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IN THE COURT OF COMMON PLEAS  
FRANKLIN COUNTY, OHIO

MARY JO HUDSON , Ohio  
Superintendent of Insurance, in her  
Capacity as Liquidator of  
Personal Physician Care, Inc.,

Plaintiff,

vs.

Personal Physician Care, Inc.,

Defendant.

Case No. 98CVH08-6251

Judge Stephen L. McIntosh

FILED  
COMMON PLEAS COURT  
FRANKLIN COUNTY, OHIO  
2007 MAY -9 PM 4:06  
CLERK OF COURTS

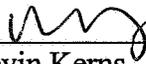
**MOTION FOR APPROVAL OF PERIODIC ACCOUNTINGS OF LIQUIDATOR  
FOR THE PERIODS JANUARY 1, 2006 TO JUNE 30, 2006  
AND JULY 1, 2006 TO DECEMBER 31, 2006**

Plaintiff, Mary Jo Hudson in her capacity as Liquidator of Personal Physician Care, Inc. ("PPC"), moves this Court for an Order approving the Statements of Receipts and Disbursements of the Liquidator for the periods January 1, 2006 to June 30, 2006 and July 1, 2006 to December 31, 2006, as set forth in the attached Exhibits A and B. The grounds in support of this Motion are set forth in the accompanying Memorandum in Support.

Respectfully submitted,

MARC DANN  
Attorney General State of Ohio

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

  
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R. Kevin Kerns (0021781)  
Richard W. Schuermann, Jr. (0032546)  
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*Attorneys for the Liquidator of Personal Physician  
Care, Inc.*

## MEMORANDUM IN SUPPORT

This Motion is brought by the Liquidator requesting that this Court approve the Statements of Receipts and Disbursements of the Liquidator for the periods January 1, 2006 to June 30, 2006 and July 1, 2006 to December 31, 2006. These receipts and expenditures are described and set forth in the attached Exhibits A and B.

By Order of this Court entered on August 20, 1998, the Ohio Superintendent of Insurance was appointed Liquidator of Personal Physician Care, Inc. ("PPC") and was empowered, authorized and directed to liquidate all of the property and assets of PPC in accordance with the laws of Ohio and under the continuing jurisdiction of this Court. As part of the liquidation, the Liquidator collects all debts and moneys due PPC, and makes payment of necessary expenses. R.C. 3903.21(A)(4) provides, 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.

Section 3903.42(A) of the Ohio Revised Code provides that the expenses of administration be given first priority in the distribution of assets.

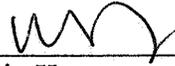
The Liquidator is also required by R.C. 3903.18(E) to periodically account to the Court, throughout the pendency of the PPC liquidation proceeding, to be submitted in the form attached hereto as Exhibits A and B. Such accountings may assist the Court in monitoring the progress and status of the liquidation, and in particular, the receipts and disbursements in the PPC liquidation proceedings.

WHEREFORE, for the reasons outlined above, the Liquidator respectfully requests the Court to approve the attached Statements of Receipts and Disbursements of the Liquidator for the periods January 1, 2006 to June 30, 2006 and July 1, 2006 to December 31, 2006.

Respectfully submitted,

MARC DANN  
Attorney General State of Ohio

By: Special Counsel:  
KEGLER, BROWN, HILL & RITTER  
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*Attorneys for the Liquidator of Personal Physician  
Care, Inc.*

## **Exhibit A**

Liquidator of Personal Physician Care, Inc.  
Statement of Receipts and Disbursements  
For The Period 01/01/06 to 06/30/06

	<u>CASH</u>	<u>SECURITIES</u>	<u>TOTAL</u>
Balance at 12/31/05	26,483.34	7,650,000.00	7,676,483.34
<b>RECEIPTS</b>			
Investment Income	170,717.47		170,717.47
Miscellaneous Income-Claim Refunds	4,730.10		4,730.10
<b>TOTAL RECEIPTS</b>	<u>175,447.57</u>	<u>0.00</u>	<u>175,447.57</u>
<b>DISBURSEMENTS</b>			
Investment Purchases in REPO Agreements (Note 1)	21,000.00	(21,000.00)	0.00
General Operating Expenses	81,950.35		81,950.35
Legal Expenses	6,292.92		6,292.92
Salaries:			
Chief Deputy Liquidator	2,399.05		2,399.05
Deputy Liquidators	12,711.87		12,711.87
Employee Wages, Taxes, & Benefits	71,868.47		71,868.47
<b>TOTAL DISBURSEMENTS</b>	<u>196,222.66</u>	<u>(21,000.00)</u>	<u>175,222.66</u>
Balance at 06/30/06	<u><u>5,708.25</u></u>	<u><u>7,671,000.00</u></u>	<u><u>7,676,708.25</u></u>

Note 1: The captions "Investment Proceeds in Repo Agreements" or "Investment Purchases in Repo Agreement" represent the difference between total repurchase sales and purchases for the reporting period.

**EXHIBIT B**

**Liquidator of Personal Physician Care, Inc.  
Statement of Receipts and Disbursements  
For The Period 07/01/06 to 12/31/06**

	<u>CASH</u>	<u>SECURITIES</u>	<u>TOTAL</u>
Balance at 06/30/2006	5,708.25	7,671,000.00	7,676,708.25
Investment Income	196,407.11		196,407.11
Proceeds from Settlement - Medical Mutual of Ohio (MMO)	200,000.00		200,000.00
Recovery of Restitution Payments	80.00		80.00
<b>TOTAL RECEIPTS</b>	<u>396,487.11</u>	<u>0.00</u>	<u>396,487.11</u>
<b>DISBURSEMENTS</b>			
Investment Purchases in REPO Agreements (Note 1)	281,000.00	(281,000.00)	0.00
General Operating Expenses	34,303.33		34,303.33
Legal Expenses	23,170.60		23,170.60
Salaries:			
Chief Deputy Liquidator	2,979.19		2,979.19
Deputy Liquidators	10,073.18		10,073.18
Employee Wages, Taxes, & Benefits	45,331.56		45,331.56
<b>TOTAL DISBURSEMENTS</b>	<u>396,857.86</u>	<u>(281,000.00)</u>	<u>115,857.86</u>
Balance at 12/31/06	<u>5,337.50</u>	<u>7,952,000.00</u>	<u>7,957,337.50</u>

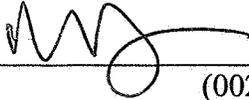
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APPROVED:

MARC DANN  
Attorney General State of Ohio

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



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