

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)
Allison M. Dietz (P73612)
Assistant Attorneys General
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FILED
JUDGE OF THE COURT
INGHAM COUNTY
MICHIGAN

2010 DEC - 2 P 2:04

FILED

**EX PARTE ORDER APPROVING THE REHABILITATOR'S PLAN TO ENTER INTO
A REINSURANCE AND ASSUMPTION AGREEMENT WITH
US HEALTH AND LIFE INSURANCE COMPANY
RELATIVE TO AMERICAN COMMUNITY MUTUAL INSURANCE COMPANY'S
MICHIGAN AND INDIANA SMALL GROUP HEALTH INSURANCE POLICIES**

At a session of said Court held in the
Circuit Courtrooms for the
County of Ingham, State of Michigan
on the 2nd day of December, 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 of the Rehabilitator's plan to enter into a reinsurance and assumption agreement with US Health and Life Insurance Company ("US Health") relative to American Community's Michigan and Indiana small group health insurance policies (the "Ex Parte Petition"); and

WHEREAS, MCL 500.8114(2) authorizes the Rehabilitator to take such action as he considers necessary or appropriate to reform or revitalize American Community, with the approval of the Court; and

WHEREAS, the Rehabilitator has determined that entering into a Reinsurance and Assumption Agreement ("Reinsurance Agreement") with US Health is necessary and appropriate for the effective and efficient administration of this rehabilitation proceeding and will assist in providing the maximum protection to American Community's creditors, policyholders, and the public; and

WHEREAS, the Rehabilitator has determined that consistent with the Rehabilitation Order, the Reinsurance Agreement with US Health will also maintain, to the greatest extent possible, a continuity of health care services for American Community's Michigan and Indiana small group health insurance policyholders;

NOW, THEREFORE, IT IS HEREBY ORDERED that the Court APPROVES the Rehabilitator's plan to enter into the Reinsurance Agreement with US Health in the form attached as Exhibit A to the Ex Parte Petition;

IT IS FURTHER ORDERED that because time is of the essence in securing Court approval of the Reinsurance Agreement, and because the Reinsurance Agreement with US Health represents the only available offer relative to American Community's Michigan and Indiana small group health insurance business, the Court waives any hearing on the Ex Parte

Petition and approves the Rehabilitator's plan to enter into the Reinsurance Agreement on an ex parte basis;

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 a general interest in the American Community rehabilitation, 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. Collette", written over a horizontal line.

Honorable William E. Collette
Circuit Court Judge

