

STATE OF SOUTH DAKOTA) IN CIRCUIT COURT
) ss:
 COUNTY OF HUGHES) SIXTH JUDICIAL CIRCUIT


STATE OF SOUTH DAKOTA, EX REL.) 32CIV18-125
 LARRY DEITER, DIRECTOR OF)
 INSURANCE OF THE STATE OF SOUTH)
 DAKOTA,) APPLICATION NO. 7
)
 Petitioner,) FOR ORDER APPROVING
) COMPENSATION OF CONTRACTOR
 v.) TO BE EMPLOYED BY THE
) LIQUIDATOR
 RELIAMAX SURETY COMPANY,)
)
 Respondent.)

COMES NOW Larry Deiter, Liquidator (“the Liquidator”) of ReliaMax Surety Company (“ReliaMax”), and hereby applies to the Court for an Order approving compensation as follows:

1. This application is made pursuant to SDCL § 58-29B-49(3) requesting Court approval of the compensation levels of employees, consultants, and other professionals employed by the Liquidator in the pursuit of his duties under SDCL Ch. 58-29B;
2. Pursuant to SDCL § 58-29B-49(2) and (3), the Liquidator has the power to employ those the Liquidator considers necessary to assist in the liquidation and fix compensation with Court approval;
3. The Liquidator has determined that the engagement of the organization in this application is necessary for the liquidation to proceed;
4. Attached hereto as Exhibit A is an affidavit of Michael FitzGibbons, Special Deputy Liquidator of ReliaMax, filed in support of this Application which provides details regarding the contractor included in this Application;
5. Attached hereto as Exhibit B and incorporated herein by reference is the applicable engagement agreement and compensation level for the Court’s review;
6. Attached also to this application is a proposed Order of Approval for the Court’s consideration without necessity of a hearing unless the Court should require;

WHEREFORE the Liquidator respectfully requests that the court enter an Order of Approval for the compensation levels as contained this application.

Respectfully submitted this 7th day of February, 2019.



Frank A. Marnell
Attorney for Liquidator of ReliaMax Surety
124 S. Euclid Avenue, 2nd Floor
Pierre, SD 57501
(605) 773-3563

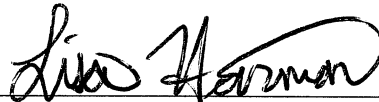


Lisa M. Harmon
Attorney for Liquidator of ReliaMax Surety
124 S. Euclid Avenue, 2nd Floor
Pierre, SD 57501
(605) 773-3563

CERTIFICATE OF SERVICE

The undersigned hereby certifies that copy of the Liquidator's Application No. 7 was served upon ReliaMax Surety Company in Liquidation via regular U.S. Mail, postage prepaid, to the company's mailing address at 3801 W. Technology Circle, Sioux Falls, SD 57501.

Dated this 7th day of February, 2019 in Pierre, South Dakota.



Lisa M. Harmon
Attorney for Liquidator of ReliaMax Surety
124 S. Euclid Avenue, 2nd Floor
Pierre, SD 57501
(605) 773-3563

STATE OF SOUTH DAKOTA)

IN CIRCUIT COURT

COUNTY OF HUGHES)

) ss:

SIXTH JUDICIAL CIRCUIT

STATE OF SOUTH DAKOTA, EX REL.)
LARRY DEITER, DIRECTOR OF)
INSURANCE OF THE STATE OF)
SOUTH DAKOTA)

32CIV18-125

Petitioner,

) **AFFIDAVIT OF MICHAEL FITZGIBBONS**
) **IN SUPPORT OF LIQUIDATOR'S**
) **APPLICATION NO. 7**

v.

RELIAMAX SURETY COMPANY)

Respondent.

STATE OF ARIZONA)

) ss:

COUNTY OF MARICOPA)

Michael FitzGibbons, of lawful age and being first duly sworn states as follows:

1. I am the duly appointed Special Deputy Liquidator of ReliaMax Surety Company ("ReliaMax"). Under the general supervision of the Court and the Liquidator, my staff and I oversee the day-to-day operations of ReliaMax to timely and efficiently wind down the ReliaMax liquidation estate. I am very knowledgeable about the current affairs, needs, and financial condition of ReliaMax.
2. I have reviewed and support the Liquidator's Application No. 7 and its exhibits consisting of this Affidavit and agreements with recommended contractors.
3. The contractor provided in the Liquidator's Application No. 7 is required for the liquidation of the estate which the court should approve for the reasons listed below.

Valuation of Real Estate Property Interest for Sale

4. ReliaMax's real estate investment subsidiary, Reliamax Properties, LLC, currently owns an indirect 25% interest in two Sioux Falls, South Dakota commercial real estate properties:
 - A. 2300 East 54th Street North in Sioux Falls, and
 - B. Shriver Square, 230 South Phillips Avenue in Sioux Falls, South Dakota.

5. A professional valuation of these properties is needed to facilitate the sale of ReliaMax's interest in each.
6. Once ReliaMax's interest in these properties are sold, the proceeds of the sale will become an asset of the Liquidation Estate for the benefit of all creditors.
7. I believe it is appropriate and necessary to engage an appraisal firm to value each of these properties.
8. After a diligent search, the Liquidator selected Shaykett Appraisal Company for this task and attached as Exhibit B to the Liquidator's Application No. 7 is the proposed engagement agreement. This contractor is subject only to this Court's approval, which is requested.

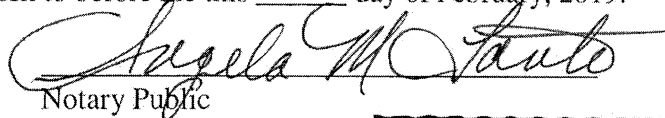
Further Affiant sayeth not.

Dated this 5th day of February, 2019.



Michael J. FitzGibbons, Special Deputy Liquidator
ReliaMax Surety Company, in Liquidation

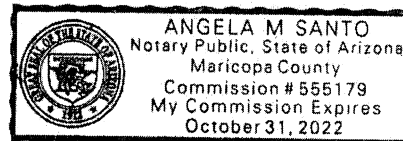
Subscribed and sworn to before me this 5th day of February, 2019.



Notary Public

(SEAL)

My commission expires: October 31, 2022



Shaykett Appraisal Company, Inc.

601 N. Minnesota Avenue, Suite 100
Sioux Falls, South Dakota 57104-8413
Phone (605) 332-3553 • Fax (605) 332-0243
Email: shaykettappraisal@shaykettappraisal.com

Travis E. Shaykett
State Certified General Appraiser

Steven C. Shaykett, MAI
State Certified General Appraiser

George P. Stavrenos
State Certified General
Appraiser

January 11, 2019

ReliaMax Surety Company in Liquidation
Attn: Mr. Joshua Andersen
3801 W. Technology Circle
Sioux Falls, South Dakota 57106

RE: Real Estate Appraisal Services
Sioux Falls, South Dakota

Dear Mr. Andersen:

Purpose of this letter is to serve as our agreement for Shaykett Appraisal Company, Inc. to provide appraisal services. Appraisal services will be to provide a current "as is" leased fee interest market value of two properties located in Sioux Falls at 2300 E. 54th Street North and 230 South Phillips Avenue. The appraisals will be prepared for and is for the sole and exclusive use of Mr. Joshua Andersen as general counsel and the designated Liquidator for ReliaMax Surety Company in Liquidation, as the client and intended user. Intended use of the appraisal is to help set price for the sale of ReliaMax interest in the properties. The appraisal reports will be prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).

Fee to complete the appraisals is \$9,500, plus sales tax, if applicable. Shaykett Appraisal Company, Inc. will provide two copies of each of the appraisal reports. Any meetings and/or appraisal services after delivery will be billed at \$250 per hour for principal appraiser and \$150 per hour for associates, plus expenses. The appraisals will be completed by mid-February. Timing is contingent on receiving requested information in a timely manner. It is agreed that the liability of Shaykett Appraisal Company, Inc., its employees and anyone else associated with this assignment is limited to the amount of the fee paid as liquidated damages. Any responsibility of Shaykett Appraisal Company, Inc. is limited to the client, and use of this product by third parties shall be solely at the risk of the client and/or third parties.

Please return a signed copy of this letter as soon as possible. An invoice will be presented at time of delivery of the appraisals and full payment is requested within 30 days of delivery. If you have any questions or require any additional information, please give me a call.

Sincerely,



Steven C. Shaykett, MAI

Engagement Letter Accepted:



Special Liquidator



2-5-19

Date