

STATE OF MICHIGAN

IN THE INGHAM COUNTY CIRCUIT COURT

**LINDA A. WATTERS, COMMISSIONER,  
MICHIGAN DEPARTMENT OF LABOR  
AND ECONOMIC GROWTH, OFFICE OF  
FINANCIAL AND INSURANCE  
SERVICES,**

Petitioner,

Case No. 051472-CR  
Hon. William E. Collette

-vs-

**ULTIMED HMO OF MICHIGAN, INC.,** a  
Michigan health maintenance organization,

Respondent.

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**Michael A. Cox**  
**Attorney General**  
By: E. John Blanchard P28881  
Christopher L. Kerr P57131  
Assistant Attorneys General  
**Attorneys for the Commissioner of the  
Office of Financial and Insurance Services**  
Department of Attorney General, Insurance &  
Banking Division  
P.O. Box 30212  
Lansing, MI 48909  
517-373-1160

**Tillman & Tillman, P.C.**  
By: David K. Tillman P37592  
**Attorneys for Respondent**  
3400 Russell St., Ste. 205  
Detroit, MI 48207-2018  
313-832-6000

**ORDER APPROVING PAYMENT OF ULTIMED'S DIRECTORS' COSTS AND OTHER  
DEFENSE EXPENSES UNDER MCLA 500.8116(1)**

At a session of said Court held in  
the Circuit Courtrooms for the  
County of Ingham, State of Michigan  
on the 19th day of ~~June~~ <sup>July</sup> 2006.

PRESENT: HON. WILLIAM E. COLLETTE

This matter having come before the Court pursuant to the Board of Directors of Ultimed HMO of Michigan, Inc.'s Motion for Approval of Payment of Ultimed's Directors' Professional Fees and Costs Under MCLA 500.8116(1), and the Court having reviewed the parties' written submissions, having heard oral argument on May 10 and June 14, 2006, and otherwise being fully advised in the premises;

IT IS HEREBY ORDERED that the Court's May 10, 2006 Order Denying Motion for Approval of Payment of Ultimed's Directors' Professional Fees and Costs Under MCLA 500.8116(A) [sic] is hereby set aside;

IT IS FURTHER ORDERED that Ultimed's Directors' Motion for Approval of Payment of Their Professional Fees and Costs Under MCLA 500.8116(1) is granted;

IT IS FURTHER ORDERED that Ms. Linda A. Watters, the Liquidator of Ultimed HMO of Michigan, Inc. ("Ultimed"), shall pay (from Ultimed's estate) **Tillman & Tillman, P.C.** the amount of \$ 6,500.00, attorney fees representing ~~the costs and other defense expenses~~ incurred by Ultimed's directors in their opposition to the Petition for Conversion to Liquidating Receivership and Declaration of Insolvency, pursuant to MCLA 500.8116(1);

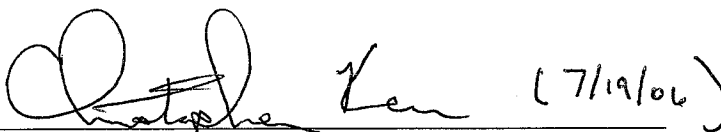
IT IS FURTHER ORDERED that Ms. Watters shall pay (from Ultimed's estate) **Tillman & Tillman, P.C.** the additional amount of \$ 730.92 for its incidental ~~costs and other defense expenses~~ incurred, ~~in association with the entry of this Order;~~ plus \$150.00 in costs associated with counsel's July 19, 2006 court appearance.

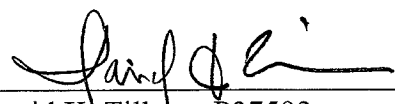
IT IS FURTHER ORDERED that such payment(s) shall be made within five (5) days of the date of this Order;

SO ORDERED.

  
Circuit Court Judge

APPROVED AS TO FORM:

 (7/19/06)  
Christopher L. Kerr P57131  
Assistant Attorneys General  
Attorney for the Commissioner of the Office of Financial and Insurance Services

  
David K. Tillman P37592  
Attorney for Respondent