

IN THE DISTRICT COURT OF LANCASTER COUNTY, NEBRASKA

STATE OF NEBRASKA, EX REL.)
 BRUCE R. RAMGE, DIRECTOR OF)
 INSURANCE OF THE STATE OF)
 NEBRASKA,)
)
 PETITIONER,)
)
 v.)
)
 OMNI DENTAL ASSOCIATES, INC.,)
)
 RESPONDENT.)

Case No. CI 14 2486

**LIQUIDATOR’S APPLICATION TO
 TERMINATE LIQUIDATION
 PROCEEDINGS AND DISCHARGE
 LIQUIDATOR**

Bruce R. Ramge, Liquidator (“Liquidator”) of Omni Dental Associates, Inc. (“Omni”), files herewith his application to terminate Omni’s liquidation proceedings and discharge the Liquidator. This application is made pursuant to the Nebraska Insurers Supervision, Rehabilitation and Liquidation Act, NEB. REV. STAT. § 44-4801 *et seq.* (the “Liquidation Act”), specifically NEB. REV. STAT. § 44-4846, which permits the Liquidator to terminate the liquidation proceedings and apply to the Court for discharge when all assets justifying the expense of collection and distribution have been collected and distributed. In support of his application, the Liquidator shows the Court as follows:

LIQUIDATION ORDER

On September 30, 2014, the Court determined that Omni was insolvent and entered an Order of Liquidation and Injunction (“Liquidation Order”) under the Liquidation Act.

ACTIONS TAKEN IN LIQUIDATION

Pursuant to the Liquidation Order and the Liquidation Act, the Liquidator took possession of the assets of Omni and administered them under the supervision of the Court. In particular, and without limitation:

- a. The Liquidator gave or caused to be given notice of the Liquidation Order pursuant to NEB. REV. STAT. §44-4822. The notice required all claimants to file with the Liquidator their claims together with proper proofs thereof pursuant to NEB. REV. STAT. §44-4836 not later than 5:00 p.m., CDT, on December 15, 2014.
- b. The Liquidator identified, and collected and liquidated all assets of Omni which in the Liquidator's judgment justified the expense of collection and liquidation.
- c. The Liquidator established a claims procedure meeting the requirements of the Liquidation Act, specifically NEB. REV. STAT. §44-4836, and adjudicated and classified all claims filed thereunder.
- d. Notices of Determination pursuant to NEB. REV. STAT. §44-4839 were mailed on January 16, 2015 to all claimants. No objections were received.
- e. The Liquidator performed numerous other administrative functions during the course of the liquidation proceedings.

**FIRST AND FINAL CLAIM APPROVAL AND DISTRIBUTION OF
GENERAL ASSETS TO PAY CLAIMS**

In accordance with the scheme of priorities contained in NEB. REV. STAT. §44-4842 in effect on September 30, 2014, the date of the Liquidation Order, the Liquidator has sufficient assets available to pay fifty-three point eight percent (53.8%) of Class 1 claims and fifty percent (50%) of Class 2 claims. Pursuant to NEB. REV. STAT. §44-4844, the Liquidator is applying for Court approval of the undisputed claims and to make said distributions. The Liquidator made the decision to subordinate Class 1 Administrative expense claims to the benefit of Class 2 claims in order to allow payment to policyholder

claimants. No assets are available to pay any distributions on any claims in Class 5. No claims were filed under Classes 3, 4, 6, 7, 8 and 9.

The Liquidator applies for Court approval to make the distributions specified herein as final distributions (the "Final Distributions"). Attached hereto as **Exhibit 1**, and incorporated herein by reference are listings of the names and addresses of claimants in this liquidation holding approved Class 1 Administrative, Class 2 Claims Under Policies, and Class 5 General Creditor Claims, the number assigned by the Liquidator to each Proof of Claim, the approved amount of each claim, and the proposed final distribution thereon.

FINAL ACCOUNTING

Pursuant to NEB. REV. STAT. §44-4818(5) and paragraph 7 of the Liquidation Order, the Liquidator is filing financial reports which includes "Assets and Liabilities" and "Funds Received and Disbursed" as of October 31, 2014 and May 31, 2015; and the "Proposed Final Distribution". These financial reports are included in **Exhibit 2**.

DISCHARGE OF LIQUIDATOR

The Liquidator further applies to the Court for the discharge and exoneration of the Liquidator, Special Deputy Liquidator, and the employees, contractors, agents, assistants, clerks, attorneys, accountants and representatives providing services in the liquidation of Omni ("discharged persons"). The discharged persons should be exonerated from any and all further liability to Omni, its creditors, claimants, shareholders, policyholders, and the liquidation estate. All persons should be enjoined from commencing or prosecuting, without leave of this Court, any action or proceeding against the discharged persons in connection with or arising out of their service to the Court in

these liquidation proceedings, and the Court should retain jurisdiction for the purpose of enforcing its injunction. The injunction would be an extension of the injunction contained in the Liquidation Order. All actions by the discharged persons in connection with or arising out of Omni's liquidation proceedings have been conducted pursuant to the Liquidation Act and under the direction and supervision of the Court. The termination of Omni's liquidation proceedings should therefore not terminate the injunction contained in the Liquidation Order, and any person desiring to commence or prosecute an action against the Liquidator or any other discharged person should be enjoined from doing so absent leave of this Court.

BOOKS AND RECORDS

Following Final Distributions and filing of the final tax returns, the Liquidator does not anticipate that he will have any further use for the books and records of Omni. Subject to the Liquidator's compliance with Nebraska Department of Insurance Records Retention and Disposition Schedule 47-3-6, which requires the retention of certain of Omni's records for a period of five years after completion of the liquidation, and subject to review by the State Archives for possible accession, the Liquidator or his successor in interest intends to dispose of Omni's remaining records, and applies for approval from the Court to do so pursuant to NEB. REV. STAT. §44-4848.

DISSOLUTION


The Liquidator further applies for authorization to formally dissolve Omni pursuant to the Nebraska Business Corporation Act.

The Liquidator prays for an Order terminating Omni's liquidation proceedings and discharging the Liquidator.

DATED: July 1, 2015.

BRUCE R. RAMGE, DIRECTOR OF THE DEPARTMENT OF INSURANCE, STATE OF NEBRASKA, LIQUIDATOR OF OMNI INSURANCE COMPANY, Petitioner

By: DOUGLAS J. PETERSON, #18146
Attorney General

By: 


John Jelkin, #15698
Assistant Attorney General
2115 State Capitol
Lincoln, NE 68509-4906
Tel: (402) 471-4689
john.jelkin@nebraska.gov

Attorneys for Petitioner.

NOTICE OF HEARING

Notice is hereby given that the foregoing Application to Terminate Liquidation Proceedings and Discharge Liquidator will be called up for hearing before the Honorable Robert R. Otte, District Judge, in Courtroom No. 33 of the Justice and Law Enforcement Center, 575 South Tenth Street, Lincoln, Nebraska, on July 30, 2015, at 2:00 p.m. or as soon thereafter as the same may be heard by the Court.

DATED: July 1, 2015.



John Jelkin, #15698
Assistant Attorney General

CERTIFICATE OF SERVICE

The undersigned certifies that the above and foregoing Application to Terminate Liquidation Proceedings and Discharge Liquidator was served by first class mail, U.S.

Postage prepaid addressed to the following persons:

Bruce R. Ramge, Liquidator
OMNI Dental Associates, Inc.
c/o Christine Neighbors, Esq.
Nebraska Department of Insurance
941 O Street, Suite 400
Lincoln, NE 68508

Michael J. FitzGibbons
Special Deputy Liquidator
OMNI Dental Associates, Inc.
8300 North Hayden Road, Suite A100
Scottsdale, AZ 85258

Edward J. Bragg
Former President, OMNI Dental
Associates, Inc.
6846 Pacific Street
Omaha, NE 68154

FitzGibbons and Company, Inc.
8300 N. Hayden
Suite A100
Scottsdale, AZ 85258

Dr. Gregory Garro
3525 North 147th St. #213
Omaha, NE 68116

Judy Wendt
7529 South 186th St.
Omaha, NE 68136

Dr. Clyde Knoblauch
501 North 87th St. #201
Omaha, NE 68114

Dr. David L. Dean
1305 South 119th St.
Omaha, NE 68144

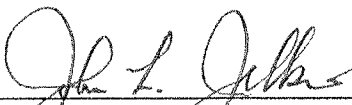
Dr. Terry Strawhecker
14111 Pacific St.
Omaha, NE 68154

Dr. Jose Machado
14111 Pacific St.
Omaha, NE 68154

E.W. Nash Bldg Co
6846 Pacific St. Ste. 101
Omaha, NE 68106-1156

Violet Milroy
7454 Gertrude St. Apt. 405
La Vista, NE 68128-2229

Edward F. Bragg
13424 Shirley St.
Omaha, NE 68144-1249



John Jelkin
Assistant Attorney General

EXHIBIT 1

Omni Dental Associates, Inc. In Liquidation
Claimants by Class

Proof of Claim #	Name and Address	Claim Amount	Proposed Final Distribution
Class 1 - Administrative			
Administrative Claim	FitzGibbons and Company, Inc. 8300 N. Hayden Suite A100 Scottsdale, AZ 85258	17,431.87	9,372.00
Total Class 1 - Administrative		17,431.87	9,372.00
Class 2 - Claims Under Policies			
POC100001	Dr. Gregory Garro 3525 North 147th St #213 Omaha NE 68116	652.15	326.08
POC100002	Judy Wendt 7529 South 186th St Omaha NE 68136	100.00	50.00
POC100004	Dr. Clyde Knoblauch 501 North 87th St#201 Omaha NE 68114	1,726.26	863.13
POC100006	Dr. David L. Dean 1305 South 119th St Omaha NE 68144	330.02	165.01
POC100008	Dr. Terry Strawhecker 14111 Pacific St Omaha NE 68154	682.55	341.28
POC100009	Dr. Jose Machado 14111 Pacific St Omaha NE 68154	229.70	114.85
Total Class 2 - Claims Under Policies		3,720.68	1,860.35
Class 5 - General Creditors			
POC100003	E.W. Nash Bldg Co 6846 Pacific St STE 101 Omaha NE 68106-1156	2,001.93	-
POC100005	Violet Milroy 7454 Gertrude St Apt 405 La Vista NE 68128-2229	121.25	-
POC100010	Edward F Bragg 13424 Shirley St Omaha NE 68144-1249	2,181.03	-
Total Class 5 - General Creditors		4,304.21	-

EXHIBIT 2

Omni Dental Associates, Inc. in Liquidation
Assets and Liabilities
October 31, 2014 and May 31, 2015

	Proposed Final Distribution		
	Class 1 - Administrative	Class 2 - Claims Under Policies	Class 5 - General Creditors
	9,372.00	1,860.35	
	9,372.00	1,860.35	-
	14,431.87		
	3,000.00		
		3,720.68	
			2,181.03
			121.25
	2,001.93		2,001.93
	17,431.87	3,720.68	4,304.21
	53.8%	50.0%	0.0%

10/31/14 5/31/15

27,187.81 11,232.35

27,187.81 11,232.35

Cash - Mutual of Omaha Bank Checking

Total Assets

Accounts Payable:

Due to Special Deputy Liquidator

Due to Special Deputy Liquidator - Future Billings

Due to Thomas Thomas (CPA firm)

Due to IRS - Payroll taxes and related penalties

Due to providers (dentist) and policyholders

American Express (pre-liquidation)

Due to policyholders - Unearned Premiums

Rent (pre-liquidation)

Total Liabilities

Distribution %

Surplus (Deficiency)

Liabilities and Surplus (Deficiency)

17,301.39 14,431.87

4,500.00 3,000.00

5,818.09 -

3,720.68 3,720.68

2,181.03 2,181.03

121.25 121.25

2,001.93 2,001.93

35,644.37 25,456.76

(8,456.56) (14,224.41)

27,187.81 11,232.35

EXHIBIT 2

*Omni Dental Associates, Inc. in Liquidation
Funds Received and Disbursed
Periods Ending October 31, 2014 and May 31, 2015*

Cash and investments at Date of Liquidation - 9/30/14	27,009.82
Receipts:	
Premiums	229.52
Disbursements:	
Bank Fees (checks)	51.53
Cash and investments - 10/31/14	<u>27,187.81</u>
Disbursements:	
Special Deputy Liquidator	6,205.24
Tax Preparation Fees	4,500.00
State and Federal Taxes	5,250.22
	<u>15,955.46</u>
Cash and investments - 5/31/15	<u><u>11,232.35</u></u>

Certificate of Service

I hereby certify that on Wednesday, July 01, 2015 I provided a true and correct copy of the Application to the following:

Omni Dental Associates Inc service method: First Class Mail

Signature: /s/ John L Jelkin (Bar Number: 15698)