

IN THE DISTRICT COURT OF LANCASTER COUNTY, NEBRASKA

STATE OF NEBRASKA, ex rel.)
L. TIM WAGNER,)
DIRECTOR OF INSURANCE OF)
THE STATE OF NEBRASKA,)
)
Petitioner,)
)
vs.)
)
AMWEST SURETY INSURANCE)
COMPANY,)
)
Respondent.)

Case No. CI 01 2102

ECOPY

**ORDER APPROVING INTERIM
DISTRIBUTION TO CLASS 3
CLAIMANTS
(PURSUANT TO APPLICATION NO.
109)**

This matter came on for consideration on Application No. 109 of the Director of Insurance for the State of Nebraska, Bruce R. Ramage, acting as Liquidator of Amwest Surety Insurance Company pursuant to the Insurers Supervision, Rehabilitation and Liquidation Act ("Act"), NEB. REV. STAT. § 44-4801 *et seq.*, particularly NEB. REV. STAT. §44-4844, for an Order approving an interim distribution to Class 3 Claimants.

The Court finds that the claimants covered in the Liquidator's Application No. 109 are Class 3 Policyholder claimants under NEB. REV. STAT. §44-4842(3), as it existed on June 7, 2001, the date of Amwest's Order of Liquidation, Declaration of Insolvency, and Injunction herein. The Court further finds that priority classification is appropriate for distributions in this liquidation by reason of NEB. REV. STAT. §44-4818(2), whereby the rights and liabilities of the insurer, its creditors and

others are fixed as of the date of the Order of Liquidation herein. The Court further finds that the Liquidator's Application No. 109 seeks approval to make a ten percent (10%) general asset distribution to approved Class 3 policyholder claimants, which together with the twenty-five percent (25%) and fifteen percent (15%) general asset distributions previously approved by the Court, will result in the Court's approval of aggregate fifty percent (50%) general asset distributions to approved Class 3 policyholder claimants.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED:

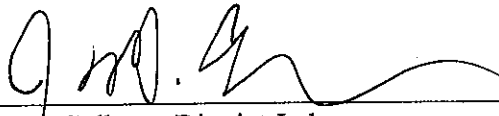
1. Pursuant to NEB. REV. STAT. §44-4844, the Liquidator is AUTHORIZED AND ORDERED to pay distributions to the claimants as listed on Schedules 1 and 2 attached to Application No. 109.

2. The Liquidator is further AUTHORIZED AND ORDERED to pay claim distributions on any similarly situated Class 3 claims which have been approved by the Court and which have either confirmed the claim or are exempt from the Liquidator's confirmation process, and the Liquidator shall report to the Court on the payment of such claim distributions not less often than quarterly.

3. As a condition to making any distribution to any claimant hereunder, the Liquidator is authorized to require the affected claimant to represent in writing to the Liquidator, by endorsement of the claims distribution check or otherwise, under penalties of perjury, that (a) the claimant is the holder of the claim free and clear of any rights or claims of third parties created by the claimant, (b) the claimant has not made any transfer, release, assignment or pledge of such claim, and (c) the claimant has not received any payment on such claim from any other source. The

Liquidator may reduce or withhold payment to any claimant as appropriate to the extent such claimant no longer holds such claim, or has transferred, released, assigned or pledged such claim, or has received payment on such claim from any other source, and if any such situations exist, the Liquidator shall make a supplemental report to the Court, and, as necessary, an application to modify or disallow the affected claims.

DATED: April 4, 2011.



John A. Colborn, District Judge

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