

IN THE COURT OF COMMON PLEAS
FRANKLIN COUNTY, OHIO

MARY JO HUDSON
Ohio Superintendent of Insurance,
in her capacity as Liquidator of
American Chambers Life
Insurance Company,

Plaintiff,

v.

AMERICAN CHAMBERS
LIFE INSURANCE COMPANY,

Defendant.

Case No. 00CVH-03-2206

Judge Richard S. Sheward

FILED
COMMON PLEAS COURT
FRANKLIN CO. OHIO
2009 JAN 16 PM 2:21
CLERK OF COURTS

**MOTION FOR APPROVAL OF LIQUIDATOR'S RELEASE OF PREMIUMS TO
INSURANCE GUARANTY ASSOCIATIONS**

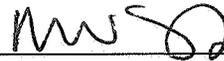
Plaintiff, Mary Jo Hudson, Ohio Superintendent of Insurance, in her capacity as Liquidator of American Chambers Life Insurance Company ("ACLIC") moves this Court for an Order approving the release of certain premiums in the total amount of \$3,203,513.22 held by the Liquidator, relating to insurance coverage after the entry of the ACLIC Liquidation Order on May 8, 2000. These premiums belong to and should be paid to those various state life and health insurance guaranty associations (the "GAs"), who provided coverage after May 8, 2000 to policyholders and insureds of ACLIC in the respective amounts as identified and set forth in Exhibit A attached hereto.

The grounds in support of this Motion are set forth in the accompanying Memorandum in Support and are attested to in the affidavit of James M. Young, attached hereto as Exhibit B, and reflected in the related Exhibit A.

Respectfully submitted,

MARC DANN
Attorney General State of Ohio

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



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Attorneys for the Liquidator of
American Chambers Life Insurance Company

MEMORANDUM IN SUPPORT

By this Motion, the Liquidator requests that this Court approve the Liquidator's release of certain premiums, in the total amount of \$3,203,513.22, in the respective amounts as set forth in Exhibit A attached hereto. These premium dollars, currently held by the Liquidator, belong to and are payable to the GAs, identified on Exhibit A, for insurance coverage the GAs provided to policyholders and insureds of American Chambers Life Insurance Company ("ACLIC") after the entry of the Liquidation Order on May 8, 2000. (Young Affidavit, Exhibit B).

The GAs are all members of the National Organization of Life and Health Insurance Guaranty Associations ("NOLHGA"), which is acting as intermediary in this matter on behalf of the GAs. (Young Affidavit, Exhibit B).

ACLIC was a life, accident and health insurance company that was domiciled in the State of Ohio, and issued insurance policies to residents of the State of Ohio, as well as residents of the states of Alabama, Alaska, Arkansas, Arizona, California, Colorado, Delaware, Florida, Iowa, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Massachusetts, Maryland, Michigan, Missouri, Mississippi, Montana, North Dakota, Nebraska, New Mexico, Nevada, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin, West Virginia, and Wyoming. (Young Affidavit, Exhibit B).

By the Liquidation Order of this Court entered on May 8, 2000, the Ohio Superintendent of Insurance was appointed Liquidator of ACLIC and was empowered, authorized and directed to liquidate all of the property and assets of ACLIC in accordance

with the laws of Ohio and the Liquidation Order, under the continuing jurisdiction of this Court.

Commensurate with and after the entry of the Liquidation Order, the GAs provided continuing insurance coverage to various policyholders of ACLIC in their respective states and are entitled to the premium for that coverage. (Young Affidavit, Exhibit B).

Based upon the Ohio Revised Code, specifically R.C. 3956.08(G), and governing statutes relating to guaranty associations of each jurisdiction, the GAs are entitled to the premiums due for that insurance coverage the GAs provided to ACLIC policyholders after entry of the Liquidation Order, whether received by the Liquidator or paid directly to the GAs by the policyholders. Specifically, R.C. 3956.08(G) states:

“Premiums due for coverage after entry of an order of liquidation of an insolvent insurer shall belong to, and be payable at the direction of, the association, and the association is liable for unearned premiums due to policy or contract owners arising after the entry of the order.”

This Ohio statute mirrors the language of a model act adopted by the National Association of Insurance Commissioners (“N.A.I.C.”) and incorporated into the laws of most of the 50 states. Section 8D of the N.A.I.C. Insolvency Life and Health Insurance Guaranty Association Act, entitled “Powers and Duties of the Association”, provides that all premiums due after a liquidation order has been issued belong to the guaranty association. The other applicable state statutes are corollaries to §8D of the N.A.I.C. model act.

The Liquidator and NOLHGA have reviewed the facts and circumstances of the premium payments relating to this coverage provided by the GAs after the entry of the Liquidation Order. (Young Affidavit, Exhibit B).

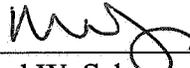
Further, the Liquidator and NOLHGA are in agreement that the premiums received and held by the Liquidator, that belong and are payable to the GAs for coverage they provided after the entry of the Liquidation Order, are in the total amount of \$3,203,513.22. (Young Affidavit, Exhibit B).

WHEREFORE, for the reasons outlined above, the Liquidator respectfully requests the Court to approve the release and payment of certain premiums to the GAs in the total amount of \$3,203,513.22, belonging and payable to the GAs providing coverage to policyholders and insureds of ACLIC after the entry of the ACLIC Liquidation Order on May 8, 2000, as identified and in the respective amounts set forth in Exhibit A.

Respectfully submitted,

MARC DANN
Attorney General State of Ohio

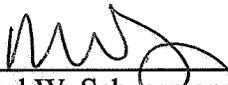
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American Chambers Life Insurance Company*

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true copy of the foregoing MOTION FOR APPROVAL OF LIQUIDATOR'S RELEASE OF PREMIUMS TO INSURANCE GUARANTY ASSOCIATIONS was served via ordinary mail to Charles Richards, Esq., Baker & Daniels, 805 15th Street NW, Suite 700, Washington, DC 20005, Alan F. Berliner, Esq., Thompson Hine LLP, 10 West Broad Street, Suite 700, Columbus, OH 43215, and to the state life and health insurance guaranty associations identified on the list, attached hereto, on this 16th day of January, 2008.



Richard W. Schuermann, Jr. (0032546)

Guaranty Association Service List

Alabama Life & Disability Insurance Guaranty Association

Dotty Carley, Executive Director
6 Office Park Circle, Suite 200
Birmingham, AL 35223
(205) 879-2202
(205) 879-2292 (fax)

Alaska Life & Disability Insurance Guaranty Association

Don Thomas, Executive Director
c/o Delaney, Wiles, Hayes, Gerety, Ellis &
Young
1007 West 3rd Avenue, Suite 400
Anchorage, AK 99501
(907) 279-3581
(907) 279-1545 (fax)

Arizona Life & Disability Insurance Guaranty Fund

Michael Surguine, Executive Director
1110 West Washington Avenue, Suite 270
Phoenix, AZ 85007
(602) 364-3863
(602) 364-3872 (fax)

Arkansas Life & Disability Insurance Guaranty Association

Allan W. Horne, Administrator
Dover Dixon Horne PLLC
425 W. Capital, Suite 3700
Little Rock, AR 72201
(501) 375-9151
(501) 372-6484 (fax)

California Life & Health Insurance Guarantee Association

Peter C. Leonard, Executive Director
8383 Wilshire Boulevard, Suite 815
Beverly Hills, CA 90211
(323) 782-0182
(323) 782-8108 (fax)

(Colorado) Life & Health Insurance Protection Association

Jamie Kelldorf, Administrator
P.O. Box 36009
Denver, CO 80236
(303) 292-5022
(303) 292-4663 (fax)

Delaware Life & Health Insurance Guaranty Association

John J. Falkenbach, Executive Director
220 Continental Drive, Suite 309
Newark, DE 19713
(302) 456-3656
(302) 456-3680 (fax)

Florida Life & Health Insurance Guaranty Association

William E. Falck, Executive Director
3740 Beach Boulevard, Suite 201-A
Jacksonville, FL 32209-3877
(904) 398-3644
(904) 398-4474 (fax)

Idaho Life & Health Insurance Guaranty Association

Candie Kinch, Executive Director
4700 N. Cloverdale Road Suite 204
Boise, ID 8371309
(208) 378-9510

Illinois Life & Health Insurance Guaranty Association

Daniel A. Orth, Executive Director
8420 W. Bryn Mawr Avenue, Suite 550
Chicago, IL 60631-3404
(773) 714-8050
(773) 714-8052 (fax)

Indiana Life & Health Insurance Guaranty Association

Jan Funk, Executive Director
251 East Ohio Street, Suite 1070
Indianapolis, IN 46204-2143
(317) 692-0574
(317) 264-2395 (fax)

Iowa Life & Health Insurance Guaranty Association

Luther L. Hill, Administrator
c/o Nyemaster & Goode
700 Walnut Street, Suite 1600
Des Moines, IA 50309
(515) 248-5712
(515) 283-8018 (fax)

Kansas Life & Health Insurance Guaranty Association

Linda Becker, Administrator
2909 S.W. Maupin Lane
Topeka, KS 66614-4139
(785) 271-1199
(785) 272-0242 (fax)

Kentucky Life & Health Insurance Guaranty Association

Thomas E. Peterson, Executive Director
4010 Dupont Circle, Suite 232
Louisville, KY 40207
(502) 895-5915
(502) 895-6543 (fax)

Louisiana Life & Health Insurance Guaranty Association

Phyllis Perron, Executive Director
450 Laurel Street, Suite 1400
Baton Rouge, LA 70801
(225) 381-0656
(225) 344-1132 (fax)

(Maryland) Life & Health Insurance Guaranty Corporation

John S. Boritas, Executive Director
PO Box 671
Owings Mills, MD 21117-0671
(410) 998-3907
(410) 998-3909 (fax)

Massachusetts Life & Health Insurance Guaranty Association

Raymond A. Terfera, Executive Director
PO Box 3171
1295 State Street
Springfield, MA 01111-3171
(413) 744-8483
(413) 744-4949 (fax)

Michigan Life & Health Insurance Guaranty Association

John C. Colpean, Administrator
c/o Colpean Associates, P.C.
1640 Haslett Road Suite 160
Haslett, MI 48840
(517) 339-1755
(517) 339-5500 (fax)

Mississippi Life & Health Insurance Guaranty Association

Gordon B. Haydel, Executive Director
P.O. Box 4562
Jackson, MS 39296
(601) 981-3471
(601) 362-9544 (fax)

Missouri Life & Health Insurance Guaranty Association

Charles F. Renn, Executive Director
994 Diamond Ridge, Suite 102
Jefferson City, MO 65109
(573) 634-8455
(573) 634-8488 (fax)

Montana Life & Health Insurance Guaranty Association

Wilson D. Perry, Administrator
P.O. Box 951
Oconomowoc, WI 53066-0951
(262) 965-5761
(262) 965-5200 (fax)

Nebraska Life & Health Insurance Guaranty Association

Pam Olsen, Administrator
1900 U.S. Bank Building, 233 South 13th St.
Lincoln, NE 68508
(402) 474-6900
(402) 474-5393 (fax)

Nevada Life & Health Insurance Guaranty Association

Lou Roggensack, Administrator
One East First Street, Suite 605
Reno, NV 89501
(775) 329-8387
(775) 323-4997 (fax)

New Mexico Life Insurance Guaranty Association

Sye D. Leer, Administrator
P.O. Box 13449
Albuquerque, NM 87192
(505) 237-9397
(505) 237-9496 (fax)

North Dakota Life & Health Insurance Guaranty Association

Gregory D. Morris, Director of Compliance
2721 North Central Avenue
Phoenix, AZ 85004
(602) 263-6880
(602) 277-5901 (fax)

Ohio Life & Health Insurance Guaranty Association

Frank A. Gartland, President
1840 Mackenzie Drive
Columbus, OH 43220
(614) 442-6601
(614) 442-0004 (fax)

Oklahoma Life & Health Insurance Guaranty Association

Horace G. Rhodes, Administrator
Kerr, Irvine, Rhodes & Ables
201 Robert S. Kerr Ave., Suite 600
Oklahoma City, OK 73102
(405) 272-9221
(405) 236-3121 (fax)

Oregon Life & Health Insurance Guaranty Association

James B. Kleen, Administrator
c/o JBK & Associates
PO Box 4520
3541 Elderberry Drive, South
Salem, OR 97302-8520
(503) 588-1974
(503) 588-2029 (fax)

South Carolina Life, Accident & Health Insurance Guaranty Association

Andrea H. Bowers, Administrator
P.O. Box 6
Silverstreet, SC 29145
(803) 276-0271
(803) 276-4199 (fax)

South Dakota Life & Health Insurance Guaranty Association

Charles D. Gullickson, Administrator
P.O. Box 1030
Sioux Falls, SD 57101
(605) 357-1270
(605) 335-3639 (fax)

Tennessee Life & Health Insurance Guaranty Association

Dan H. Elrod, Administrator
1200 One Nashville Place
150 4th Avenue North
Nashville, TN 37219
(615) 242-8758
(615) 256-8197 (fax)

Texas Life, Accident, Health & Hospital Service Insurance Guaranty Association

Bart Boles, Executive Director
6504 Bridge Point Parkway, Suite 450
Austin, TX 78730
(512) 476-5101
(512) 472-1470 (fax)

Utah Life & Disability Insurance Guaranty Association

Arthur O. Dummer, Administrator
c/o The Donner Company
955 East Pioneer Road
Draper, UT 84020
(801) 572-1218
(801) 572-5067 (fax)

Virginia Life, Accident & Sickness Insurance Guaranty Association

Margaret M. Parker, President & Secretary
c/o APM Management Services, Inc.
8001 Franklin Farms Drive, Suite 238
Richmond, VA 23229
(804) 282-2240
(804) 282-1816 (fax)

Washington Life & Disability Insurance Guaranty Association

Michael O'Day, Executive Director
4771 E SR 3
Shelton, WA 98584
(360) 426-6744
(360) 426-2855 (fax)

West Virginia Life & Health Insurance Guaranty Association

Mauna Dailey, Administrator
P.O. Box 816
Huntington, WV 25712
(304) 733-6904
(304) 733-6905 (fax)

Wisconsin Insurance Security Fund

Randy Blumer, Executive Director
2445 Darwin Road, Suite 101
Madison, WI 53704-3116
(608) 242-9473
(608) 242-9472 (fax)

Wyoming Life & Health Insurance Guaranty Association

Jamie Kelldorf, Administrator
P.O. Box 36009
Denver, CO 80236
(303) 292-5022
(303) 292-4663 (fax)

EXHIBIT A

<u>State</u>	<u>Premium</u>
AK	\$13,211.61
AL	\$3,784.56
AR	\$83,553.46
AZ	\$8,023.39
CA	\$11,321.61
CO	\$134,378.04
DE	\$1,341.98
FL	\$727.77
IA	\$9,312.91
ID ¹	\$0.00
IL	\$156,867.36
IN	\$74,790.32
KS	\$7,681.52
KY	\$5,132.88
LA	\$70,821.91
MA	\$395,327.22
MD	\$84.88
MI	\$3,431.68
MO	\$70,927.38
MS	\$532,382.58
MT	\$3,157.73
ND	\$532.35
NE	\$40,995.61
NM	\$4,185.84
NV	\$0.00
OH	\$188,000.42
OK	\$138,245.09
OR	\$1,437.80
SC	\$45,141.32
SD	\$6,192.80
TN	\$134,902.04
TX	\$820,015.27
UT	\$13,590.72
VA	\$68,103.69
WA	\$93,391.67
WI	\$0.00
WV	\$27,698.69
WY	<u>\$34,819.12</u>
TOTAL	\$3,203,513.22

¹ The parties agree that the Idaho Life and Health Guaranty Association was overpaid by \$739.66 for premiums, but that Idaho still has a significantly greater class 2 claim pending against the liquidation estate. Accordingly, the Liquidator plans to deal with this overpayment in the early access calculation.

