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IRIS Y. MARTINEZ
CIRCUIT CLERK
COOK COUNTY, IL
2019CH07852
Calendar, 1
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**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

**IN THE MATTER OF THE LIQUIDATION OF)
AMERICAN COUNTRY INSURANCE COMPANY)
)**

NO. 19 CH 07852

NOTICE OF FILING

TO: See Attached Service List

YOU ARE HEREBY NOTIFIED that on February 8, 2022, the Liquidator filed, pursuant to Section 202(D)(1), 215 ILCS 5/202(D)(1), with the Clerk of the Circuit Court of Cook County, Illinois, the attached Liquidator's Statement of Changes in Cash and Invested Assets for the period of July 1, 2020 through September 30, 2020.



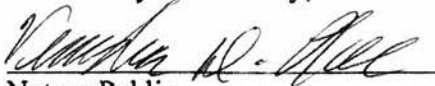
Counsel to the Liquidator

CERTIFICATE OF SERVICE

I, Richard C. Abron, a non-attorney, under penalties as provided by law pursuant to Section 5/1-109, 735 ILCS 5/1-109, hereby certifies that I served a true and correct copy of this Notice and the Liquidator's Statement of Changes in Cash and Invested Assets for the period of July 1, 2020 through September 30, 2020, to all persons on the attached service list by electronic mail on February 8, 2022.



Subscribed and sworn to before me
This 8th day of February, 2022


Notary Public

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SERVICE LIST

**GATEWAY INSURANCE COMPANY,
AMERICAN SERVICE INSURANCE COMPANY
AND
AMERICAN COUNTRY INSURANCE COMPANY
(Case No. 19 CH 07852)**

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The Honorable Judge Thaddeus L. Wilson
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AMERICAN COUNTRY INSURANCE COMPANY
REHABILITATION DATE JULY 8, 2019 / LIQUIDATION DATE AUGUST 11, 2020
STATEMENT OF CHANGES IN CASH AND INVESTED ASSETS
JULY 1 THROUGH SEPTEMBER 30, 2020

	CURRENT PERIOD	YEAR TO DATE
Beginning Cash & Invested Assets	\$ 778,359	\$ 1,973,447
Cash Receipts:		
Investment Income (Note 1)	\$ 76,421	\$ 148,157
Gain or Loss on Sale of Investment	-	1,550
Premiums Collected	183,006	8,738,691
Salvage and Subrogation	596,816	3,770,964
Reinsurance Receipts	64,283	5,119,025
Intercompany Receipts (Note 7)	(880)	2,576,561
Release of Escrow Funds (Note 2)	120,468	175,283
Release of Statutory Deposit (Note 3)	872,358	872,358
Tax Refund	5,166	21,354
Other Income	(5,906)	(49,800)
Total Cash Receipts	\$ 1,911,732	\$ 21,374,143
Cash Disbursements:		
Compensation:		
Salaries	\$ 101,745	\$ 235,295
Employee Benefits	44,142	78,317
Payroll and Other Taxes	4,957	150,024
Professional Fees:		
Legal Fees & Expenses (Note 4)	10,664	11,523
Audit Fees (Note 5)	6,476	6,721
Consulting Fees (Note 6)	27,311	261,161
Other Expenses of Administration of Company and its Property:		
Rent and Rent Items	18,522	41,767
Equipment Expenses	865	2,040
Travel and Travel Items	364	1,352
Postage and Freight	15,304	15,501
Office Expenses	1,880	4,719
Data Processing	54,571	135,134
Banking and Investment Expenses	11,753	42,496
Other Expenses	18,662	346,960
All Other Disbursements:		
Loss and Loss Adjustment Expense	800,307	20,085,207
Subrogation Expenses	1,245	9,786
Tax Expenses	3,447	3,447
Claim Adjuster	-	43,941
Intercompany Payments (Note 7)	2,368	326,467
Total Cash Disbursements	\$ 1,124,583	\$ 21,801,858
Change in Fair Value of Investments	\$ 271,648	\$ 291,424
Ending Cash & Invested Assets	\$ 1,837,156	\$ 1,837,156

AMERICAN COUNTRY INSURANCE COMPANY
REHABILITATION DATE JULY 8, 2019 / LIQUIDATION DATE AUGUST 11, 2020
NOTES TO STATEMENT OF CHANGES IN CASH AND INVESTED ASSETS
JULY 1 THROUGH SEPTEMBER 30, 2020

1. Investment Income

Investment Income includes \$76,753 in interest and an amortization adjustment of (\$332) for a net of \$76,421. The line item does not include \$393 accrued interest earned but not paid as of September 30, 2020.

2. Release From Escrow

Mortgage Payments Received from American Insurance Acquisition	\$ 120,468
Total Release from Escrow	<u>\$ 120,468</u>

3. Release of Statutory Deposit

On August 17, 2020 American Country Insurance Company received \$872,358 for the release of the Michigan statutory deposit.

4. Legal Fees & Expenses

Thompson Coburn LLP	\$ 10,607
Markoff Law LLC	40
George Van Emdem	17
Total Legal Fees & Expenses	<u>\$ 10,664</u>

5. Audit Fees

Kerber, Eck & Braeckel LLP	\$ 6,476
Total Audit Fees	<u>\$ 6,476</u>

6. Consulting Fees

John Zsitek	\$ 13,250
Stivers Staffing Services	8,002
Perr & Knight, Inc.	5,650
Mesirow Financial Investment Management, Inc.	409
Total Consulting Fees	<u>\$ 27,311</u>

7. Intercompany Receipts and Payments

American Country Insurance Co along with its two affiliates - American Service Insurance Co and Gateway Insurance Co - shared costs based on a pooling agreement that splits overall costs to these pooled companies in a ration of 50% ASI / 30% ACI / 20% GIC. There are many intercompany payments and receipts during the quarter that resulted in a net disbursement by American Country from the other companies of \$3,248. These intercompany transactions are summarized as follows:

Reinsurance Payments	(\$2,202)
Other Disbursements	(1,046)
	<u>(\$3,248)</u>

AMERICAN COUNTRY INSURANCE COMPANY
REHABILITATION DATE JULY 8, 2019 / LIQUIDATION DATE AUGUST 11, 2020
STATEMENT OF CASH AND INVESTED ASSETS
SEPTEMBER 30, 2020

	Market Value	Book Value
Unencumbered Cash and Invested Assets		
Cash	\$ 1,348,608	\$ 1,348,608
Money Market	385,292	385,292
Municipal Bonds	112,373	103,256
Total Unencumbered Cash and Invested Assets	<u>\$ 1,846,273</u>	<u>\$ 1,837,156</u>
Encumbered Cash and Invested Assets		
Statutory Deposits (1)		\$ 2,898,505
Other Invested Assets (2)		3,940,301
Mortgage Loan (3)		2,085,016
Collateral Accounts (4)		304,389
Escrow Accounts (5)		30,203
Total Encumbered Cash and Invested Assets		<u>\$ 9,258,414</u>
Total Cash and Invested Assets		<u>\$ 11,095,570</u>
 1. Statutory Deposits - Represents funds which are under the direct control of state insurance departments or related entities.		
Illinois		\$ 1,716,211
Massachusetts		153,574
Nevada		281,087
Texas		747,633
Total		<u>\$ 2,898,505</u>
 2. Other Invested Assets		
Itasca Golf Investors AKA Sunrise		\$ 1,576,625
AKA Fashion North		1,277,875
AKA Village South		509,958
Total		<u>\$ 3,364,458</u>
 3. Mortgage Loans		
Mortgage Loan - AIA Building		\$ 2,085,016
Total		<u>\$ 2,085,016</u>

AMERICAN COUNTRY INSURANCE COMPANY
REHABILITATION DATE JULY 8, 2019 / LIQUIDATION DATE AUGUST 11, 2020
STATEMENT OF CASH AND INVESTED ASSETS
SEPTEMBER 30, 2020

4. Collateral Accounts

NCCI Pool Collateral Account	\$ 304,389
Total Collateral Accounts	<u>\$ 304,389</u>

5. Escrow Accounts

Gallagher Bassett TPA Escrow	\$ 13,934
Sedgwick TPA Escrow	16,269
Total Escrow Accounts	<u>\$ 30,203</u>