pro rata distribution of the remaining assets of GTT to claimants in Classes 1 and 2, as defined in R.C. 3903.42 (the liquidation priority statute), on their allowed proofs of claims ("the Final Distribution Order"). The Court's Final Distribution Order approved, as part of the Class 1 (administrative expense) final distribution, the Liquidator's reservation of \$53,948.15 from the assets of the GTT estate to pay known, future Class 1 administrative expenses after May 22, 2011.

On September 27, 2011, this Court entered a Final Closing Order pursuant to R.C. 3903.46 and related sections. Among other things, the Final Closing Order ordered the Liquidator to file a post-closure Final Periodic Accounting, discharged the Liquidator, terminated this case and closed the GTT liquidation estate. The Final Closing Order also approved the Liquidator's pre-payment of the GTT estate's unpaid administrative expenses related to the closing of GTT to another liquidation estate, LMI Insurance Company in Liquidation ("LMI"), for its administration and payment of the remaining administrative expenses¹. Consistent with long standing administrative operating procedures approved in the LMI Liquidation Case and in this case, the post-liquidation closing obligations of GTT were transferred through a prepayment of the remaining GTT court-authorized reserve, to LMI. Therefore, this category of expenses is not included in the attached Final Periodic Accounting.

¹ The Liquidator administers and accounts for the administrative holdback pursuant to the long standing Administrative Operating Procedure updated and approved most recently on December 21, 2010 in the LMI Liquidation Case, Case No. 00CVH03-2431 (the "updated AOP"). The Court in the GTT Liquidation case approved the updated AOP on January 12, 2011. The process set forth in the updated AOP for Closed Estates has been in place since the early 1990s.

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For the reasons set forth above, the Liquidator respectfully requests that this Court enter an Order approving the attached Final Periodic Accounting.

Respectfully submitted,

MIKE DEWINE
Attorney General State of Ohio

By Outside Counsel:

KOHRMAN, JACKSON & KRANTZ, LLP

/s/ VALORIA C. HOOVER

Valoria C. Hoover (0059596)
655 Metro Place South, Suite 600
Dublin, OH 43017
Telephone: (614) 408-9700
Facsimile: (216) 621-6536
vch@kjk.com
Attorneys for Mary Taylor, Superintendent of
Insurance, in her Capacity as Liquidator of The
Guarantee Title and Trust Company

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CERTIFICATE OF NOTICE

I hereby certify that a true and accurate copy of the foregoing Motion for Approval of the Liquidator's Final Periodic Accounting for the Period July 1, 2011 to September 30, 2011 was posted on the Liquidator's website (www.ohliq.com) substantially contemporaneous with the filing of this Motion

/s/ VALORIA C. HOOVER

Valoria C. Hoover (0059596)

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EXHIBIT A
Final Periodic Accounting
July 1, 2011 to September 30, 2011

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THE GUARANTEE TITLE AND TRUST COMPANY, IN LIQUIDATION
LIQUIDATION DATE OCTOBER 27, 2008
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
CUMULATIVE FROM OCTOBER 27, 2008 THROUGH SEPTEMBER 30, 2011

	Current Period 07/01/11 TO 09/30/11	Year to Date TO 09/30/11	CUMULATIVE FROM 10/27/08
Beginning Cash & Invested Assets	34,744.31	1,349,418.01	1,622,322.78
Receipts:			
Interest Income	0.77	6,117.21	80,081.13
Premiums Collected	0.00	0.00	40,990.12
Recoveries from Claim Recoupments	0.00	0.00	185,281.15
Notes Receivable	282.29	840.57	3,534.36
Return of Special Deposits	0.00	1,360,029.17	2,413,335.24
Policy Fees Collected	0.00	0.00	183.00
Service Fees Collected	0.00	0.00	4,721.26
Title Search Fee Income	0.00	0.00	0.00
Closing Protection Letter Income	0.00	0.00	0.00
Proceeds from Sale of Assets	0.00	377.71	1,899.34
Uncashed and Voided Checks	0.00	0.00	1,146.89
Reinsurance Recoveries	0.00	0.00	0.00
Salvage & Subrogation	0.00	0.00	0.00
Recovery of Funds from Closure of Clerk of Court Accounts	0.00	0.00	5,959.10
Endorsements Collected	0.00	0.00	2,315.00
Intercompany Reimbursements of Expenses from Prior Period	0.00	0.00	63,401.65
Proceeds from Rent on Subleased Office Space	0.00	0.00	4,416.25
Recoveries from Settlement Agreements	0.00	0.00	1,026.84
TIEFF Administrative Fee Collected	0.00	0.00	106.00
Recovery of Tax Refund & Assessment	0.00	0.00	8,800.00
Return of General Operating Expenses	0.00	0.00	1,286.51
Proceeds from PIC Closure - Funds Released to Other Insurance Companies - Admin Exp.	0.00	0.00	27,255.65
Proceeds from Settlement with Directors & Officers	0.00	302,500.00	302,500.00
Return of Monies Held in Trust - C. Jones & J. Jones	0.00	40,000.00	40,000.00
Release of GTT Funds Held in GTT Accounts	0.00	121,801.55	121,801.55
Voided Class 2 Distribution Checks	166,704.56	166,704.56	166,704.56
Other Income	317.71	959.43	7,166.18
Total Receipts	167,305.33	1,999,330.20	3,483,911.78

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THE GUARANTEE TITLE AND TRUST COMPANY, IN LIQUIDATION
LIQUIDATION DATE OCTOBER 27, 2008
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
CUMULATIVE FROM OCTOBER 27, 2008 THROUGH SEPTEMBER 30, 2011

	Current Period 07/01/11 TO 09/30/11	Year to Date TO 09/30/11	CUMULATIVE FROM 10/27/08
Disbursements:			
Premiums Payments	0.00	0.00	4,146.16
Compensation:			
Salaries **See Note Below	6,421.71	46,845.99	732,338.30
Employee Benefits	872.88	5,698.28	56,047.97
Payroll and Other Taxes **See Note Below	518.03	3,375.73	45,468.71
Professional Fees:			
Legal Fees **See Note Below	223.98	9,102.13	446,148.72
Consulting Fees and Other Outside Contracts	49.16	1,017.55	138,855.52
Tax Preparation and Audit Fees & Expenses **See Note Below	20,500.00	26,100.00	49,170.76
Ohio Department of Insurance - Examiner Fees	0.00	0.00	352.99
Other Expenses of Administration of Company and its Property:			
Rent and Rent Items **See Note Below	4,836.28	23,420.99	175,160.19
Maintenance / Repair: Facility and FF & E	28.64	142.54	919.35
Travel and Travel Items	0.00	194.04	24,467.73
Postage, Freight, Telephone and Internet	130.31	786.55	81,275.51
Office Supply Expense	11.99	74.08	2,850.39
Data Processing	31.48	722.01	3,644.47
Banking and Investment Expense **See Note Below	380.86	3,003.50	25,909.94
Warehouse Consolidation Project Expenses	0.00	0.00	5,941.65
Title Commission	0.00	0.00	29,869.99
Other Expenses **See Note Below	500.00	1,063.63	65,870.98
All Other Disbursements:			
Final Distribution To Class 2 Loss/LAE Claimants	4,512.57	3,062,415.42	3,062,415.42
Reissue Volded Escrow Check	0.00	729.00	729.00
Settlement Class 1 Admin Expense	0.00	1,025.00	1,025.00
Unclaimed Funds to Ohio Division of Unclaimed Funds	163,031.77	163,031.77	163,031.77
Total Disbursements	202,049.64	3,348,748.21	5,115,640.52
Net Decrease in Impaired Assets	0.00	0.00	(105,068.23)
Release of Special Deposits - Investments	0.00	0.00	100,000.00
Security Amortization for the Period	0.00	0.00	14,474.19
Ending Cash & Invested Assets	(0.00)	0.00	0.00

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

**NOTE: Funds in the amount of \$21,404.80, remaining at the time of closure of the GTT estate prepaid to LMI Insurance Company, in Liquidation ("LMI") in exchange for LMI's assumption, administration and payment of the remaining administrative expense obligations of the GTT estate pursuant to the Order approving the GTT estate closure dated 9/27/2011.