

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

R. KEVIN CLINTON, COMMISSIONER  
OF THE OFFICE OF FINANCIAL AND  
INSURANCE REGULATION,

Petitioner,

Case No. 12-1173-CR

HON. WILLIAM E. COLLETTE

v

AMERICAN FELLOWSHIP MUTUAL  
INSURANCE COMPANY,

Respondent.

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Christopher L. Kerr (P57131)  
Jason R. Evans (P61567)  
Assistant Attorneys General  
Attorneys for Petitioner  
Corporate Oversight Division  
P. O. Box 30755  
Lansing, MI 48909  
(517) 373-1160

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BARB BYRUM  
CLERK OF THE 30TH  
JUDICIAL CIRCUIT COURT  
INGHAM COUNTY CLERK

FILED

**EX PARTE ORDER APPROVING SETTLEMENT OF  
EIGHT PENDING HEALTH CARE PROVIDER LAWSUITS AGAINST  
AMERICAN FELLOWSHIP MUTUAL INSURANCE COMPANY**

At a session of said Court  
held in the Circuit Courtrooms  
for the County of Ingham,  
State of Michigan, on the  
7th day of January 2013.

PRESENT: HONORABLE WILLIAM E. COLLETTE, CIRCUIT COURT JUDGE

WHEREAS, R. Kevin Clinton, the Commissioner of the Michigan Office of  
Financial and Insurance Regulation and duly appointed Rehabilitator of American

Fellowship Mutual Insurance Company (the “Rehabilitator”) has filed an *Ex Parte* Petition for Approval to Settle Eight Pending Health Care Provider Lawsuits against American Fellowship (the “*Ex Parte* Petition”), specifically, the lawsuits captioned: (1) *Bio-Magnetic Resonance, Inc (Marohn) v American Fellowship*, 52-4 District Court Case No. 12-CO2057-GC; (2) *Bio-Magnetic Resonance, Inc (Robinson) v American Fellowship*, 43<sup>rd</sup> District Court Case No. 11MH-053953-GC; (3) *Michigan Biotech Partners, LLC, d/b/a The Imaging Center (Ba) v American Fellowship*, 52-4 District Court Case No. 12-C02711-GC; (4) *Michigan Biotech Partners, LLC, d/b/a The Imaging Center (Salcedo) v American Fellowship*, 52-4 District Court Case No. 12-CO3070-GC; (5) *Michigan Biotech Partners, LLC, d/b/a The Imaging Center (Crabtree) v American Fellowship*, 52-4 District Court Case No. 12-CO2530-GC; (6) *Bio-Magnetic Resonance, Inc (Chowdhury) v American Fellowship*, 52-4 District Court Case No. 12-C03390-GC; (7) *Bio-Magnetic Resonance, Inc (Mickle) v. American Fellowship*, 52-4 District Court Case No. 12-C01091-GC; and (8) *Bio-Magnetic Resonance, Inc (Sorsby) v. American Fellowship*, 52-4 District Court Case No. 12-C02529-GC; and

WHEREAS, MCL 500.8115(1) governs legal actions or proceedings involving American Fellowship 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 Fellowship 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 Fellowship.” In addition, this statute, as incorporated by the Rehabilitation Order, grants the Rehabilitator “full power and authority to direct and manage American Fellowship . . . and to deal in totality with the property and business of” the company; 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 Fellowship’s creditors, policyholders, and the public;

**NOW, THEREFORE, IT IS HEREBY ORDERED** that the Court APPROVES the proposed settlements reached in the eight lawsuits described above and in the *Ex Parte* Petition, authorizes payment of the respective settlement amounts from the funds of American Fellowship, and authorizes the Rehabilitator and/or Special Deputy Rehabilitator 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](http://www.michigan.gov/ofir), under the section "Who We Regulate" and the subsection "American Fellowship Mutual." 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", with a long horizontal flourish extending to the right.

Honorable William E. Collette  
Circuit Court Judge