IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

IN THE MATTER OF THE	**)**	
REHABILITATION OF AMERICAN	**)**	**NO. 88 CH 1595**
MUTUAL REINSURANCE COMPANY	**)**	

ORDER

This cause coming to be heard upon the Rehabilitator's Application For An Order Approving The Final Distribution Of Estate Assets, Consisting Of The Payment Of Accrued Interest On Surplus Drafts And The Fifth And Final Prepayment Of Outstanding Surplus Drafts, the Court having jurisdiction over the subject matter and the parties, having read the Rehabilitator's Annual Report, and having from heard counsel thereon, and otherwise being fully advised in the premises;

THE COURT FINDS THAT THE REHABILITATOR HAS REPRESENTED THAT:

1. As of August 19, 2009, Amreco had cash and invested assets in the amount of S92,995,534;

2. The Rehabilitator anticipates the receipt of an additional $308,736, resulting in total assets of $93,304,270;

3. Reductions to assets available for a final distribution, issued as a fifth and final prepayment of outstanding Surplus Drafts, consist of:

a. $252,039 for the costs of administering the estate (those that have been incurred but not yet paid plus post-closing expenses to be incurred);

b. $240,000 in estimated federal taxes to be paid by September 15, 2009 representing income tax due for 2009

c. $1,675,000 settlement payment to Guaranty Fund Certificate Note Holders;

d. $1,161,051 in common account quota share recoveries collected for the benefit of Amreco's pool participants; and

e. $634,574 in annual interest on Surplus Drafts accrued at the rate of 0.5% from December 1, 2008 through September 4, 2009.

4. The total assets available for a fifth and final prepayment on the outstanding Surplus Drafts is $89,446,048.90; and

5. After reserving for liabilities identified in Paragraphs 1-4 of these Findings, there are sufficient assets in the estate with which to make a fifth and final prepayment on the outstanding Surplus Drafts at the rate of 53.69866%.

IT IS HEREBY ORDERED THAT:

A. On September 4, 2009, the Rehabilitator's shall issue payment of interest, for the period of December 1, 2008 through September 4, 2009, on the principal amount of the outstanding Surplus Drafts at the rate of 0.5%, without compounding, said payment resulting in an aggregate payment of $634,574; and

B. On September 4, 2009, the Rehabilitator shall issue a fifth and final prepayment on the principal amount of the outstanding Surplus Drafts on a prorated basis at the rate of 53.69866%, said prepayment of principal resulting in an aggregate payment of $89,341,606;

C. The 53.69866% fifth and final prepayment on the principal amount of the outstanding Surplus Drafts shall constitute a full and final settlement of Amreco's obligations on said Surplus Drafts;

D. The Rehabilitator's retention of $492,039 for outstanding and future administrative expenses, incurred and to be incurred, including estimated federal tax liabilities, is approved; and

E. This cause is set for further status on September 16, 2009 at 10:00 a.m.

ENTERED:

ENTERED
JUDGE MARY ANNE MASON-1810
SEP 02 2009
DOROTHY BROWN
CLERK OF THE CIRCUIT COURT
OF COOK COUNTY, IL
DEPUTY CLERK

Judge Presiding

Date:

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