IN THE COURT OF COMMON PLEAS
FRANKLIN COUNTY, OHIO

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COMMON PLEAS COURT
FRANKLIN CO. OHIO
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CLERK OF COURTS

Ann H. Womer Benjamin, Ohio Superintendent of Insurance in her Capacity as Liquidator of American Druggists' Insurance Company, Plaintiff,	:	
v.	:	Case No. 86CV-03-1381
American Druggists' Insurance Company,	:	Judge Charles Schneider
Defendant.	:	

APPLICATION FOR ORDER: DISCHARGING AND RELEASING LIQUIDATOR; AUTHORIZING FINAL ACCOUNTING, AUDIT REPORT AND FILING OF TAX RETURN; CLOSING ESTATE AND DISSOLVING CORPORATE ENTITY; APPROVING DESTRUCTION OF RECORDS AND AUTHORIZATION OF RELATED ACTIONS

Plaintiff, Ann H. Womer Benjamin, Ohio Superintendent of Insurance, in her capacity as Liquidator (the "Liquidator") of American Druggists' Insurance Company ("ADIC"), hereby moves this Court, pursuant to R.C. 3903.46(A), 3903.48, 3902.20 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, 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 relating to or involving American Druggists' Insurance Company ("ADIC"), the ADIC liquidation 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 Order Authorizing: Final Distribution, Reserve for Remaining Administrative Expenses, Handling of Remaining Assets of the Estate, and Closing of Accounts entered herein on September 18, 2006; (b) filing a final accounting with

the Court; (c) filing a final audit report with the Court; (d) executing the final ADIC 2006 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 dissolving the corporate entity of ADIC pursuant to R.C. 3903.20 and in accordance with the actions authorized by the proposed Order; and,

4. Pursuant to R.C. 3903.48, approving and authorizing the destruction of the ADIC books and records 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.

Respectfully submitted,

JIM PETRO
Attorney General State of Ohio

By Special Counsel:
KEGLER, BROWN, HILL & RITTER
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MEMORANDUM IN SUPPORT OF MOTION

On April 30, 1986, this Court issued an order placing ADIC in liquidation pursuant to Ohio Revised Code ("R.C.") Chapter 3903 and appointing the Ohio Superintendent of Insurance as Liquidator (the "Liquidation Order"). Since the date the Liquidation Order was entered, the Liquidator has thoroughly reviewed the books and records of ADIC, has identified and collected, where reasonable, all known assets of ADIC, and has reviewed, valued, and classified all known claims of ADIC.

The Liquidator has made multiple distributions to claimants holding allowed claims during the life of this liquidation. A final and complete distribution of remaining ADIC assets was approved by this Court on September 18, 2006, resulting in all allowed claims in this Liquidation receiving a distribution in excess of 113% of the amount of their claims (the "Order"). By the Order, this Court also approved the Liquidator's recommendation for the allocation, distribution, and final accounting of those funds remaining in the estate for funding of administrative expenses, as well as treatment of physical assets of ADIC. The Court likewise approved and authorized by the Order the procedure for retention and use of funds not negotiated by claimants who participated in the final distribution and any other assets of ADIC received after the closing of this liquidation, which funds and assets shall be held in a separate account maintained by the Liquidator for one of the other open liquidation estates. The Order also authorized the Liquidator to close all of the ADIC bank accounts on or before December 31, 2006. The final distribution authorized by the Order has now been made, and the Liquidator is proceeding in accordance with the Order with any related matters.

The Liquidator has accordingly reviewed the books and records of the ADIC estate and determined that all 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, because the final distribution took place in 2006, a final 2006 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 2006 tax return and file it with the IRS in the manner provided by law, thus completing the liquidation of ADIC. Finally, once the liquidation of ADIC is completed and the Liquidator is discharged, then the corporate entity of ADIC is dissolved by operation of law pursuant to R.C. 3903.20.

Accordingly, as the liquidation of ADIC has been completed, 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, 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 relating to or involving ADIC, the ADIC liquidation 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 Order Authorizing: Final Distribution, Reserve for Remaining Administrative Expenses, Handling of Remaining Assets of the Estate, and Closing of Accounts entered herein on September 18, 2006; (b) filing a final accounting with the Court; (c) filing a final audit report with the Court; (d) executing the final ADIC 2006 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 ADIC liquidation estate effective December 31, 2006 and ordering the dissolution of the corporate entity of ADIC, pursuant to R.C. §3903.20 and in accordance with the actions authorized by this order;

4. Pursuant to R.C. 3903.48, approving and authorizing the destruction of the ADIC books and records 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.

Respectfully submitted,

JIM PETRO
Attorney General State of Ohio

By Special Counsel:
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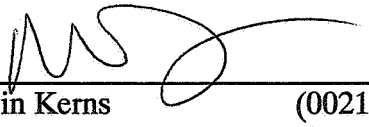

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