

**IN THE COURT OF COMMON PLEAS
OF FRANKLIN COUNTY, OHIO**

ANN H. WOMER BENJAMIN,
Ohio Superintendent of Insurance, in her
Capacity as Liquidator of American
Druggists' Insurance Company,

Plaintiff,

v.

AMERICAN DRUGGISTS' INSURANCE
COMPANY,

Defendant.

Case No. 86CV-03-1381

Judge David Johnson

FILED
 COMMON PLEAS COURT
 FRANKLIN CO., OHIO
 2003 DEC 19 AM 10:32
 CLERK OF COURTS-CV

**MOTION FOR APPROVAL OF THE LIQUIDATOR'S REPORT
OF CLAIMS, DISTRIBUTION TO CLASS 1 AND
CLASS 2 CLAIMANTS AND RELATED ACTIONS OF
AMERICAN DRUGGISTS' INSURANCE COMPANY**

Ann H. Womer Benjamin, Ohio Superintendent of Insurance, successor to J. Lee Covington, II, in her capacity as Liquidator of American Druggists' Insurance Company ("ADIC"), hereby moves the Court for an Order approving and authorizing as follows:

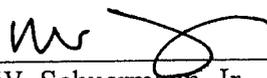
1. Approval of the Liquidator's Report of Class 1 and 2 Claims and the values of the claims as set forth therein, attached hereto as Exhibit A;
2. Authorization of the distribution of ADIC assets in the amount of Fourteen Million Seven Hundred Forty-Seven Thousand One Hundred Ninety-Five Dollars and Ninety-Three Cents (\$14,747,195.93) payable in accordance with this Report of Claims, with the exception of the William Kapp claim, as listed thereon, which shall be distributed as directed and upon the further Order of this Court; and,
3. The foreclosure and/or disallowance of any contingent or future Class 1 or Class 2 claim or Class 1 and 2 claims not included in this Report of Claims and not previously disallowed or zero valued, with the exception

of the claim of the New York Liquidation Bureau which has yet to be finally determined and is not participating in this distribution,

all as more fully described in the attached Memorandum in Support.

Respectfully submitted,
JIM PETRO
Attorney General for the State of Ohio

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



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Ohio Superintendent of Insurance, in her
Capacity as Liquidator of American
Druggists' Insurance Company

MEMORANDUM IN SUPPORT OF LIQUIDATOR'S MOTION

On April 30, 1986, this Court issued an order placing American Druggists' Insurance Company ("ADIC") in 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 reviewed thoroughly the books and records of ADIC, identified and collected, where reasonable, all known assets of ADIC, and has reviewed, valued and classified all known claims of ADIC.

On October 23, 2000, this Court approved the Liquidator's early access, partial distribution relating to Class 1 and 2 claims of the various state guaranty associations in an amount equal to seventy-five percent (75%) of the amount claimed by each guaranty association. This partial distribution to these guaranty associations was in the amount of Thirty Million Three Hundred Ninety Three Thousand Seven Hundred Twenty-Three Dollars and Thirty-Three Cents (\$30,393,723.33).

At this time, the Liquidator is prepared, with the approval of this Court, to make another distribution of available assets of ADIC, in the amount of Fourteen Million Seven Hundred Forty-Seven Thousand One Hundred Ninety-Five Dollars and Ninety-Three Cents (\$14,747,195.93), to the Class 1 and 2 claimants as listed in the Liquidator's Report of Claims attached hereto as Exhibit A, with the exception of any distribution upon the claim of William J. Kapp until further Order of this Court. With the exception of the Kapp claim and the claim of the New York Liquidation Bureau, which has yet to be finally resolved, this will finalize the distribution of ADIC assets to Class 1 and Class 2 claimants. The Liquidator plans to make separate distributions hereafter of any assets available to other classes of ADIC creditors at a date yet to be determined.

At this time, the Liquidator therefore seeks:

(1) the Court's Order approving of the Report of Claims attached as Exhibit A, including the determinations of the amounts and the classes of each claim as set forth herein;

(2) the Court's Order approving a distribution pursuant to §§ 3903.42, 3903.43 and 3903.44 of the Ohio Revised Code and related sections, including a 100% distribution to Class 1 and 2 claims as set forth in Exhibit A from available assets of

ADIC in a total amount of Fourteen Million Seven Hundred Forty-Seven Thousand One Hundred Ninety-Five Dollars and Ninety-Three Cents (\$14,747,195.93), as reflected in Exhibit A attached hereto to those claimants listed therein; with the exception of William J. Kapp to whom any distribution is subject to further Order of this Court; and,

(3) The Court's Order approving the foreclosure and/or disallowance of any contingent or future Class 1 or Class 2 claim and Class 1 or Class 2 claims not included in this Report of Claims and not previously disallowed or zero valued, with the exception of the claim of the New York Liquidation Bureau which has yet to be finally determined and is not participating in this distribution.

Respectfully submitted,

JIM PETRO
Attorney General for the State of Ohio

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