

STATE OF MICHIGAN
CIRCUIT COURT FOR THE 30TH JUDICIAL CIRCUIT
INGHAM COUNTY

PATRICK M. MCPHARLIN, DIRECTOR
OF THE DEPARTMENT OF INSURANCE
AND FINANCIAL SERVICES,

Petitioner,

Case No. 15-898-CR

v

HON. CLINTON CANADY III

AFFIRMATIVE INSURANCE COMPANY
OF MICHIGAN,

[IN REHABILITATION]

Respondent.

Christopher L. Kerr (P57131)
M. Elizabeth Lippitt (P70373)
Assistant Attorneys General
Attorneys for Petitioner
Corporate Oversight Division
P. O. Box 30755
Lansing, MI 48909
(517) 373-1160

**EX PARTE ORDER APPROVING JANICE SYLVERTOOTH'S
COMPENSATION AS SPECIAL DEPUTY REHABILITATOR**

At a session of said Court
held in the Circuit Courtrooms
for the County of Ingham,
State of Michigan, on the
22 day of December, 2015.

PRESENT: HONORABLE CLINTON CANADY III, CIRCUIT COURT JUDGE

WHEREAS, Patrick M. McPharlin, Director of the Michigan Department of Insurance and Financial Services ("DIFS") and duly appointed Rehabilitator of Affirmative Insurance Company of Michigan (the "Rehabilitator") has filed an *Ex*

Parte Petition for Approval of Janice Sylvertooth's Compensation as Special Deputy Rehabilitator (the "*Ex Parte* Petition"); and

WHEREAS, MCL 500.8114(1) authorizes the Rehabilitator to appoint one or more Special Deputy Rehabilitators as he considers necessary, whose compensation shall be fixed by the Rehabilitator with the approval of the Court; and

WHEREAS, MCL 500.8114(1) further provides that any person appointed as a Special Deputy Rehabilitator shall serve at the Rehabilitator's pleasure; and

WHEREAS, the Rehabilitator has determined that the appointment of Janice Sylvertooth as a Special Deputy Rehabilitator is both necessary and appropriate for the effective and efficient administration of this Rehabilitation proceeding and will assist in providing maximum protection to creditors, policyholders, and the public;

NOW, THEREFORE, IT IS HEREBY ORDERED that the Court APPROVES the compensation to be paid to Janice Sylvertooth, as fixed by the Rehabilitator pursuant to the terms set forth in the *Ex Parte* Petition and the Retainer Agreement attached thereto, in connection with her appointment as a Special Deputy Rehabilitator for Affirmative Insurance Company of Michigan ("AIM").

IT IS FURTHER ORDERED that as a Special Deputy Rehabilitator, Ms. Sylvertooth will work under the direction and supervision of Special Deputy Rehabilitator James Gerber. Subject to the supervision and direction of Mr. Gerber,

the Rehabilitator, and this Court, Ms. Sylvertooth shall have all the powers and responsibilities of the Rehabilitator granted under MCL 500.8114.

IT IS FURTHER ORDERED that both Mr. Gerber and Ms. Sylvertooth shall continue to serve at the pleasure of the Rehabilitator, who reserves the right to appoint other Special Deputy Rehabilitator(s) to replace and/or serve with Mr. Gerber and Ms. Sylvertooth in the future as the need arises.

IT IS FURTHER ORDERED that due to the difficulty and prohibitive cost associated with personally serving the *Ex Parte* Petition and this Order on all parties that may have a general interest in AIM's rehabilitation, the Court authorizes, approves, and/or ratifies the Rehabilitator's service of the *Ex Parte* Petition and this Order by posting electronic copies on the DIFS website, www.michigan.gov/difs, under the section "Who We Regulate," the subsection "Receiverships," and the sub-subsection "Affirmative Insurance Company of Michigan." The Court finds that service in this manner is reasonably calculated to give interested parties actual notice of these proceedings and is otherwise reasonable under the circumstances.

IT IS SO ORDERED.

CLINTON CANADY III

Honorable Clinton Canady III
Circuit Court Judge