

to the Division of Unclaimed Funds, and further authorizing the Liquidator to return any assets received after the closing of this liquidation to the transferor(s);

2. 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 Ohio General, the Ohio General liquidation proceedings or any proceedings related thereto;

3. Authorizing the Liquidator or her designee to retain limited authority for the following purposes: (a) taking such actions as set forth in the June 15, 2007 Order; (b) filing a final accounting with the Court; (c) filing a final audit report with the Court; (d) executing the final Ohio General 2007 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;

4. Closing the liquidation estate and dissolving the corporate entity of Ohio General pursuant to R.C. 3903.20 and in accordance with the actions authorized by the proposed Order;

5. Pursuant to R.C. 3903.48, approving and authorizing the destruction of the Ohio General books and records as follows: (a) all books and records that are more than seven years old may be immediately destroyed; and (b) 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

6. 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,

MARC DANN
Attorney General of Ohio

By: PORTER WRIGHT MORRIS & ARTHUR LLP
Special Counsel



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of Insurance, in her capacity as Liquidator
of The Ohio General Insurance Company*

MEMORANDUM IN SUPPORT OF MOTION

On March 28, 1990, this Court issued an order placing The Ohio General Insurance Company ("Ohio General") 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 thoroughly reviewed the books and records of Ohio General, has identified and collected, where reasonable, all known assets of Ohio General, and has reviewed, valued, and classified all known claims of Ohio General.

The Liquidator has made multiple distributions to claimants holding allowed claims during the life of this liquidation. A final and complete distribution of remaining Ohio General assets was approved by this Court on June 15, 2007, resulting in all allowed claims in this Liquidation receiving a distribution, except for unclaimed funds identified by Ohio General (the "June 15, 2007 Order"). By the June 15, 2007 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 Ohio General. The June 15, 2007 Order likewise authorized the Liquidator to close all of the Ohio General bank accounts on or before December 31, 2007.

In the June 15, 2007 Order, the Court also approved and authorized the procedure for retention and use of funds not negotiated by claimants who participated in the final distribution and any other assets of Ohio General received after the closing of this liquidation, permitting the funds and assets to be held in a separate account maintained by the Liquidator for one of the other open liquidation estates. The final distribution authorized by the June 15, 2007 Order was made on June 27, 2007. As the Liquidator anticipated in its previous application for a final

distribution, and as contemplated by the June 15, 2007 Order, there remain certain of these final distribution claimants who have not timely negotiated the distributions that were sent to them. These remaining funds total \$116,566.77. In accordance with Paragraph 5 of the June 15, 2007 Order, the Liquidator has determined that these remaining funds are not sufficient to justify a distribution to claimants. Rather than hold these remaining funds to defray administrative expenses of other Ohio insurance receiverships as provided by the June 15, 2007 Order, however, the Liquidator believes it more appropriate that these funds continue to be held for the benefit of potential claimants in the instant liquidation. Therefore, the Liquidator requests that the Court modify the June 15, 2007 Order by superseding Paragraph 5 as discussed below.

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." With little statutory direction as to how assets are to be distributed once all assets justifying the expense of collection and distributed have been collected and distributed, the Liquidator proposes that the remaining funds be transferred to the Ohio Department of Commerce, Division of Unclaimed Funds, which will hold the funds under R.C. 169.01 *et seq.* and allow potential claimants to search for, identify, and claim funds. Accordingly, the Liquidator requests that the Court modify the June 15, 2007 Order and, pursuant to R.C. 3903.46(A), find that the current remaining funds are uneconomic to distribute and authorize the Liquidator to transfer these remaining funds to the Ohio Department of Commerce, Division of Unclaimed Funds, without further notice to the owners or beneficiaries of the remaining funds regarding the funds' transfer to the Division of Unclaimed Funds. The

Liquidator also requests that the Court authorize the Liquidator to return any assets received after the closing of this liquidation to the transferor(s).

The Liquidator has otherwise reviewed the books and records of the Ohio General 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. The final accounting will be for the six-month period from July 1, 2007 to December 31, 2007. The Liquidator will file both the final accounting and the final auditor's report with the Court in 2008. Thirdly, because the final distribution took place in 2007, a final 2007 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 2007 tax return and file it with the IRS in the manner provided by law, thus completing the liquidation of Ohio General. Finally, once the liquidation of Ohio General is completed and the Liquidator is discharged, then the corporate entity of Ohio General is dissolved by operation of law pursuant to R.C. 3903.20.

Accordingly, the Liquidator moves this Court for an Order:

1. Modifying the June 15, 2007 Order by superseding Paragraph 5 of the June 15, 2007 Order and, pursuant to R.C. 3903.46(A), finding that Ohio General's remaining funds resulting from checks not negotiated by final distribution claimants, in the amount of \$116,566.77, are uneconomic to distribute, authorizing the Liquidator to transfer these remaining funds to the Ohio Department of Commerce, Division of Unclaimed Funds, without further notice to the

owners or beneficiaries of the remaining funds regarding the funds' transfer to the Division of Unclaimed Funds, and further authorizing the Liquidator to return any assets received after the closing of this liquidation to the transferor(s);

2. 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 Ohio General, the Ohio General liquidation proceedings or any proceedings related thereto;

3. Authorizing the Liquidator or her designee to retain limited authority for the following purposes: (a) taking such actions as set forth in the June 15, 2007 Order; (b) filing a final accounting with the Court; (c) filing a final audit report with the Court; (d) executing the final Ohio General 2007 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;

4. Closing the Ohio General liquidation estate effective immediately and ordering the dissolution of the corporate entity of Ohio General, pursuant to R.C. 3903.20 and in accordance with the actions authorized by this Order;

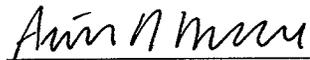
5. Pursuant to R.C. 3903.48, approving and authorizing the destruction of the Ohio General books and records as follows: (a) all books and records that are more than seven years old may be immediately destroyed; and (b) all other books and records may be destroyed on or after the date three years following the date of the Order granting this Application; and

6. 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,

MARC DANN
Attorney General of Ohio

By: PORTER WRIGHT MORRIS & ARTHUR LLP
Special Counsel

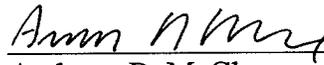


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*Attorneys for Plaintiff Mary Jo Hudson,
Superintendent of Insurance, Ohio Department
of Insurance, in her capacity as Liquidator
of The Ohio General Insurance Company*

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing was served upon Mary Jo Hudson, Superintendent of Insurance, Ohio Department of Insurance, in her capacity as Liquidator of The Ohio General Insurance Company, in care of Anne Thomson, Esq., Chief Deputy Liquidator, Office of the Ohio Insurance Liquidator, 1366 Dublin Road, Columbus, Ohio 43215-1093, on this 13th day of November 2007.



Anthony R. McClure