



GOVERNOR'S OFFICE OF GENERAL COUNSEL

December 9, 2010

Michael F. Krimmel, Chief Clerk
Commonwealth Court of Pennsylvania
601 Commonwealth Avenue, Suite 2100
P.O. Box 69185
Harrisburg, PA 17120-9185

RECEIVED & FILED
COMMONWEALTH COURT
OF PENNSYLVANIA
2010 DEC - 9 A 9: 51

Re: *American Integrity Insurance Company*
No. 194 M.D. 1993

Dear Mr. Krimmel:

Enclosed for filing please find an original and two copies of Liquidator's Motion for Approval to Extend the Time Period for the Federal Government to Object to the Notice of the Statutory Liquidator's Final Accounting and Petition for Distribution and Discharge with regard to the above-referenced matter.

Thank you for your assistance in this matter.

Very truly yours,

Preston M. Buckman
Special Funds Counsel

PMB:drh

Enclosures

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: AMERICAN INTEGRITY
INSURANCE COMPANY

Docket No. 194 M.D. 1993

ORDER

AND NOW, this _____ day of _____ 2010, upon consideration of the foregoing Motion for Approval to Extend the Time Period for the Federal Government to Object to the Notice of the Statutory Liquidator's Final Accounting and Petition for Distribution and Discharge ("Petition"), it is hereby ORDERED and DECREED, that the United States Department of Justice shall have until January 24, 2011, to determine if the United States, or any of its Agencies, has a claim against the American Integrity estate and/or object to the Petition.

BY THE COURT:

JIM FLAHERTY, Senior Judge

2010 DEC -9 A 9: 51

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: AMERICAN INTEGRITY
INSURANCE COMPANY

Docket No. 194 M.D. 1993

**MOTION FOR APPROVAL TO EXTEND THE TIME PERIOD
FOR THE FEDERAL GOVERNMENT TO OBJECT TO THE NOTICE
OF THE STATUTORY LIQUIDATOR'S FINAL ACCOUNTING
AND PETITION FOR DISTRIBUTION AND DISCHARGE**

American Integrity Insurance Company, by and through its counsel, Preston M. Buckman, hereby moves this Honorable Court to extend the time period for the federal government to object to the Notice of the Statutory Liquidator's Final Accounting and Petition for Distribution and Discharge, stating as follows:

1. The Insurance Commissioner in his capacity as Statutory Liquidator ("Liquidator") of American Integrity Insurance Company (In Liquidation) ("AI") filed the Final Accounting and Petition for Distribution and Discharge ("Petition") for this estate on October 28, 2010. The United States Department of Justice ("USDOJ") was served with a copy of the Petition.

2. This Court approved the Notice of the Petition's filing by Order dated November 12, 2010, and said Notice was mailed on November 24, 2010. (A copy of the Order and Notice

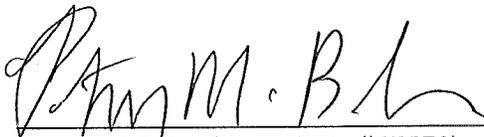
are attached hereto as Exhibit "A".) The Notice provides that objections to the Petition must be filed within 30 days of the date of the Notice or be forever barred.

3. Upon receiving a copy of the Petition, the USDOJ contacted counsel for the Liquidator to inform him that it may require additional time to determine if the United States or any of its Agencies had any claims against AI.

4. In order to obviate the need of the USDOJ to file an objection to the Petition at this time, the parties have agreed and stipulated that the USDOJ may have additional time to determine if the United States or any of its Agencies have a claim against the AI estate. (A copy of the Stipulation, executed by the parties is attached hereto and made a part hereof as Exhibit "B".)

WHEREFORE, the Liquidator respectfully requests this Court to enter the proposed Order attached hereto which provides additional time for the federal government to determine if it has any claims against the AI estate and/or object to the Petition.

Respectfully submitted,



Preston M. Buckman (I.D. #57570)
Governor's Office of General Counsel
Pennsylvania Insurance Department
901 North 7th Street
Harrisburg, PA 17109
(717) 787-6009

Counsel for Robert L. Pratter, Acting Insurance
Commissioner of the Commonwealth of
Pennsylvania, in his official capacity as Statutory
Liquidator of American Integrity Insurance
Company

Dated: _____

12/9/10

EXHIBIT A

NOV 17 2010

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

Joel S. Ario, Insurance Commissioner :
of the Commonwealth of Pennsylvania, :

Plaintiff

No. 194 M.D. 1993

v.

American Integrity Insurance Company, :

Defendant

ORDER

AND NOW, this 12th day of November, 2010, upon consideration of Liquidator's Final Accounting and Petition for Distribution and Discharge and Plaintiff's concomitant Notice To All Claimants of American Integrity Insurance Company (Notice), it is hereby determined that only Plaintiff's Notice, to be delivered by first-class mail to all claimant's is APPROVED.


JIM FLAHERTY, Senior Judge

Certified from the Record

NOV 15 2010

And Order Exit



NOVEMBER 24, 2010

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

IN RE: AMERICAN INTEGRITY
INSURANCE COMPANY

Docket No. 194 M.D. 1993

**NOTICE TO ALL CLAIMANTS OF
AMERICAN INTEGRITY INSURANCE COMPANY**

PLEASE TAKE NOTICE that Robert L. Pratter, in his official capacity as Acting Insurance Commissioner of the Commonwealth of Pennsylvania, and as such, Statutory Liquidator of American Integrity Insurance Company ("AIIC") (In Liquidation) has filed his Final Accounting and Petition for Distribution and Discharge for the period from June 25, 1993, to June 30, 2010 ("Petition"). The Petition sets forth the steps taken in this liquidation during this period of time.

PLEASE TAKE FURTHER NOTICE that the total for class "a", "b", "d", "e", "f", "g" and "i" claims that has been approved and allowed is \$99,561,752.48. There are no class "c" or "h" claims. The total net assets available for distribution, after payment of administrative expenses incurred by the Liquidator, are \$63,866,704.63.

The Petition requests that:

1. The Final Accounting and Petition for Distribution and Discharge of Robert L. Pratter, in his official capacity as Acting Insurance Commissioner of the Commonwealth of Pennsylvania, as Statutory Liquidator of AIIC, be approved and confirmed absolutely.

2. The Liquidator be authorized to make a distribution of the assets of AIIC in accordance with paragraph 6 of the Petition as follows:

- A. Priority class "a" claims will be paid at 100%. The Liquidator has already received \$5,257,423.56 in administrative expenses.
- B. Priority class "b" claims will be paid at 62%.
- C. There are no priority class "c" claims.
- D. Priority class "d" claims will not be paid.
- E. Priority class "e" claims will not be paid.
- F. Priority class "f" claims will not be paid.

G. Priority class "g" claims will not be paid.

H. There are no priority class "h" claims.

I. Priority class "i" claims will not be paid.

3. The Liquidator's form of Notice to be sent by first class mail to claimants be approved.

4. The Liquidator be authorized to destroy records of AIIC, other than appropriate administrative files, within the Liquidator's discretion.

5. Any assets of AIIC received after the date of discharge be used to satisfy any unreimbursed administrative expenses incurred by the Liquidator.

6. Robert L. Pratter, in his official capacity as Acting Insurance Commissioner of the Commonwealth of Pennsylvania, and his predecessors and successors in office, be discharged as Statutory Liquidator of AIIC, and thereby released from any liability to make payment of any further claims.

TAKE FURTHER NOTICE that objections to the Final Accounting and Petition for Distribution and Discharge must be filed in writing with the Commonwealth Court of Pennsylvania, Office of the Chief Clerk, 601 Commonwealth Avenue, Suite 2100, Harrisburg, Pennsylvania 17106-9185, or with the Pennsylvania Insurance Department, Bureau of Liquidations Claims, 901 North 7th Street, Harrisburg, Pennsylvania 17102. In the event of such a filing, please refer to Docket No. 194 MD 1993.

Objections must be filed within 30 days of the date of this Notice, or they shall be forever barred. Objections must be clearly and concisely written.

Copies of this Final Accounting and Petition for Distribution and Discharge are available to interested parties for inspection at the Commonwealth Court of Pennsylvania, Office of the Chief Clerk, 601 Commonwealth Avenue, Suite 2100, Harrisburg, Pennsylvania 17106-9185; the Insurance Department, 901 North 7th Street, Harrisburg, Pennsylvania 17102; and the Philadelphia Regional Office of the Insurance Department, 801 Market Street, Room 6062, Philadelphia, PA 19107.

If you have any questions, please call the Bureau of Liquidations Claims, 901 North 7th Street, Harrisburg, Pennsylvania 17102, (717) 787-7823.

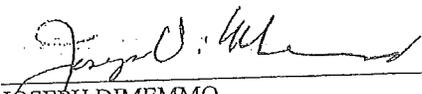

JOSEPH DIMEMMO,
Deputy Insurance Commissioner

EXHIBIT B

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

In re:

American Integrity Insurance Company

Docket No. 194 M.D. 1993

STIPULATION

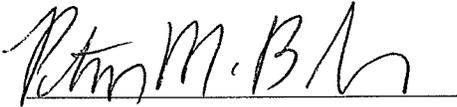
- A. The Insurance Commissioner in his capacity as Statutory Liquidator (“Liquidator”) of American Integrity Insurance Company (In Liquidation) (“AI”) filed the Final Accounting and Petition for Distribution and Discharge (“Petition”) for the AI estate on October 28, 2010. The United States Department of Justice (“USDOJ”) was sent a copy of the Petition.
- B. The Commonwealth Court of Pennsylvania (“Court”) approved the Notice of the Petition’s filing by Order dated November 12, 2010, and said Notice was mailed on November 24, 2010. (A copy of the Order and Notice are attached hereto as Exhibit “A”). The Notice provides that objections to the Petition must be filed within 30 days of the date of the Notice, or be forever barred.
- C. Upon receiving a copy of the Petition, the USDOJ contacted counsel for the Liquidator to inform him that it will require additional time to determine if the United States or any of its Agencies has a claim against AI.
- D. In order to obviate the need of the USDOJ to file an objection to the Petition at this time, AI and USDOJ have agreed that the USDOJ may have additional time to determine if the United States or any of its Agencies has a claim against the AI estate.

ACCORDINGLY, IT IS HEREBY STIPULATED AND AGREED, by and between AI and the United States, that:

1. The USDOJ shall have 61 days from the date of the mailing of the Notice, or until January 24, 2011, in which to determine if the United States or any of its Agencies has a claim against the AI estate and/or object to AI's Final Accounting and Petition for Distribution and Discharge;

Dated: December 2, 2010

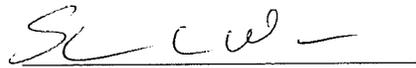
PRESTON M. BUCKMAN, ESQ.



(PA Lawyer ID No. 57570)

Governor's Office of General Counsel
PA Insurance Department
Capitol Associates Building
901 North 7th Street
Harrisburg, Pennsylvania 17102
Tel: (717) 787-6009

SHARON C. WILLIAMS, ESQ.



(D.C. Bar No. 946731)

Trial Attorney
United States Department of Justice
Civil Division
Commercial Litigation Branch
1100 L St., N.W., Room 10016
Washington, D.C. 20005
Tel: (202) 353-0530

CERTIFICATE OF SERVICE

I hereby certify that I am this day serving the foregoing document upon the person(s) and in the manner indicated below.

Service by first-class mail, addressed as follows:

Donna J. Pankowski, District Counsel
Internal Revenue Service
Mid-Atlantic Region
1000 Liberty Avenue, Room 112
Pittsburgh, PA 15222-4003

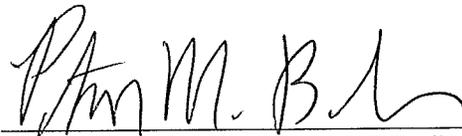
Internal Revenue Service
Special Procedures Department
P.O. Box 12051
Philadelphia, PA 19105

Sharon Williams, Esquire
Commercial Litigation Branch
Department of Justice, Civil Division
1100 L Street, N.W., Room 10016
Washington, DC 20005
(by electronic and overnight mail)

Pennsylvania Department of Revenue
ATTN: Marianne I. Rempe, Esquire
Office of Chief Counsel
Department 281061
Harrisburg, PA 17128-1061

Richard Sponseller, Assistant U.S. Attorney
Federal Building
Harrisburg, PA 17102

Internal Revenue Service
Taxpayer Services
600 Arch Street
Philadelphia, PA 19105



PRESTON M. BUCKMAN (I.D. #57570)
Governor's Office of General Counsel
Pennsylvania Insurance Department
Capital Associates Building
901 North 7th Street
Harrisburg, PA 17102
(717) 787-6009

Counsel for Robert L. Pratter, Pennsylvania
Insurance Commissioner, in his capacity as
Statutory Liquidator of American Integrity
Insurance Company (In Liquidation)

DATED: _____

12/9/10