

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.)
)
 FAR WEST INSURANCE COMPANY,)
)
 Respondent.)
)

Case No. CI 01 4133

**ORDER APPROVING LIQUIDATOR'S
 FOURTH CLAIMS REPORT
 (PURSUANT TO APPLICATION NO.
 47)**

This matter came on for consideration on Application No. 47 of the Director of Insurance for the State of Nebraska, Ann M. Frohman, acting as Liquidator of Far West Insurance Company pursuant to the Insurers Supervision, Rehabilitation and Liquidation Act ("Act"), NEB. REV. STAT. § 44-4801 *et seq.*, for an Order approving the Liquidator's recommendations contained in her Fourth Claims Report made pursuant to NEB. REV. STAT. §44-4843(1), to make a fifty percent (50%) interim distribution thereon, and to make fifty percent (50%) interim distributions in respect of other similarly situated Class 4 claims, subject to periodic reporting to the Court. Application No. 47 is supported by the Affidavit of Michael J. FitzGibbons, which states the factual basis for said application.

The Court finds that the claimants covered in the Liquidator's Application No. 47 are Class 4 general creditor claimants under NEB. REV. STAT. §44-4842(4), as it existed on November 9,

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2001, the date of Far West'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.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED:

1. The claims covered on Schedules 1 and 2 attached to Application No. 47 are hereby approved to the extent they have not already been approved by the Court.

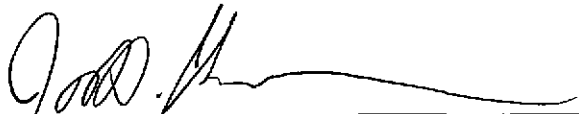
2. Pursuant to NEB. REV. STAT. §44-4844, the Liquidator is AUTHORIZED AND ORDERED to pay fifty percent (50%) interim claim distributions as listed on Schedules 1 and 2 attached to Application No. 47.

3. The Liquidator is further AUTHORIZED AND ORDERED to pay fifty percent (50%) interim claim distributions on any similarly situated Class 4 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.

4. 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, assignment or pledge of such claim, (c) the claimant has not received any payment on such claim from any other source, and (d) the claimant has not released the claim in whole or in part. *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, assigned or pledged such claim, has released the 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 2, 2010.



John A. Colborn, District Judge