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IN THE CHANCERY COURT OF THE STATE OF TENNESSEE
TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY

Day Co. Chancery Court

Bookkeeping

STATE OF TENNESSEE, ex rel.)
JULIE MIX MCPEAK,)
Commissioner of Commerce and)
Insurance for the State of Tennessee)
)
Petitioner,)
)
v.)
)
ESTATE OF CHEROKEE f/k/a)
CHEROKEE INSURANCE COMPANY)
)
Respondent.)

AF
No. 84-1460-III

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**ORDER GRANTING RECEIVER'S MOTION
FOR APPROVAL OF (1) THE ASSIGNMENT OF CHEROKEE'S CLAIM IN
THE MISSION RECEIVERSHIP; (2) THE FINAL DISTRIBUTION OF
CHEROKEE ESTATE ASSETS TO GENERAL CREDITOR CLAIMANTS;
AND (3) DISCHARGE OF THE RECEIVER**

The Court has considered the Receiver's Motion for Approval of (1) the Assignment of Cherokee's Claim in the Mission Receivership; (2) the Final Distribution of Cherokee Estate Assets to General Creditor Claimants; and (3) Discharge of the Receiver ("Motion") filed on June 27, 2014, by the Petitioner Julie Mix McPeak, Commissioner of the Tennessee Department of Commerce and Insurance and statutory Receiver for the Estate of Cherokee f/k/a Cherokee Insurance Company ("Cherokee"). The Motion is accompanied by the Affidavit of Special Deputy Receiver Jeanne Barnes Bryant and its two exhibits – Exhibit 1 which sets forth the current assets of the receivership estate and the estimated expenses through closure and Exhibit 2 which sets forth the final distribution amounts to the general creditor claimants. There has been no filing in opposition to this Motion. Based upon the Court's review of the Motion, the

supporting Affidavit of Special Deputy Receiver Bryant, and its accompanying exhibits, the Court hereby GRANTS the Receiver's Motion and ORDERS as follows:

1. The Receiver is authorized to assign Cherokee's claim in the Mission receivership to Liquidity Solutions, Inc. in exchange for a payment of \$97,636.02 to be made within three (3) business days of the entry of this Order granting the Motion.

2. The changes made to the general creditor claims, including name changes, the withdrawal of three (3) Proofs of Claim, and the splitting of the distributions associated with two (2) Proofs of Claim among entities named in the original Proofs of Claim, as noted in Exhibit 2 to the Affidavit of Special Deputy Receiver Bryant are approved.

3. Pursuant to the Court-approved Final Plan for Concluding the Cherokee Insurance Company Receivership (filed on July 28, 1995), the Receiver is authorized to make the final distribution of approximately \$1,097,000.00 pro rata to the approved remaining general creditor claimants (which is approximately an additional 2.22% pro rata final distribution) as set forth in Exhibit 2 to the Affidavit of Special Deputy Receiver Bryant.

4. The Receiver shall reserve approximately \$41,648.40 from the assets of the receivership estate to pay the final administrative costs necessary to close the receivership.

5. Pursuant to Tenn. Code Ann. § 56-9-303(a), the Receiver's payments of all Class 1 administrative fees and expenses for the Special Deputy Receiver, outside legal counsel, and third party contractors to perform the final distribution and closure activities set forth in the Motion that the Receiver determines to be reasonable and

payable after the proper administrative review are approved, and no additional fee motions are required to be filed with the Court.

6. The Chancery Court Clerk is directed to use the \$100 from the cash restraining bond that was filed in November 1984 and that the Clerk has been holding to pay for all or a portion of the remaining court costs. If court costs are less than \$100, the Clerk is directed to disburse any remaining funds to the Estate of Cherokee upon entry of a final order, and if court costs are greater than \$100, the Receiver is ordered to pay any remaining court costs.

7. After the payment of the final distribution and all Class 1 administrative expenses and fees have been made, the Receiver is authorized to transfer, analogous to Tenn. Code Ann. § 56-9-334(a), any remaining estate assets to the closed estate no asset fund maintained at the direction of the Commissioner of the Tennessee Department of Commerce and Insurance pursuant to Tenn. Code Ann. § 56-9-333(a).

8. The Commissioner is authorized either to transfer any unclaimed funds to the Unclaimed Property Division of the State Treasurer or without further court order to elect to hold any unclaimed funds for a period of two (2) years and at the end of the two-year period to hold and deposit the funds in the closed estate no asset fund analogous to Tenn. Code Ann. § 56-9-333(a). The Receiver must explain how she has determined to handle any unclaimed property in the Notice and Final Order of Discharge that the Receiver will file upon completion of the closure activities.

9. The Receiver is authorized, analogous to Tenn. Code Ann. § 56-9-336, to destroy the records of the receivership that are being maintained for tax purposes three (3) years after entry of this Order granting the Motion and to either destroy or transfer to

the State for storage at no cost to the receivership all other records prior to the Receiver filing notice with the Court that all closure activities have been completed. The Receiver must explain whether these records have been destroyed or transferred to the State in the Notice and Final Order of Discharge that the Receiver will file upon completion of the closure activities.

10. Upon completion of the closure activities set forth in the Motion, the Receiver shall file a Notice and Final Order of Discharge with the Court that will terminate the Cherokee receivership and discharge the Receiver, along with her staff and current and prior statutory receivers and special deputy receivers, finally and fully from all duties as the Receiver of the Cherokee receivership analogous to Tenn. Code Ann. § 56-9-334(a).

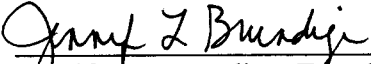
11. Finding that there is no just reason for delay, the Clerk and Master shall enter this Order granting the Motion as final regarding all matters addressed therein pursuant to Tenn. R. Civ. P. 54.02.

IT IS SO ORDERED.



CHANCELLOR EILEN HOBBS LYLE

APPROVED FOR ENTRY BY:



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*Special Counsel to Commissioner McPeak
as Statutory Receiver*

CERTIFICATE OF SERVICE

I hereby certify that a true and exact copy of the foregoing has been forwarded via U.S. Mail, postage pre-paid, to the following on this the 11th day of July, 2014.

Sarah Hiestand, Esq.
Senior Counsel, Financial Division
Office of the Tennessee Attorney General and Reporter
P.O. Box 20207
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