

UNITED STATES BANKRUPTCY COURT District of Delaware					VOLUNTARY PETITION														
Name of Debtor (if individual, enter Last, First, Middle): Affirmative Insurance Holdings, Inc.					Name of Joint Debtor (Spouse) (Last, First, Middle):														
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): N/A					All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):														
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all): 75-2770432					Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN (if more than one, state all):														
Street Address of Debtor (No. and Street, City, and State): 150 Harvester Drive, Suite 250 Burr Ridge, Illinois <div style="text-align: right;">ZIP CODE 60527</div>					Street Address of Joint Debtor (No. and Street, City, and State): <div style="text-align: right;">ZIP CODE</div>														
County of Residence or of the Principal Place of Business: DuPage County, Illinois					County of Residence or of the Principal Place of Business:														
Mailing Address of Debtor (if different from street address): <div style="text-align: right;">ZIP CODE</div>					Mailing Address of Joint Debtor (if different from street address): <div style="text-align: right;">ZIP CODE</div>														
Location of Principal Assets of Business Debtor (if different from street address above): <div style="text-align: right;">ZIP CODE</div>																			
Type of Debtor (Form of Organization) (Check one box.) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)		Nature of Business (Check one box.) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other		Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box.) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding															
Chapter 15 Debtors Country of debtor's center of main interests: Each country in which a foreign proceeding by, regarding, or against debtor is pending:		Tax-Exempt Entity (Check box, if applicable.) <input type="checkbox"/> Debtor is a tax-exempt organization under title 26 of the United States Code (the Internal Revenue Code).		Nature of Debts (Check one box.) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.															
Filing Fee (Check one box.) <input checked="" type="checkbox"/> Full Filing Fee attached. <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.				Chapter 11 Debtors Check one box: <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,490,925 (<i>amount subject to adjustment on 4/01/16 and every three years thereafter</i>). ----- Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).															
Statistical/Administrative Information <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.									THIS SPACE IS FOR COURT USE ONLY										
Estimated Number of Creditors <table style="width:100%;"><tr><td><input checked="" type="checkbox"/> 1-49</td><td><input type="checkbox"/> 50-99</td><td><input type="checkbox"/> 100-199</td><td><input type="checkbox"/> 200-999</td><td><input type="checkbox"/> 1,000-5,000</td><td><input type="checkbox"/> 5,001-10,000</td><td><input type="checkbox"/> 10,001-25,000</td><td><input type="checkbox"/> 25,001-50,000</td><td><input type="checkbox"/> 50,001-100,000</td><td><input type="checkbox"/> Over 100,000</td></tr></table>										<input checked="" type="checkbox"/> 1-49	<input type="checkbox"/> 50-99	<input type="checkbox"/> 100-199	<input type="checkbox"/> 200-999	<input type="checkbox"/> 1,000-5,000	<input type="checkbox"/> 5,001-10,000	<input type="checkbox"/> 10,001-25,000	<input type="checkbox"/> 25,001-50,000	<input type="checkbox"/> 50,001-100,000	<input type="checkbox"/> Over 100,000
<input checked="" type="checkbox"/> 1-49	<input type="checkbox"/> 50-99	<input type="checkbox"/> 100-199	<input type="checkbox"/> 200-999	<input type="checkbox"/> 1,000-5,000	<input type="checkbox"/> 5,001-10,000	<input type="checkbox"/> 10,001-25,000	<input type="checkbox"/> 25,001-50,000	<input type="checkbox"/> 50,001-100,000		<input type="checkbox"/> Over 100,000									
Estimated Assets <table style="width:100%;"><tr><td><input type="checkbox"/> \$0 to \$50,000</td><td><input type="checkbox"/> \$50,001 to \$100,000</td><td><input type="checkbox"/> \$100,001 to \$500,000</td><td><input type="checkbox"/> \$500,001 to \$1 million</td><td><input type="checkbox"/> \$1,000,001 to \$10 million</td><td><input checked="" type="checkbox"/> \$10,000,001 to \$50 million</td><td><input type="checkbox"/> \$50,000,001 to \$100 million</td><td><input type="checkbox"/> \$100,000,001 to \$500 million</td><td><input type="checkbox"/> \$500,000,001 to \$1 billion</td><td><input type="checkbox"/> More than \$1 billion</td></tr></table>										<input type="checkbox"/> \$0 to \$50,000	<input type="checkbox"/> \$50,001 to \$100,000	<input type="checkbox"/> \$100,001 to \$500,000	<input type="checkbox"/> \$500,001 to \$1 million	<input type="checkbox"/> \$1,000,001 to \$10 million	<input checked="" type="checkbox"/> \$10,000,001 to \$50 million	<input type="checkbox"/> \$50,000,001 to \$100 million	<input type="checkbox"/> \$100,000,001 to \$500 million	<input type="checkbox"/> \$500,000,001 to \$1 billion	<input type="checkbox"/> More than \$1 billion
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Estimated Liabilities <table style="width:100%;"><tr><td><input type="checkbox"/> \$0 to \$50,000</td><td><input type="checkbox"/> \$50,001 to \$100,000</td><td><input type="checkbox"/> \$100,001 to \$500,000</td><td><input type="checkbox"/> \$500,001 to \$1 million</td><td><input type="checkbox"/> \$1,000,001 to \$10 million</td><td><input type="checkbox"/> \$10,000,001 to \$50 million</td><td><input checked="" type="checkbox"/> \$50,000,001 to \$100 million</td><td><input type="checkbox"/> \$100,000,001 to \$500 million</td><td><input type="checkbox"/> \$500,000,001 to \$1 billion</td><td><input type="checkbox"/> More than \$1 billion</td></tr></table>									<input type="checkbox"/> \$0 to \$50,000	<input type="checkbox"/> \$50,001 to \$100,000	<input type="checkbox"/> \$100,001 to \$500,000	<input type="checkbox"/> \$500,001 to \$1 million	<input type="checkbox"/> \$1,000,001 to \$10 million	<input type="checkbox"/> \$10,000,001 to \$50 million	<input checked="" type="checkbox"/> \$50,000,001 to \$100 million	<input type="checkbox"/> \$100,000,001 to \$500 million	<input type="checkbox"/> \$500,000,001 to \$1 billion	<input type="checkbox"/> More than \$1 billion	
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Voluntary Petition (This page must be completed and filed in every case.)		Name of Debtor(s): Affirmative Insurance Holdings, Inc.	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)			
Location Where Filed: N/A		Case Number:	Date Filed:
Location Where Filed: N/A		Case Number:	Date Filed:
Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet.)			
Name of Debtor: See Schedule 1		Case Number:	Date Filed:
District: District of Delaware		Relationship:	Judge:
<div style="text-align: center;">Exhibit A</div> <p>(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)</p> <p><input checked="" type="checkbox"/> Exhibit A is attached and made a part of this petition.</p>		<div style="text-align: center;">Exhibit B</div> <p>(To be completed if debtor is an individual whose debts are primarily consumer debts.)</p> <p>I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. § 342(b).</p> <p>X _____ Signature of Attorney for Debtor(s) (Date)</p>	
Exhibit C			
Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?			
<input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition.			
<input checked="" type="checkbox"/> No.			
Exhibit D			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)			
<input type="checkbox"/> Exhibit D, completed and signed by the debtor, is attached and made a part of this petition.			
If this is a joint petition:			
<input type="checkbox"/> Exhibit D, also completed and signed by the joint debtor, is attached and made a part of this petition.			
Information Regarding the Debtor - Venue (Check any applicable box.)			
<input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.			
<input checked="" type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.			
<input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
Certification by a Debtor Who Resides as a Tenant of Residential Property (Check all applicable boxes.)			
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)			
_____ (Name of landlord that obtained judgment)			
_____ (Address of landlord)			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and			
<input type="checkbox"/> Debtor has included with this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.			
<input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).			

Voluntary Petition

(This page must be completed and filed in every case.)

Name of Debtor(s):

Affirmative Insurance Holdings, Inc.

Signatures**Signature(s) of Debtor(s) (Individual/Joint)**

I declare under penalty of perjury that the information provided in this petition is true and correct.

[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.

[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
Signature of Debtor

X _____
Signature of Joint Debtor

Telephone Number (if not represented by attorney)

Date

Signature of Attorney*

X _____
Signature of Attorney for Debtor(s)
Christopher A. Ward Timothy W. Walsh

Printed Name of Attorney for Debtor(s)
Polsinelli PC McDermott Will & Emery LLP

Firm Name

222 Delaware Avenue #1101 340 Madison Ave.
Wilmington, DE 19801 New York, NY 10173

Address
(302) 252-0920 (212) 547-5400

Telephone Number
10/14/2015

Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests the relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
Signature of Authorized Individual
Michael J. McClure

Printed Name of Authorized Individual
Chief Executive Officer

Title of Authorized Individual
10/14/2015

Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only **one** box.)

☐ I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.

☐ Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X _____
(Signature of Foreign Representative)

(Printed Name of Foreign Representative)

Date

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

Printed Name and title, if any, of Bankruptcy Petition Preparer

Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social-Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

Address

X _____
Signature

Date

Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social-Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.

If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.

Schedule 1

Pending Bankruptcy Cases Filed by Affiliates of the Debtor

On the date hereof, each of the affiliated entities listed below (the “Debtors”) filed in this Court a voluntary petition for relief under chapter 11 of title 11 of the United States Code. The Debtors have moved for joint administration of these chapter 11 cases under the case number assigned to the chapter 11 case of Affirmative Insurance Holdings, Inc.

1. Affirmative Insurance Holdings, Inc.
2. Affirmative Management Services, Inc.
3. Affirmative Services, Inc.
4. Affirmative Underwriting Services, Inc.
5. Affirmative Insurance Services, Inc.
6. Affirmative General Agency, Inc.
7. Affirmative Insurance Group, Inc.
8. Affirmative, L.L.C.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

)	
In re:)	Chapter 11
)	
AFFIRMATIVE INSURANCE)	Case No. 15-_____ (____)
HOLDINGS, INC., <i>et al.</i> , ¹)	
)	
Debtors.)	(Joint Administration Requested)
)	

EXHIBIT “A” TO VOLUNTARY PETITION

1. If any securities of Affirmative Insurance Holdings, Inc. (the “Debtor”) are registered under Section 12 of the Securities Exchange Act of 1934, the SEC file number is 000-50795.

2. The following financial data is the latest information available and refers to the Debtor's condition on August 31, 2015, except as otherwise noted. This financial data is approximate and derived from unaudited sources. No certification as to its accuracy can be made.

- a. Total assets: \$25,201,025
- b. Total debts: \$91,263,779
- c. Debt securities held by more than 500 holders:²
 - i. Trust Preferred Securities I
 1. Outstanding Principal Amount: \$35,783,100.87³
 2. Approximate Number of Holders: Unknown
 - ii. Trust Preferred Securities II
 1. Outstanding Principal Amount: \$29,764,598.86⁴

¹ The Debtors, together with the last four digits of each Debtor's federal tax identification number, are: Affirmative Insurance Holdings, Inc. (0432); Affirmative Management Services, Inc. (7252); Affirmative Services, Inc. (7255); Affirmative Underwriting Services, Inc. (7250); Affirmative Insurance Services, Inc. (8823); Affirmative General Agency, Inc. (2345); Affirmative Insurance Group, Inc. (7246); and Affirmative, L.L.C. (2347). The location of the Debtors' corporate headquarters and the service address for all Debtors is 150 Harvester Drive, Suite 250, Burr Ridge, Illinois 60527.

² The Debtor is unable to determine the precise number of holders of these debt securities. However, the Debtor elects to identify these debt securities in response to this inquiry.

³ As of September 30, 2015.

⁴ As of September 30, 2015.

2. Approximate Number of Holders: Unknown

d. Number of shares of preferred stock:

- i. Authorized: 25,000,000
- ii. Issued: 0
- iii. Outstanding: 0

e. Number of shares of common stock:

- i. Authorized: 75,000,000
- ii. Issued: 18,802,220
- iii. Outstanding: 16,008,357

3. Brief description of the Debtor's business: The Debtor, together with certain of its debtor and non-debtor subsidiaries, provides non-standard personal automobile insurance policies for individual consumers in targeted geographic markets.

4. List the names of any person who directly or indirectly owns, controls, or holds, with power to vote, 5% or more of the voting securities of the debtor based on the latest date such persons have filed reports of beneficial ownership with the SEC:⁵

- a. New Affirmative, LLC (which owns 49.1%)
- b. Long Meadow Investors, LLC; Michael J. Moss; Long Meadow Holdings, L.P.; and Jonathan W. Old, III (which collectively beneficially own 18.5%)
- c. Red Mountain Capital Partners LLC (which beneficially owns 5.3%)

⁵ As of April 15, 2015.

**AFFIRMATIVE INSURANCE HOLDINGS, INC.
RESOLUTIONS OF THE BOARD OF DIRECTORS**

As of this 13th day of October, 2015, the members constituting a majority of the votes of a quorum of members of the board of directors (the “Board”) of Affirmative Insurance Holdings, Inc., a Delaware corporation (the “Company”), took the following actions and adopted and consented to the following resolutions:

WHEREAS, the Board reviewed the materials presented by the management and legal advisers of the Company regarding the liabilities and liquidity situation of the Company, the strategic alternatives available to the Company, and the impact of the foregoing on the Company’s business; and

WHEREAS, the Board has had the opportunity to consult with the management and legal advisers of the Company and fully consider each of the strategic alternatives available to the Company.

I. Voluntary Petition Under Chapter 11 of Title 11 of the United States Code

NOW, THEREFORE, BE IT RESOLVED THAT: In the judgment of the Board, it is desirable and in the best interests of the Company, its creditors, stockholders, and other parties in interest, that the Company file or cause to be filed voluntary petitions for relief under the provisions of chapter 11 of title 11 of the United States Code;

BE IT FURTHER RESOLVED THAT: Each of the Chief Executive Officer, Chief Financial Officer, and such other officers as may be designated by the Chief Executive Officer (collectively, the “Authorized Officers”), acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and empowered to execute and file on behalf of the Company all petitions, schedules, lists and other papers or documents, and to take any and all action that they deem necessary or proper to obtain such relief;

BE IT FURTHER RESOLVED THAT: Each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and directed to continue to employ the law firm of McDermott Will & Emery LLP as general bankruptcy counsel to represent and assist the Company in carrying out its duties under title 11 of the United States Code, and to take any and all actions to advance the Company’s rights and obligations, including filing any pleadings; and in connection therewith, each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon filing of the chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of McDermott Will & Emery LLP;

BE IT FURTHER RESOLVED THAT: Each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and directed to employ the law firm of Polsinelli PC as local Delaware counsel to represent and assist the Company in carrying out its duties under title 11 of the United States Code, and to take any and all actions to advance the Company's rights and obligations, including filing any pleadings; and in connection therewith, each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon filing of the chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of Polsinelli PC;

BE IT FURTHER RESOLVED THAT: Each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and directed to continue to employ the law firm of Faegre Baker Daniels LLP as special regulatory counsel to represent and assist the Company in carrying out its duties under title 11 of the United States Code, and to take any and all actions to advance the Company's rights and obligations, including filing any pleadings; and in connection therewith, each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon filing of the chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of Faegre Baker Daniels LLP;

BE IT FURTHER RESOLVED THAT: Each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and directed to employ the consulting firm of BDO USA, LLP to assist the Company in carrying out its duties under title 11 of the United States Code, and to take any and all actions to advance the Company's rights and obligations; and in connection therewith, each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the chapter 11 case, to cause to be filed appropriate applications for authority to retain the services of BDO USA, LLP;

BE IT FURTHER RESOLVED THAT: Each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and directed to employ the firm of Rust Consulting/Omni Bankruptcy as notice and claims agent to represent and assist the Company in carrying out its duties under title 11 of the United States Code, and to take any and all actions to advance the Company's rights and obligations; and in connection therewith, each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the

filing of the chapter 11 case, and to cause to be filed appropriate applications for authority to retain the services of Rust Consulting/Omni Bankruptcy; and

BE IT FURTHER RESOLVED THAT: Each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and directed to employ any other professionals to assist the Company in carrying out its duties under title 11 of the United States Code; and in connection therewith, each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to or immediately upon the filing of the chapter 11 case and to cause to be filed an appropriate application for authority to retain the services of any other professionals as necessary.

II. Further Actions and Prior Actions

BE IT FURTHER RESOLVED THAT: Each of the Authorized Officers, acting alone or with one or more other Authorized Officers, be, and hereby is, authorized and empowered for, in the name of and on behalf of the Company to take or cause to be taken any and all such other and further action, and to execute, acknowledge, deliver, and file any and all such instruments as each, in his or her discretion, may deem necessary or advisable in order to carry out the purpose and intent of the foregoing resolutions;

BE IT FURTHER RESOLVED THAT: All acts, actions, and transactions relating to the matters contemplated by the foregoing resolutions done in the name of and on behalf of the Company, which acts would have been approved by the foregoing resolutions except that such acts were taken before these resolutions were certified, are hereby in all respects approved and ratified.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have executed these Resolutions as of the date set forth above.

**BOARD OF DIRECTORS OF AFFIRMATIVE
INSURANCE HOLDINGS, INC.**



Thomas C. Davis
Chairman

Nimrod T. Frazer
Member

Mory Katz
Member

Michael J. McClure
Member

Eric Rahe
Member

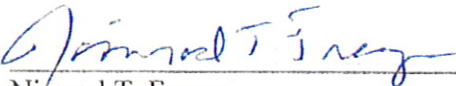
David I. Schamis
Member

Robert T. Williams
Member

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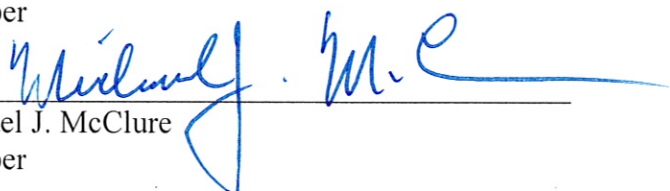
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INSURANCE HOLDINGS, INC.**

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Chairman

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Mory Katz
Member

Michael J. McClure
Member


Eric Rahe
Member

David I. Schamis
Member

Robert T. Williams
Member

IN WITNESS WHEREOF, the undersigned have executed these Resolutions as of the date set forth above.

**BOARD OF DIRECTORS OF AFFIRMATIVE
INSURANCE HOLDINGS, INC.**


Thomas C. Davis
Chairman

Nimrod T. Frazer
Member

Mory Katz
Member

Michael J. McClure
Member

Eric Rahe
Member

DocuSigned by:

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David I. Schamis
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Robert T. Williams
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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
)	
AFFIRMATIVE INSURANCE)	Case No. 15-_____ (___)
HOLDINGS, INC., <i>et al.</i> , ¹)	
)	
Debtors.)	(Joint Administration Requested)
)	

**CONSOLIDATED LIST OF CREDITORS
HOLDING 30 LARGEST UNSECURED CLAIMS**

The following is a list of the Debtors' creditors holding the 30 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in these chapter 11 cases. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101 or (2) secured creditors, unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 30 largest unsecured claims.

Creditor	Mailing Address and Contact Information	Nature of Claim	Contingent, Unliquidated or Disputed	Amount of Claim
The Bank of New York Mellon Trust Company, N.A., as Trustee	Trust Office Attn: Nancy R. Johnson 500 Ross Street 12 Floor Pittsburgh, PA 15262	Junior Subordinated Debt Securities due March 15, 2035	No	\$35,783,110.36
The Bank of New York Mellon Trust Company, N.A., as Trustee	Trust Office Attn: Nancy R. Johnson 500 Ross Street 12 Floor Pittsburgh, PA 15262	Junior Subordinated Debt Securities due June 15, 2035	No	\$29,764,605.06
The Bank of New York Mellon Trust Company, N.A., as Trustee	Trust Office Attn: Nancy R. Johnson 500 Ross Street 12 Floor Pittsburgh, PA 15262	Floating Rate Subordinated Notes due March 15, 2035	No	\$20,546,350.47

¹ The Debtors, together with the last four digits of each Debtor's federal tax identification number, are: Affirmative Insurance Holdings, Inc. (0432); Affirmative Management Services, Inc. (7252); Affirmative Services, Inc. (7255); Affirmative Underwriting Services, Inc. (7250); Affirmative Insurance Services, Inc. (8823); Affirmative General Agency, Inc. (2345); Affirmative Insurance Group, Inc. (7246); and Affirmative, L.L.C. (2347). The location of the Debtors' corporate headquarters and the service address for all Debtors is 150 Harvester Drive, Suite 250, Burr Ridge, Illinois 60527.

Confie Seguros Holding II Co.	c/o Confie Seguros Holding Co. Attn: Valeria Rico 7711 Center Ave., Suite 200 Huntington Beach, CA 92647	Purchase Price Adjustment	Disputed	\$2,330,000.00
		Trade Debt	No	\$538,834.12
Internal Revenue Services	Centralized Insolvency Operation P.O. Box 7346 Philadelphia, PA 19101	Taxes	No	\$988,137.38
Texas Comptroller Office	Texas Comptroller of Public Accounts P.O. Box 13528, Capitol Station Austin, TX 78711	Escheat Checks	No	\$879,016.34
		Taxes	No	\$129,399.40
Louisiana Department of Revenue	P.O. Box 91011 Baton Rouge, LA 70821	Taxes	No	\$684,120.85
Illinois State Treasurer	Unclaimed Property Division P.O. Box 19496 Springfield, IL 627941	Escheat Checks	No	\$282,010.18
Indiana Department of Revenue	P.O. Box 7206 Indianapolis, IN 46207	Taxes	No	\$181,943.26
Alabama State Treasurer	Unclaimed Property Division 600 Dexter Avenue Montgomery, Alabama 36104	Escheat Checks	No	\$171,731.32
Florida Department of Revenue	5050 W Tennessee St Tallahassee, FL 32399	Taxes	No	\$113,150.47
Blue Cross Blue Shield	300 E Randolph St. Chicago, IL 60601	Medical Benefits	No	\$106,597.19
Office of the Indiana Attorney General	Unclaimed Property Division P.O. Box 2504 Greenwood, IN 46142	Escheat Checks	No	\$102,035.24
State of Florida Treasury	Unclaimed Property Division P.O. Box 6350 Tallahassee, FL 32314	Escheat Checks	No	\$56,654.60
Missouri State Treasurer	Unclaimed Property Division P.O. Box 1004 Jefferson City, MO 65102	Escheat Checks	No	\$51,707.27
Louisiana Economic Development	1051 North Third Street Baton Rouge, LA 70802	Cooperative Endeavor Agreement	No	\$51,000.00
Missouri Department of Revenue	P.O. Box 3020 Jefferson City, MO 65105	Taxes	No	\$32,873.44
California State Controller's Office	Unclaimed Property Division P.O. Box 942850 Sacramento, CA 94250	Escheat Checks	No	\$31,957.11

Georgia Department of Revenue	Unclaimed Property Program 4125 Welcome All Rd Ste 701 Atlanta, Georgia 30349	Escheat Checks	No	\$27,547.76
State Treasurer of South Carolina	Unclaimed Property Division P.O. Box 11778 Columbia, SC 29211	Escheat Checks	No	\$21,074.55
McGlinchey Stafford PLLC	P.O. Box 2153 Birmingham, AL 35287	Professional Services	No	\$14,170.27
Michigan Department of Treasury	Unclaimed Property Division P.O. Box 30756 Lansing, MI 48909	Escheat Checks	No	\$12,697.43
Pedersen & Houpt	161 N Clark Street, Suite 2700 Chicago, IL 60601	Professional Services	No	\$12,275.64
State of Delaware	Division of Corporations P.O. Box 898 Dover, DE 19903	Taxes	No	\$11,308.00
RR Donnelley	35 West Wacker Drive Chicago, IL 60601	Professional Services	No	\$11,179.00
Glencoe Capital, LLC	Attn: Judy Slater 227 West Monroe, Suite 3880 Chicago, IL, 60606	Lease	No	\$10,591.27
Arizona Department of Revenue	Unclaimed Property Unit P.O. Box 29026 Phoenix, AZ 85038	Escheat Checks	No	\$6,988.93
Louisiana Department of the Treasury	Unclaimed Property Office P.O. Box 91010 Baton Rouge, LA 70821	Escheat Checks	No	\$5,347.43
Stealth Partner Group	18940 North Pima Road Suite 210 Scottsdale, AZ 85255	Medical Benefits	No	\$5,333.00
AIPSO	302 Central Avenue Johnston, RI 02919	Professional Services	No	\$4,798.09

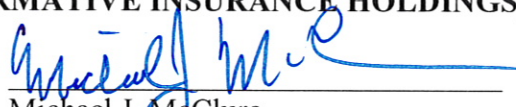
CERTIFICATION

I, Michael McClure, am an authorized officer of the Debtors and, in such capacity, am familiar with the financial affairs of the Debtors. I declare under penalty of perjury that the foregoing *Consolidated List of Creditors Holding 30 Largest Unsecured Claims* is true and accurate to the best of my knowledge, information, and belief, with reliance on appropriate corporate officers.

Dated: October 14, 2015

AFFIRMATIVE INSURANCE HOLDINGS, INC.

By:



Michael J. McClure
Chief Financial Officer

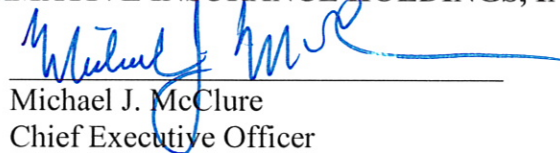
CERTIFICATION

I, Michael J. McClure, am an authorized officer of the Debtors and, in such capacity, am familiar with the financial affairs of the Debtors. I declare under penalty of perjury that the foregoing *Corporate Ownership Statement* is true and accurate to the best of my knowledge, information, and belief, with reliance on appropriate corporate officers.

Dated: October 14, 2015

AFFIRMATIVE INSURANCE HOLDINGS, INC.

By:



Michael J. McClure
Chief Executive Officer

[Signature Page to Corporate Ownership Statement]