

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

KEN ROSS, COMMISSIONER OF THE OFFICE
OF FINANCIAL AND INSURANCE
REGULATION,

Petitioner,

No. 10-397-CR

v

HON. WILLIAM E. COLLETTE

AMERICAN COMMUNITY MUTUAL
INSURANCE COMPANY,

Respondent.

Christopher L. Kerr (P57131)
David W. Silver (P24781)
Assistant Attorneys General
Attorneys for Petitioner
Corporate Oversight Division
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JANE BRYANTON
CLERK OF THE 30TH
JUDICIAL CIRCUIT COURT
INGHAM COUNTY CLERK

2011 JAN 20 P 1:35

FILED

**EX PARTE ORDER APPROVING SETTLEMENT OF
PENDING LAWSUIT AGAINST AMERICAN COMMUNITY**

At a session of said Court
held in the Circuit Courtrooms
for the County of Ingham,
State of Michigan, on the
20th day of JANUARY, 2011.

PRESENT: HONORABLE WILLIAM E. COLLETTE, CIRCUIT COURT JUDGE

WHEREAS, Ken Ross, the Commissioner of the Michigan Office of Financial and Insurance Regulation and duly appointed Rehabilitator of American Community Mutual Insurance Company (the "Rehabilitator") has filed an Ex Parte Petition for Approval to Settle

Pending Lawsuit against American Community (the "Ex Parte Petition"), specifically, the case entitled *Catherine Izydorski v. American Community*, pending in the United States District Court, Southern District of Indiana; and

WHEREAS, MCL 500.8115(1) governs legal actions or proceedings involving American Community that were pending when the Rehabilitation Order was entered and provides, *inter alia*, that "[t]he rehabilitator shall take action respecting the pending litigation as he or she considers necessary in the interests of justice and for the protection of creditors, policyholders, and the public"; and

WHEREAS, the Rehabilitator has determined that the settlement of this lawsuit in the amount summarized in the Ex Parte Petition and on the terms contained in the corresponding settlement agreement is necessary and appropriate, is in the interests of justice, and will promote the protection of American Community's creditors, policyholders, and the public;

NOW, THEREFORE, IT IS HEREBY ORDERED that the Court APPROVES the proposed settlement reached in the lawsuit described above and in the Ex Parte Petition, authorizes payment of the settlement amount from the funds of American Community, and authorizes the Rehabilitator and/or Special Deputy Rehabilitator to execute any necessary documentation and take such other action required to finalize this settlement.

IT IS FURTHER ORDERED that due to the difficulty and prohibitive cost associated with providing personalized notice of the Ex Parte Petition and this Order to all parties with an interest in this matter, 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 OFIR website, www.michigan.gov/ofir, under the section "Who We Regulate" and the subsection "American Community." 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.

A handwritten signature in black ink, appearing to read "W. E. Collette", written over a horizontal line.

Honorable William E. Collette
Circuit Court Judge