

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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**EX PARTE ORDER APPROVING SETTLEMENT OF
FIVE PENDING LAWSUITS AGAINST AMERICAN COMMUNITY**

At a session of said Court
held in the Circuit Courtrooms
for the County of Ingham,
State of Michigan, on the
14th day of Oct, 2010.

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

Five Pending Lawsuits against American Community (the "Ex Parte Petition"), specifically, the cases entitled: (1) *Adams v American Community*; (2) *Grooms v American Community v Bally Spartan Golf Club*; (3) *Ekberg v American Community*; (4) *Perrault v American Community*; and (5) *Yarbrough v. American Community*; 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

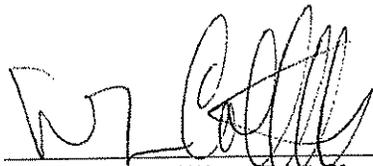
WHEREAS, the Rehabilitator has determined that the settlement of these lawsuits in the amounts summarized in the Ex Parte Petition and on the terms contained in their respective settlement agreements is necessary and appropriate, is in the interests of justice, and will promote the protection of American Community's creditors, policyholders, and the public;

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

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.



Honorable William E. Collette
Circuit Court Judge