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Lauren M. Wawrzyniak
Darnella D. Williams
Kyle T. Zwiren

July 11, 2014

Clerk of the Court
Ingham County Circuit Court
Mason Courthouse
341 S. Jefferson
Mason, MI 48854

RE: In the Matter of Cadillac Insurance Company, In Liquidation
Commissioner of Insurance vs. Cadillac Insurance Company
Case No. 89-64126-CR
Our File No. 1080-0000L

Dear Clerk:

Enclosed for filing please find the following documents relative to the above-referenced matter:

1. \$20.00 Petition Fee;
2. Notice of Hearing (original and Judge's copy);
3. Liquidator's Verified Petition to Approve the Actions of the Liquidator, Discharge the Liquidator, Terminate Receivership, Dissolve Insurance Corporation, Close the Case and for Related Relief (original and Judge's copy); and
4. Proof of Service (original and Judge's copy).

Please deliver the Judge's copies to Judge Collette. Thank you for your assistance with this matter.

Sincerely yours,

ZAUSMER, KAUFMAN, AUGUST
& CALDWELL, P.C.


Amy S. Applin

ASA:dmt
Enclosures

cc: Parties Identified on Proof of Service (w/enclosures)
James Gerber (w/enclosures)

Zausmer, Kaufman, August & Caldwell, P.C.
31700 Middlebelt Road, Suite 150, Farmington Hills, Michigan 48334-2374 | 721 N. Capitol, Suite 2, Lansing, MI 48906-5163

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF INGHAM

In the Matter of CADILLAC INSURANCE COMPANY,
IN LIQUIDATION

BILL SCHUETTE, Attorney General
of the State of Michigan, ex rel
ANN E. FLOOD, Director of the
Department of Insurance and Financial Services
of the State of Michigan,

File No.: 89-64126-CR

Hon. William E. Collette

Petitioners,

vs.

CADILLAC INSURANCE COMPANY,
a Michigan Corporation,

Respondent.

MARK J. ZAUSMER (P31721)
Special Assistant Attorney General
AMY S. APPLIN (P46900)
ZAUSMER, KAUFMAN, AUGUST
& CALDWELL, P.C.
Attorneys for Petitioners
31700 Middlebelt Road, Suite 150
Farmington Hills, MI 48334
(248) 851-4111

NOTICE OF HEARING

TO: Interested Parties

PLEASE TAKE NOTICE THAT the Liquidator's Verified Petition to Approve the
Actions of the Liquidator, Discharge the Liquidator, Terminate Receivership, Dissolve Insurance
Corporation, Close the Case and for Related Relief will be brought on for hearing before this

Honorable Court on **Wednesday, August 6, 2014 at 10:00 a.m.**, or as soon thereafter as counsel may be heard.

ZAUSMER, KAUFMAN, AUGUST,
& CALDWELL, P.C.



MARK J. ZAUSMER (P31721)
Special Assistant Attorney General
AMY S. APPLIN (P46900)
Attorneys for Petitioners
31700 Middlebelt Road, Suite 150
Farmington Hills, MI 48334
(248) 851-4111

Dated: July 11, 2014

Zausmer, Kaufman, August & Caldwell, P.C.
31700 Middlebelt Road, Suite 150, Farmington Hills, Michigan 48334-2374 | 721 N. Capitol, Suite 2, Lansing, MI 48906-5163

STATE OF MICHIGAN

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LIQUIDATOR'S VERIFIED PETITION
TO APPROVE THE ACTIONS OF THE LIQUIDATOR,
DISCHARGE THE LIQUIDATOR, TERMINATE RECEIVERSHIP,
DISSOLVE INSURANCE CORPORATION, CLOSE THE CASE
AND FOR RELATED RELIEF

Ann E. Flood, Director of the Department of Insurance and Financial Services ("DIFS"), in
her capacity as Liquidator of Cadillac Insurance Company ("Cadillac"), through her attorneys,

Zausmer, Kaufman, August & Caldwell, P.C., and consistent with former Chapter 78 of the Michigan Insurance Code of 1956, asks the Court to enter a Final Order to Approve the Actions of the Liquidator, Discharge the Liquidator, Terminate Receivership, Dissolve Insurance Corporation, Close the Case and For Related Relief ("Final Order"). In support of this Verified Petition, the Liquidator states as follows:

HEARING

1. This Verified Petition is scheduled for hearing on Wednesday, August 6, 2014, at 10:00 a.m. or as soon thereafter as counsel may be heard.

GENERAL MATTERS

2. The Court is aware of the extensive background related to this insurance liquidation proceeding.¹

3. As documented in periodic court reports, in various Petitions filed in this Court and in resulting Court Orders, the liquidation of Cadillac has been successfully accomplished through:

- a. Implementation of a Proof of Claim process.
- b. Marshaling of assets.
- c. Settlement of various disputes.
- d. Distributions of assets to reimburse administrative expenses of state guaranty funds incurred or reserved for payment of covered claims of Cadillac insureds, totaling \$11,867,963.41.
- e. Distributions of assets in the amount of \$28,407,062.36 to preferred claimants under MCL 500.7834 ("Class 1 Claims"), which includes claims of policyholders, policy claimants and guaranty associations, amounting to an overall recovery of 96.1% of their approved claim amounts.

¹ The detailed history of the Cadillac Estate is available in the various reports filed with this Court and is summarized in multiple Petitions that have previously been served on the service list and that have also been posted on the State of Michigan's website. The relevant Petitions can be accessed at the following location: http://www.michigan.gov/difs/0,5269,7-303-13251_67721_58792---,00.html.

- f. Further winding down of the entity, including resolution of federal tax issues, implementation of a document cataloging and storage process and court-sanctioned destruction of documents as appropriate.
- g. Denial of all Class 2 claims on the basis that remaining Estate assets were insufficient even to fully pay the remaining portion of approved Class 1 claims.

4. By this Verified Petition, the Liquidator seeks generally to document and obtain ratification of the final administrative steps taken to wind up the affairs of the Estate, and to obtain an order discharging the Liquidator, terminating the Receivership and closing the case. More specifically, among other things, the Liquidator, through this Petition, seeks the following:

- a. Confirmation of arrangements for and amounts pre-paid for administrative expenses related to activities that have taken place during 2014 and activities that will take place following the requested closure – to include continued storage and eventual destruction of documents;
- b. Approval of all actions taken or not taken by the Liquidator since entry of the Order Granting Liquidator’s Verified Petition for Finding of Compliance with Prior Court Orders, Approving Further Plans for Closure of the Estate and for Related Relief, dated December 18, 2013 (the “Compliance Order”);
- c. Dissolution of the corporate existence of Cadillac;
- d. Discharge and release of the Liquidator and Deputy Liquidator of Cadillac from their duties and obligations;
- e. Unconditional release of all claims against the Liquidator, Deputy Liquidator and their past and present agents;
- f. Implementation and enforcement of the bar order; and
- g. Entry of a Final Order terminating the Receivership and closing the case.

ADMINISTRATIVE UPDATE

5. This Court approved the Compliance Order on December 18, 2013. The Liquidator thereafter took further actions to accomplish the closing of the Estate consistent with the Compliance Order, including making arrangements for the closing of the Estate’s offices,

termination of related service accounts (telephone, internet, etc.) and pre-payment of final personnel expenses preparatory to release of the receivership staff. The Liquidator also arranged to prepay for services, such as accounting and legal services related to final closure, as well as the cost of storing and ultimately destroying documents following closure of the Estate's offices. Those prepayments, which covered professional services performed during 2014, are included in the totals listed in the Cash Disbursement Summary that is part of the attached **Exhibit A**.

6. Also consistent with the Compliance Order, the Liquidator finalized the payment of \$49,334.48 in Unclaimed Property payables to nine states as follows:

State of Connecticut	\$ 9,032.05
State of Florida	\$ 212.07
State of Illinois	\$ 7,907.67
Commonwealth of Massachusetts	\$ 2,119.52
State of Michigan	\$ 847.32
State of Wisconsin	\$ 1,875.68
State of North Carolina	\$10,309.90
State of Ohio	\$11,664.28
State of Tennessee	\$ 5,366.80

These amounts resulted from claim payment checks that had not been presented to Cadillac's bank for payment. This process was undertaken consistent with MCL 500.8145, which provides for deposit with the state treasurer of any unclaimed funds subject to distribution that remain in the liquidator's hands when s/he is ready to apply to the court for discharge. MCL 500.8145(1). Under Michigan law, if such funds are not claimed within six (6) years from the discharge of the liquidator, they shall be considered to have been abandoned and shall escheat to the state without formal

escheat proceedings and shall be deposited in the general fund of the state. *Id.* Other states' laws may vary.

7. Due to a dispute with the former owner of Cadillac, EMS Enterprises, Inc. ("EMS"), regarding certain furniture and accessory items ("Furniture") belonging to EMS that Cadillac had used, pursuant to agreement, during the receivership, the Liquidator filed a Petition for Order Declaring Furniture Abandoned and Allowing Receiver to Dispose of Furniture Accordingly on or about February 3, 2014. This Court subsequently entered the Order granting that Petition on February 12, 2014. On March 3, 2014, the Deputy Liquidator submitted to the court his affidavit confirming that he had complied with the terms of the order and that EMS had not provided notice of its intent to take possession of the Furniture, with the result that the Deputy Liquidator thereafter was authorized to consider the Furniture abandoned and to dispose of the Furniture in such manner as he saw fit.

8. The Liquidator pursued every avenue to sell, donate or recycle the Furniture. The Liquidator was unable to find anyone interested in purchasing the Furniture. Discarding the Furniture would have required that the Estate pay a mover to move the Furniture out of the Estate's offices. The staff made multiple attempts to locate an entity such as the Salvation Army that would accept the Furniture as a donation in exchange for picking up the furniture at no charge, but no such entity was willing to take possession of the Furniture on those terms. At the last minute (7 days before the end of the Estate's office lease), Logan & Associates, a law firm that had performed collection work for the Estate in past years, came forward and agreed to remove the Furniture from the Estate's offices at its own expense. The cost incurred to remove the Furniture was \$1,500.00. The intent of the acquiring party was to store and eventually re-use or sell the Furniture in a break-even, no loss situation. The Deputy Liquidator determined this disposition of the Furniture to be in

the best interest of the Estate. Disposition of the Furniture was thus made timely so as to permit the Estate to vacate the office space in the Bingham Office Center by the negotiated lease end date.

9. Consistent with the plans stated in the Liquidator's Petition filed on or about October 23, 2013, and confirmed in the resulting Compliance Order, prior to vacating its office space, the receivership inventoried, boxed and shipped to Record Center Storage in Lansing all files relating to the entities housed at Cadillac. This final shipment totaling 91 boxes will be retained for 10 years from the date of shipment. The cost of storing these records, and of their eventual destruction, was prepaid.

10. As previously reported, a computer hard drive containing claim files and other relevant files of the Estate will be retained at the site of the offices of the Receivership Division Director within the DIFS in Lansing to assist in responding to any future inquiries related to the Cadillac Estate.

11. The Liquidator asks that, with respect to Cadillac Estate documents as to which an order permitting destruction of documents has not previously been entered, the Court authorize in its Final Order the destruction of all such documents, including computer hardware and software on which any such documents are stored, on or after the date that is FIVE YEARS after the entry date of the Final Order, absent entry of any order to the contrary prior to that date.

12. Consistent with the Court's February 12, 2014, Order Granting Liquidator's Verified Petition for Approval of Liquidator's Decision Pertaining to Treatment of Remaining Assets, on or about March 27, 2014, the Deputy Liquidator remitted a check in the amount of \$254,398.11 to the Michigan Department of Treasury for deposit to the State of Michigan's general fund.

13. After the above-referenced check cleared the Estate's account at JPMorgan Chase Bank on March 31, 2014, all of the Estate's accounts at JPMorgan Chase were closed effective that date.

14. The Estate's 2013 Federal and State Income Tax Returns were filed timely. A tax payment of \$914.00 was made to the federal government for the 2013 tax year. No state taxes were owed for that period. The final Federal Income Tax Return for the Cadillac Estate, covering the period from January 1, 2014, through March 31, 2014, was filed on or about June 6, 2014. The Cadillac Estate filed its Michigan Corporate Tax Return through March 31, 2014, as well as its Michigan Notice of Change or Discontinuance on June 6, 2014. There were no taxes owed for either the federal or the state for this partial-year period.

FINANCIAL UPDATE

15. The attached financial information includes the following, which are consistent with the activity described in the Distribution Plan Petition and paragraphs 5-14 above:

EXHIBIT A OCTOBER 1, 2013, THROUGH MARCH 31, 2014, FINANCIALS

BALANCE SHEET

INCOME STATEMENT

CASH RECEIPTS SUMMARY

CASH DISBURSEMENT SUMMARY

16. At closure, the Cadillac Estate is insolvent in the amount of at least \$1.15 million.²

² This amount includes only the deficit that remains unpaid to Class 1 claimants and does not include amounts attributable to Class 2 claims, which were not formally adjudicated due to the known deficit.

REQUEST FOR COURT APPROVAL OF ALL ACTIONS
TAKEN OR NOT TAKEN BY THE LIQUIDATOR
SINCE ENTRY OF THE COMPLIANCE ORDER

17. In the Compliance Order, which was dated December 18, 2013, the Court found and ordered that:

[A]ll actions taken or not taken by the Liquidator, the Deputy Liquidator, their respective predecessors and successors, the Receivership staff, agents, assigns, accountants, counsel for the Liquidator and/or for Cadillac from the inception of the liquidation proceeding through the date of this Order, have been properly executed, and that such actions meet, have met or will meet the requirements of former Chapter 78 of the Insurance Code, the prior orders of this Court and, in general, the law of the State of Michigan as ascertained and reviewed by this Court from January 2, 1990, through the date of entry of this Order and, if in accordance with the terms of this Order, then also for any such actions taken in connection with carrying out the mandates of or pursuant to this Order.

18. Since entry of the Compliance Order, the Liquidator, the Deputy Liquidator and their designees have complied with this Court's directives stated in the Compliance Order and in prior orders of this Court and have otherwise complied with the laws of the State of Michigan.

19. In addition, after entry of the Compliance Order, the Liquidator sought further Court approval for his actions and then complied with the Court's resulting Orders, prior orders of this Court and the laws of the State of Michigan.

20. Based on all of the foregoing, the Liquidator seeks a Final Order providing that all actions taken or not taken by the Liquidator, the Deputy Liquidator, the Receivership staff, agents, assigns, accountants, counsel for the Liquidator and/or for Cadillac since entry of the Compliance Order (including, without limitation, any ministerial actions taken post-closure) have been properly executed, and that such actions meet, have met or will meet the requirements of former Chapter 78 of the Insurance Code, the prior orders of this Court and, in general, the law of the State of Michigan as ascertained by and reviewed by this Court from January 2, 1990, through the date of entry of the requested Final Order and, if in accordance with the terms of the requested Final Order, then also for

any such other actions taken in connection with carrying out the mandates of or pursuant to the requested Final Order.

DISSOLUTION OF CADILLAC

21. Cadillac is a domestic property and casualty insurance corporation that currently has an inactive status.

22. As a domestic insurer, Cadillac was subject to liquidation under former Chapter 78 of the Michigan Insurance Code. See MCL 500.7800, MCL 500.7802, MCL 500.7806.

23. Chapter 78 provided for the option to dissolve the corporate existence of an insurer at the time the entity was ordered liquidated. MCL 500.7814(1). However, no such provision was included in the Liquidation Order.

24. The Liquidator reached agreement some time ago with Cadillac's sole shareholder, EMS Enterprises, Inc., that Cadillac's corporate existence will be dissolved in closing the Cadillac Estate. That agreement was approved by order of this Court dated February 14, 2011.

25. Dissolution of Cadillac at this time is consistent with § 8120 of Chapter 81 of the Insurance Code, MCL 500.8120, which states, in part:

If the dissolution has not previously been ordered, it shall be effected by operation of law upon the discharge of the liquidator if the insurer is insolvent and may be ordered by the court upon the discharge of the liquidator if the insurer is under a liquidation order for some other reason.

26. The Liquidator therefore seeks a Final Order providing that, Cadillac having been found in the Liquidation Order to be insolvent and having remained insolvent during the term of the Liquidation proceeding, the Cadillac corporate entity shall be dissolved upon the entry of the Final Order discharging the Liquidator.

REQUEST FOR DISCHARGE AND RELEASE OF LIQUIDATOR

27. As described above, all assets of the Cadillac Estate have been distributed – including in the form of pre-payments for expenses to be incurred following entry of the requested Final Order – consistent with the requirements of former Chapter 78 of the Michigan Insurance Code.

28. Consistent with the above, the Liquidator seeks a Final Order from the Court confirming that the liquidation of Cadillac has been accomplished and that all assets justifying the expense of collection and distribution have been collected and distributed consistent with former Chapter 78 of the Insurance Code of 1956.

29. The Liquidator further seeks a Final Order that the Liquidator and the Deputy Liquidator are fully, finally and unconditionally DISCHARGED AND RELEASED from any duties, responsibilities or obligations with respect to the liquidation Estate of Cadillac, and that from and after entry of the Final Order the Liquidator and Deputy Liquidator shall have no further responsibility or obligation under former Chapter 78 of the Insurance Code or the laws of the state of Michigan with respect to any matter relating to the Receivership of Cadillac.

30. The Liquidator further requests that no further reports be required of the Liquidator or Deputy Liquidator to any further person or entity, including but not limited to reports to this Court and reports to DIFS.

REQUEST FOR RELEASE OF ALL CLAIMS AGAINST THE LIQUIDATOR

31. The Liquidator further seeks a Final Order that the Liquidator, the Deputy Liquidator and their respective predecessors and successors, the Receivership staff, agents, assigns, accountants, counsel for the Liquidator and/or for Cadillac are fully, finally and unconditionally RELEASED FROM ANY AND ALL CLAIMS OR LIABILITIES with respect to any and all actions taken or not taken, events and/or occurrences with respect to the receivership and liquidation estate of Cadillac

from and after January 2, 1990, up to and including the date of entry of the requested Final Order, and, if in accordance with the terms of the requested Final Order, then also for any such other actions taken in connection with carrying out the mandates of or pursuant to the requested Final Order.

REQUEST FOR BAR ORDER FOR ALL CLAIMS
AGAINST THE LIQUIDATOR

32. The Liquidator also requests an order that ALL CLAIMS AND CAUSES OF ACTION against the Liquidator, the Deputy Liquidator, their respective predecessors and successors, the Receivership staff, agents, assigns, accountants, counsel for the Liquidator and/or for Cadillac (including, without limitation, any ministerial actions taken post-closure) for any and all actions taken or not taken, events and/or occurrences on or after January 2, 1990, through the date of entry of the Final Order, and, if in accordance with the terms of the Final Order then also for any such other actions taken in connection with carrying out the mandates of or pursuant to the Final Order, are and SHALL BE COMPLETELY AND FOREVER BARRED, whether such claims are reduced to judgment or not, liquidated or unliquidated, contingent or noncontingent, asserted or unasserted, fixed or not, matured or unmatured, disputed or undisputed, legal or equitable, or known or unknown.

REQUEST FOR FINAL ORDER CLOSING ESTATE

33. The Liquidator seeks a Final Order terminating the Receivership of Cadillac and closing this case.

NOTICE

34. The Liquidator has served a copy of this Verified Petition upon all persons/entities and/or their counsel who are known to have outstanding or ongoing claims, suits or controversies that affect or that are or may be affected by the Receivership proceeding, consistent with the prior orders of this Court.

35. The Liquidator has or shortly will post a copy of this Petition on the State of Michigan website along with the other Cadillac documents previously posted there.

36. Any objection to the relief requested in this Petition **must be in writing** and must be filed with the Ingham County Circuit Court addressed as follows: Clerk to the Honorable William E. Collette, Ingham County Circuit Court - Mason Courthouse, 341 South Jefferson, Mason, Michigan 48854, and a copy must be properly served via U.S. Mail (First-Class) to the Liquidator's counsel: Mark J. Zausmer/Amy S. Applin, Zausmer, Kaufman, August & Caldwell, P.C., 31700 Middlebelt Rd, Ste. 150, Farmington Hills, Michigan 48334, or other proper method of service under the Michigan Court Rules. **Written objections must be filed with the Court, and a copy must be received by the Liquidator's counsel not later than one week before the scheduled hearing on the Liquidator's Petition, i.e. not later than Wednesday, July 30, 2014. If written objection is not filed with the Court and received by the Liquidator's counsel by Wednesday, July 30, 2014, the Liquidator will ask that the objection be barred as it relates to the Liquidator's Petition and the relief sought by this Petition.**

VERIFICATION

37. This Petition is verified by James Gerber, the Deputy Liquidator.

RELIEF REQUESTED

WHEREFORE, the Michigan Director of the Department of Insurance and Financial Services, acting solely in her capacity as the court-appointed Liquidator of Cadillac, respectfully requests entry of a Final Order:

- a. Granting the Liquidator's Verified Petition to Approve the Actions of the Liquidator, Discharge the Liquidator, Terminate Receivership, Dissolve Insurance Corporation, Close the Case and For Related Relief;
- b. Approving all actions taken or not taken by the Liquidator since entry of the Compliance Order on December 18, 2013, and all actions to be taken by the

Liquidator provided they are consistent with the intended actions described in this Petition;

- c. Dissolving the insurance corporation upon entry of the order discharging the Liquidator;
- d. Discharging the Liquidator, the Deputy Liquidator and their agents;
- e. Unconditionally releasing the Liquidator, the Deputy Liquidator and their past and present agents;
- f. Barring all claims against the Liquidator, the Deputy Liquidator or their agents;
- g. Terminating the Receivership;
- h. Closing the case; and
- i. Granting such other and further relief as equity requires.

Respectfully Submitted,

ZAUSMER, KAUFMAN, AUGUST
& CALDWELL, P.C.



MARK J. ZAUSMER (P31721)

AMY S. APPLIN (P46900)

Attorneys for Petitioner

31700 Middlebelt, Suite 150

Farmington Hills, MI 48334

(248) 851-4111

Dated: July 11, 2014

EXHIBIT A

**CADILLAC INSURANCE COMPANY IN LIQUIDATION
BALANCE SHEET
March 31, 2014**

		<u>PER COMPANY BOOKS & RECORDS</u>
<u>ASSETS</u>		
CASH	\$	0.00
SHORT TERM INVESTMENTS		<u>0.00</u>
TOTAL ASSETS	\$	<u>0.00</u>
CLAIMS AGAINST THE ASSETS		
<u>GUARANTY FUND, POLICYHOLDERS, & GENERAL CREDITOR CLAIMS:</u>		
LOSS INCURRED PAYABLE CLASS 1	\$	0.00
ADMIN-LAE PAYABLE		0.00
LOSS RESERVES CLASS 1 MPCGA		0.00
LOSS RESERVES CLASS 1 ESTATE		0.00
LOSS RESERVES CLASS 2		0.00
LAE RESERVE		0.00
FUTURE LAE/ADMIN RESERVE		0.00
<u>OTHER CLAIMS:</u>		
ACCRUED EXPENSES		0.00
ACCRUED FEDERAL AND STATE TAX LIABILITY		<u>0.00</u>
TOTAL CLAIMS		0.00
RECEIVERSHIP BALANCE		0.00
TOTAL CLAIMS & RECEIVERSHIP BALANCE	\$	<u>0.00</u>

CADILLAC INSURANCE COMPANY IN LIQUIDATION
INCOME STATEMENT
OCTOBER 1, 2013 TO MARCH 31, 2014

UNDERWRITING INCOME		\$0.00
<u>LESS:</u>		
LOSSES INCURRED	0.00	
LAE INCURRED	0.00	
FUTURE ADMIN /LAE INCURRED	0.00	
OTHER UNDERWRITING EXPS INCURRED	0.00	0.00
NET UNDERWRITING GAIN (LOSS)		0.00
<u>INVESTMENT INCOME</u>		
INVESTMENT INCOME EARNED		0.00
<u>OTHER INCOME</u>		
INCOME FROM SALE OF MISC ITEMS	75,320.48	75,320.48
<u>OTHER EXPENSE</u>		
FEDERAL AND STATE INCOME TAXES		0.00
NET INCOME (LOSS)		\$75,320.48

CADILLAC INSURANCE COMPANY IN LIQUIDATION
STATEMENT OF RECEIVERSHIP BALANCE
March 31, 2014

RECEIVERSHIP BALANCE SEPTEMBER 30, 2013		(\$45,149.98)
NET INCOME (LOSS) - 10/1/13 TO 3/31/14		75,320.48
ADJ TO RETAINED EARNINGS-CLAIM LOSSES		119,151.77
ADJ TO RETAINED EARNINGS-W/OFF OVERACCRUALS		105,075.84
FINAL CASH BALANCE REMITTED TO STATE		(254,398.11)
RECEIVERSHIP BALANCE MARCH 31, 2014		\$0.00

**CADILLAC INSURANCE COMPANY, IN LIQUIDATION
OCTOBER 1, 2013 THROUGH MARCH 31, 2014
CASH RECEIPTS SUMMARY**

ACCOUNT NAME	AMOUNT
ADMINISTRATIVE EXPENSE RECOVERIES	75,505.98
MISCELLANEOUS INCOME	185.00
	<hr/>
TOTAL CASH RECEIPTS	<u>\$ 75,690.98</u>

**CADILLAC INSURANCE COMPANY, IN LIQUIDATION
OCTOBER 1, 2013 THROUGH MARCH 31, 2014
CASH DISBURSEMENT SUMMARY**

ACCOUNT NAME	AMOUNT
SUPPLIES	\$ 135.65
POSTAGE - EXPRESS	107.67
TELEPHONE	922.62
COMPUTER SOFTWARE EXPENSE	1,702.51
COMPUTER HARDWARE EXPENSE	6.98
RENT - HOME OFFICE	20,797.60
ESTATE CLAIM PAYMENTS	40,007.99
UNCLAIMED PROPERTY PAYABLE	49,334.48
LEGAL EXPENSE - ZAUSMER, KAUFMAN, ET AL	33,738.82
ACCOUNTING & AUDITING FEES	25,251.00
CONSULTING	20,376.05
DUES AND SUBSCRIPTIONS	400.00
INSURANCE - EMPLOYEE	6,961.87
INSURANCE - PROPERTY	734.98
PERSONAL PROPERTY TAX	30.75
IRS - FEDERAL INCOME TAX	914.00
MICHIGAN BUSINESS TAX DEPOSIT(2008)	7,923.00
OUTSIDE LABOR	779.00
MISCELLANEOUS EXPENSE	<u>1,012.27</u>
SUBTOTAL	211,137.24
OTHER DISBURSEMENTS - WIRE TRANSFERS	
SALARIES	364,104.34
PAYROLL SERVICE CHARGE	950.92
TOTAL	<u>\$ 576,192.50</u>

Zausmer, Kaufman, August & Caldwell, P.C.
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IN LIQUIDATION

BILL SCHUETTE, Attorney General
of the State of Michigan, ex rel
ANN E. FLOOD, Director of the
Department of Insurance and Financial Services
of the State of Michigan,

File No.: 89-64126-CR

Hon. William E. Collette

Petitioners,

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& CALDWELL, P.C.
Attorneys for Petitioners
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Farmington Hills, MI 48334
(248) 851-4111

PROOF OF SERVICE

STATE OF MICHIGAN)
)SS
COUNTY OF OAKLAND)

DAWN M. TROMBLEY, being first duly sworn, deposes and states that on July 11,
2014, she served a copy of Liquidator's Verified Petition to Approve the Actions of the

Liquidator, Discharge the Liquidator, Terminate Receivership, Dissolve Insurance Corporation, Close the Case and for Related Relief, Notice of Hearing and this Proof of Service via first class mail on the following individuals by placing said documents in sealed envelopes, with prepaid, first-class postage fully affixed, and depositing same in the U.S. mail in Farmington Hills, Michigan, or, if so specified below, via email:

Louis J. Porter, Esq.
Fried Porter PLLC
29800 Telegraph Road
Southfield, MI 48034

Benjamin W. Jeffers, Esq.
Dykema Gossett PLLC
400 Renaissance Center
Detroit, MI 48243

Arizona Insurance Guaranty Association
& Mr. Michael Surguine
msurguine@azinsurance.gov

California Insurance Guarantee Association
c/o Wayne Wilson
P. O. Box 29066
Glendale, CA 91209-9066

Florida Insurance Guaranty Association
srobinson@agfgroup.org

Florida Life & Health Insurance Guaranty Association
c/o Mr. William Flack
3740 Beach Blvd, Suite 201A
Jacksonville, FL 32207-3877

Georgia Insurers Insolvency Pool
c/o Michael Marchman
2177 Flintstone, Suite R
Tucker, GA 30084

Indiana Insurance Guaranty Association,
Janis Funk, Executive Director
jfunk@quadassoc.org; rvasil@quadassoc.org

Louisiana Insurance Guaranty Association
c/o John Wells
2142 Quail Run Drive
Baton Rouge, LA 70808-4126

Michigan Life & Health Insurance
Guaranty Association
c/o John Colpean
1640 Haslett Road, Suite 160
Haslett, MI 48840-8683

Michigan Property & Casualty
Guaranty Association
c/o Mr. Tom Kujawa
P. O. Box 531266
Livonia, MI 48153-1266

Mississippi Insurance Guaranty Association
c/o Arthur Russell
arusell@msiga.net

Nevada Insurance Guaranty Association
c/o Bruce Gilbert
3821 Charleston Blvd., Suite 100
Las Vegas, NV 89102-1859

Ohio Life & Health Guaranty Association
sdurish@ohioga.org

Ohio/West Virginia Insurance Guaranty Association
sdurish@ohioga.org

Texas Property & Casualty Insurance
Guaranty Association
c/o Mr. Marvin Kelly
9120 Burnet Road
Austin, TX 78758

Top 10 largest non-Guaranty Fund Class 1 Claims:

Claim No. MI00012 (via email)
Claim No. MI02727
Claim No. TX00083
Claim No. IN00071
Claim No. MI02552A
Claim No. MI02729
Claim No. MI02558
Claim No. AR00001
Claim No. IN00075
Claim No. IN00117

(The sealed list of names and addresses of claimants was filed with the Court on or about July 5, 2011, consistent with the Court's October 14, 2010, Order in this matter).


DAWN M. TROMBLEY