

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,

v

AMERICAN FELLOWSHIP MUTUAL
INSURANCE COMPANY,

Respondent.

Case No. 12-1173-CR

HON. WILLIAM E. COLLETTE

[IN LIQUIDATION]

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

**EX PARTE ORDER APPROVING INPOINT'S COMPENSATION AS
REINSURANCE COMMUTATION VALUATION CONSULTANT**

At a session of said Court
held in the Circuit Courtrooms
for the County of Ingham,
State of Michigan, on the
18th day of December, 2013.

PRESENT: HONORABLE WILLIAM E. COLLETTE, CIRCUIT COURT JUDGE

WHEREAS, Annette E. Flood, Director of the Michigan Department of
Insurance and Financial Services and duly appointed Liquidator of American

Fellowship Mutual Insurance Company (the “Liquidator”),¹ has filed an Ex Parte Petition for Approval of Inpoint’s Compensation as Reinsurance Commutation Valuation Consultant (the “Ex Parte Petition”); and

WHEREAS, MCL 500.8121(1)(b) authorizes the Liquidator “[t]o employ employees and agents, legal counsel, actuaries, accountants, appraisers, consultants, and such other personnel as he or she considers necessary to assist in the liquidation”; and

WHEREAS, MCL 500.8121(1)(c) further authorizes the Liquidator to fix, with the Court’s approval, the reasonable compensation of any employees and agents, legal counsel, actuaries, accountants, court’s appraisers, and consultants that she employs; and

WHEREAS, the Liquidator and Special Deputy Liquidator have decided to employ Paragon Strategic Solutions Inc. operating as Inpoint (“Inpoint”) as an independent contractor consultant to provide reinsurance commutation valuation services in the ongoing liquidation of American Fellowship; and

WHEREAS, as explained in the Ex Parte Petition, the Liquidator and Special Deputy Liquidator have determined that the employment of Inpoint as American Fellowship’s reinsurance commutation valuation consultant is both

¹ Pursuant to Executive Order No. 2013-1 effective March 18, 2013, the Michigan Office of Financial and Insurance Regulation (“OFIR”) was renamed the Michigan Department of Insurance and Financial Services (“DIFS”) and all the authority, powers, duties, functions, and responsibilities of the former Commissioner of OFIR were transferred to the newly-created position of the Director of DIFS. Governor Snyder duly appointed Annette E. Flood as the Director of DIFS effective November 1, 2013, making her the Liquidator of American Fellowship as of that date.

necessary and appropriate for the effective and efficient administration of this liquidation proceeding and will assist in providing the maximum protection to creditors, policyholders, and the public;

NOW, THEREFORE, IT IS HEREBY ORDERED that the Court APPROVES the compensation to be paid to Inpoint, as fixed by the Liquidator pursuant to the terms set forth in the Ex Parte Petition and the Master Services Agreement and corresponding Work Order No. 1 attached as Exhibit A thereto, in connection with its employment as American Fellowship's reinsurance commutation valuation consultant.

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 that may have a general interest in American Fellowship's ongoing liquidation, the Court authorizes, approves, and/or ratifies the Liquidator's service of the Ex Parte Petition and this Order by posting electronic copies on the DIFS website, www.michigan.gov/difs, 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.



Honorable William E. Collette
Circuit Court Judge