

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

JUN 24 AM 11:56

IN THE MATTER OF THE LIQUIDATION OF  
LEGION INDEMNITY COMPANY

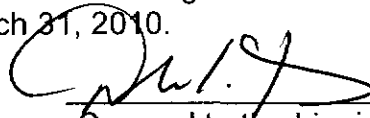
COOK COUNTY, ILLINOIS  
CHANCERY DIV.

NO. 02 CH 06695

NOTICE OF FILING


To: See Attached Service List

**YOU ARE HEREBY NOTIFIED** that on June 24, 2010, the Liquidator filed, pursuant to 215 ILCS 5/202(D)(1) (1998), 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 January 1, 2010 thru March 31, 2010.

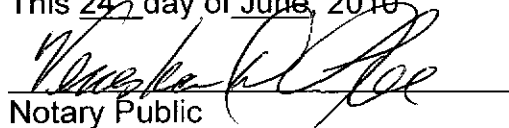
  
Counsel to the Liquidator

CERTIFICATE OF SERVICE

I, Richard C. Abron, a non-attorney, on oath state, that I served a copy of this Notice and the Liquidator's Statement of Changes in Cash and Invested Assets to all persons on the attached service list by depositing the same in the U.S. Mail depository located at 222 Merchandise Mart Plaza, Chicago, Illinois, 60654 on June 24, 2010 with proper postage prepaid.



Subscribed and sworn to before me  
This 24<sup>th</sup> day of June, 2010

  
Notary Public



J. Kevin Baldwin  
Dale A. Coonrod  
Counsel to the Liquidator  
222 Merchandise Mart Plaza, Suite 1450  
Chicago, Illinois 60654  
(312) 836-9500  
Attorney Code #16819

**SERVICE LIST**

**LEGION INDEMNITY COMPANY**

**(No. 02 CH 06695)**

JAMES L. OAKLEY, ESQ.  
JOEL HABER, ESQ.  
THOMPSON COBURN FAGEL HABER, LLC  
55 EAST MONROE STREET  
37<sup>TH</sup> FLOOR  
CHICAGO, ILLINOIS 60602

**COURTESY COPY TO:**

RICHARD O'BRIEN  
434 WEST CHESTNUT HILL AVENUE  
PHILADELPHIA, PENNSYLVANIA 19118

DAVID EZEKIEL, ESQ.  
IAS Ltd.  
44 CHURCH STREET  
HAMILTON HM 12  
BERMUDA

THE HONORABLE JUDGE DANIEL A. RILEY  
ROOM 2508  
THE RICHARD J. DALEY CENTER  
50 WEST WASHINGTON STREET  
CHICAGO, ILLINOIS 60602

**LEGION INDEMNITY COMPANY**  
**LIQUIDATION DATE APRIL 09, 2003**  
**STATEMENT OF CHANGES IN CASH AND INVESTED ASSETS**  
**JANUARY 1 THROUGH MARCH 31, 2010**

	CURRENT PERIOD	YEAR TO DATE
<b>Beginning Cash &amp; Invested Assets</b>	\$ 57,342,351	\$ 57,342,351
<b>Cash Receipts:</b>		
Investment Income (Note 1)	\$ 31,695	\$ 31,695
Reinsurance Receipts (Note 2)	61,511	61,511
<b>Total Cash Receipts</b>	<b>\$ 93,206</b>	<b>\$ 93,206</b>
<b>Cash Disbursements:</b>		
Salaries	\$ 233,093	\$ 233,093
Professional Fees:		
Legal Fees & Expenses (Note 3)	8,286	8,286
Audit Fees (Note 4)	1,918	1,918
Consulting Fees (Note 5)	7,300	7,300
Compensation:		
Employee Benefits	77,882	77,882
Payroll and Other Taxes	31,137	31,137
Other Expenses of Administration of Company and its Property:		
Loss and Loss Adjustment Expense	26,994	26,994
Rent and Rent Items	74,625	74,625
Travel and Travel Items	230	230
Postage and Freight	3,073	3,073
Office Expenses	7,383	7,383
Data Processing	4,781	4,781
Investment Expenses	2,998	2,998
Commission Expenses	39,072	39,072
Other Expenses	7,760	7,760
<b>Total Cash Disbursements</b>	<b>\$ 526,532</b>	<b>\$ 526,532</b>
<b>Ending Cash &amp; Invested Assets</b>	<b>\$ 56,909,025</b>	<b>\$ 56,909,025</b>

**LEGION INDEMNITY COMPANY**  
**LIQUIDATION DATE APRIL 09, 2003**  
**NOTES TO STATEMENT OF CHANGES IN CASH AND INVESTED ASSETS**  
**JANUARY 1 THROUGH MARCH 31, 2010**

**1. Investment Income**

Investment Income includes \$31,661 income and an amortization adjustment of \$34 for a net of \$31,695. The line item does not include \$247,224 accrued interest earned but not paid as of March 31, 2010.

**2. Reinsurance Receipts**

Represents a wire transfer from Toa Reinsurance.

**3. Legal Fees & Expenses**

Thompson Coburn Fagel Haber	\$	8,056
Neal, Gerber & Eisenberg LLP		230
<b>Total Legal Fees &amp; Expenses</b>	<b>\$</b>	<b><u>8,286</u></b>

**4. Audit Fees**

Kerber, Eck & Braeckel LLP	\$	1,918
<b>Total Auditing Fees</b>	<b>\$</b>	<b><u>1,918</u></b>

**5. Consulting Fees**

The Revere Group LTD	\$	51,259
Professional Staffing Services	*	(43,959)
<b>Total Consulting Fees</b>	<b>\$</b>	<b><u>7,300</u></b>

\* Amount includes reimbursement of fees totaling \$135,165 related to the processing of United Capitol Insurance Company and Alpine Insurance Company claims that were paid by Legion Indemnity Company.

**LEGION INDEMNITY COMPANY**  
**LIQUIDATION DATE APRIL 9, 2003**  
**STATEMENT OF CASH AND INVESTED ASSETS**  
**MARCH 31, 2010**

	<b>Market Value</b>	<b>Book Value</b>
<b>Unencumbered Cash and Invested Assets</b>		
Cash	\$ 76,959	\$ 76,959
Money Market	904,398	904,398
U.S. Government Obligations	56,734,860	55,927,668
<b>Total Unencumbered Cash and Invested Assets</b>	<u>\$ 57,716,217</u>	<u>\$ 56,909,025</u>
<b>Encumbered Cash and Invested Assets</b>		
Statutory Deposits (1)		\$ 5,230,331
Escrow Accounts (2)		15,640,402
<b>Total Encumbered Cash and Invested Assets</b>		<u>\$ 20,870,733</u>
<b>Total Cash and Invested Assets</b>		<u>\$ 77,779,758</u>
<b>1. Statutory Deposits - Represents funds which are under the direct control of state insurance departments or related entities.</b>		
Arkansas		\$ 202,757
Louisiana		203,301
Massachusetts		723,726
New Hampshire		697,373
New Mexico		137,531
New York		3,001,819
South Carolina		263,824
<b>Total</b>		<u>\$ 5,230,331</u>
<b>2. Escrow Cash and Investments are as follows:</b>		
Bank Of America A/C #060032262 Mutual Indemnity Ltd. ( Bermuda)		\$ 15,298,903
Bank Of America A/C #060032263 Mutual Indemnity Ltd.		175,826
Bank Of America A/C #060032259 Mutual Indemnity Ltd. (Dublin)		165,673
<b>Total</b>		<u>\$ 15,640,402</u>