

**Office of the
Special Deputy Receiver**
Representing Andrew Boron
Director of Insurance
State of Illinois

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*Paul A. Miller,
Special Deputy*

Writer's Direct Line:

May 10, 2013

TO: Policyholders

**RE: Lumbermens Mutual Casualty Company, In Liquidation
American Manufacturers Mutual Insurance Company, In Liquidation
American Motorists Insurance Company, In Liquidation**

On May 8, 2013, the Circuit Court of Cook County, Illinois, entered Orders of Liquidation with Findings of Insolvency against Lumbermens Mutual Casualty Company ("LMC"), American Manufacturers Mutual Insurance Company ("AMM"), and American Motorists Insurance Company ("AMICO"). In connection therewith, the Court has ordered that effective May 10, 2013, LMC, AMM, and AMICO be placed in Liquidation in accordance with the Illinois Insurance Code (215 ILCS 5/187, *et seq.*).

Please be advised that this office represents Andrew Boron, Director of Insurance of the State of Illinois, in his capacity as the statutory and court affirmed Liquidator of LMC, AMM, and AMICO. The companies' records indicate that you may have a pending workers' compensation claim or a claim under a liability insurance policy.

The purpose of this notice is to further advise you that the Liquidator has approved an eight-week advance pre-payment to worker compensation claimants who may have been receiving medical and/or disability, payments to be made in lieu of the next regularly scheduled payment. The eight-week pre-payment is intended to provide the injured worker with necessary benefits while the claims, supporting documentation, and funding requirements are transferred and transitioned to the guaranty funds and associations. The Liquidator is also coordinating with the companies' pharmacy benefit provider in order to ensure the provision of uninterrupted pharmacy benefits during the transition of claims to the guaranty funds and associations.

Please Take further Notice, that Section 215 ILCS 5/209(5), of the Insurance Code provides, in pertinent part, that:

"The obligation of LMC, AMM, and AMICO, if any, to defend or continue the defense of any claim or suit under a liability insurance policy determined not to be a cover claim of the Guaranty Funds, and/or Associations shall terminate upon the entry of the Order of Liquidation..." LMC, AMM, and AMICO will accordingly cease to defend you, effective immediately, with respect to any claims that are currently pending against you or which may be filed in the future. It is recommended that you arrange for your own defense of any suit and/or claims. The Liquidator will assist with information requests that you may have during this transition. Reasonable expenses that you incur in arranging for your own defense may be presented as a claim against the liquidation estate on a proof of claim form, subject to any claim filing deadlines established by the Supervising Court.

- Claimants who may have a claim for a loss and have asserted their claim previously with the companies need not file a proof of claim form. The pending claim will be deemed timely-filed by the Liquidator.
- Claimants who may have a claim for a loss and have not previously asserted or reported the loss to the companies must file a proof of claim form.

In the meantime, I ask for your patience in this matter and regret any inconvenience or hardship the insolvency of LMC, AMM, and AMICO may have caused you.

Please call our office at (847) 320-2711, (312) 836-9500 or direct all questions and/or inquiries to our e-mail at claimoperations@lmcco.com or webmail@osdchi.com.

Sincerely,
Paul Miller
Special Deputy Receiver

By: Claim, Corporate & Administrative Services Department