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

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

Petitioner,

v

AMERICAN COMMUNITY MUTUAL INSURANCE COMPANY,

Respondent.

No. 10-397-CR

HON. WILLIAM E. COLLETTE

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EX PARTE ORDER APPROVING SETTLEMENT OF PENDING CLAIM AGAINST AMERICAN COMMUNITY

At a session of said Court
held in the Circuit Courtrooms
for the County of Ingham,
State of Michigan, on the
8th day of May, 2012.

PRESENT: HONORABLE WILLIAM E. COLLETTE, CIRCUIT COURT JUDGE

WHEREAS, R. Kevin Clinton,[1] 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 Claim against American Community (the "Ex Parte Petition"), specifically, the matter entitled *In re: Jerry and Adina Mason 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, with respect to claims against American Community arising after entry of the Rehabilitation Order, MCL 500.8114(2) and the Rehabilitation Order authorize the Rehabilitator to "take such action as he considers necessary or appropriate to reform or revitalize American Community." In addition, this statute, as incorporated by the Rehabilitation Order, grants the Rehabilitator "full power and authority to direct and manage American Community . . . and to deal in totality with the property and business of" the company; and

WHEREAS, the Rehabilitator has determined that the settlement of this claim 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;

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[1] Governor Snyder duly appointed R. Kevin Clinton to succeed Ken Ross as the Commissioner of OFIR effective April 18, 2011. Consequently, Commissioner Clinton became the Rehabilitator of American Community on that date.

NOW, THEREFORE, IT IS HEREBY ORDERED that the Court APPROVES the proposed settlement reached in the matter 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.

Honorable William E. Collette
Circuit Court Judge