

UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

PROOF OF CLAIM

Name of Debtor
Corus Bankshares, Inc.
Debtors.

Chapter 11
Case Number 10-26881 (PSH)

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor (The person or other entity to whom the debtor owes money or property):
(1) Arch Specialty Insurance Company
300 Plaza Three
Jersey City, NJ 07311-1107

Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

Name and address where notices should be sent if different from above:
Arch Insurance Group
c/o Traci Fischer
300 Plaza Three, Jersey City, NJ 07052
Telephone number: 201-743-4133

Check box if you have never received any notices from the bankruptcy court in this case.
 Check box if the address differs from the address on the envelope sent to you by the court.

THIS SPACE IS FOR COURT USE ONLY

Account of other number by which creditor identifies debtor
DOX0036562-00

Check here replaces a previously filed claim, dated: amends

1. Basis for Claim
 Goods sold
 Services performed
 Money loaned
 Personal injury / wrongful death
 Taxes
 Other Insurance Program (2)

RECEIVED
JUL 08 2010
BMC GROUP

Retiree benefits as defined in 11 U.S.C. § 1114(a)
 Wages, salaries, and compensation (fill out below)
Your SS #: _____
Unpaid compensation for services performed from _____ to _____

2. Date debt was incurred: (3)

3. If court judgment, date obtained:


4. Total Amount of Claim at Time Case Filed: Unliquidated (4)
If all of part of your claim is secured or entitled to priority, also complete Item 5 or 6 below.
 Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.

5. Secured Claim.
 Check this box if your claim is secured by collateral (including a right of setoff).
Brief Description of Collateral:
 Real Estate Motor Vehicle
 Other
Value of Collateral:
Amount of arrearage and other charges at time case filed included in secured claim, in any: \$ _____

6. Unsecured Priority Claim.
 Check this box if you have an unsecured priority claim Amount entitled to priority Unliquidated (5)
Specify the priority of the claim:
 Wages, salaries, or commissions (up to \$4,650)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3).
 Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4).
 Up to \$2,100* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6).
 Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7).
 Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8).
 Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(1-8).
*Amounts are subject to adjustment on 4/1/04 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.

7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.
8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.
9. Date-Stamped Copy: To receive an acknowledgement of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

THIS SPACE IS FOR COURT USE ONLY

Corus Bankshares

00002

Date
June 30, 2010

Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any):
Traci Fischer
Legal Assistant

In re Corus Bankshares, Inc.

Case No. 10-26881 (PSH)

*United States Bankruptcy Court for the Northern District of Illinois Eastern Division
Chapter 11*

Proof of Claim

1

This claim is filed in the Chapter 11 proceedings of Corus Bankshares, Inc. and its affiliate debtors (collectively, the “Debtors”) by Arch Specialty Insurance Company.

2

This claim arises from various insurance programs maintained by Arch Specialty Insurance Company (“Arch”) for the benefit of the Debtors (“Insurance Program”). Under the terms of the Insurance Program, Arch issued a policy of insurance, Policy number DOX0036562-00, for the benefit of the Debtors and their additional insureds, which may have included property, general liability and automobile and related coverages (together with related endorsements, schedules and agreements, the “Policy”). The periods of coverage provided under the Policy is December 18, 2009 to December 18, 2014.

In connection with the Policies, Arch and the Debtors may have executed and/or delivered various agreements, including but not limited to binder letters, Finance Agreements, Deductible Reimbursement Agreements, Claims Service Agreements, and other addenda and undertakings between the parties (collectively, the “Agreements”).

Pursuant to the Policies and the related agreements, and subject to the terms and conditions thereof, Arch agreed to provide insurance and related services for the Debtor. Also pursuant to the Policies and Agreements, the Debtor agreed, *inter alia*, to pay specified premium, loss reimbursement, deposits and other charges. Certain of the Policies may be auditable. That is to say, premium may be revised, up or down, to reflect changes to underwriting factors like number of employees, payroll and the like. Certain of the Policies may be loss sensitive. That is to say, additional debits or credits may become owing, based upon ongoing claims experience under the Policies.

Copies of the Policies and Agreements will be furnished upon reasonable request.

3

The debt underlying this claim is incurred as and when liabilities arise under the Policies and other agreements.

4

Arch asserts this claim for all amounts now or hereafter owing under the Insurance Program, Policies and the related agreements. As stated above, the amounts owing under the Insurance Program, Policies and Agreements are subject to further revision, based upon further audits, continued claims experience, and future reconciliations to be performed thereunder.

Arch reserves the right to amend this proof of claim at any time hereafter, either to state a liquidated balance (based upon actuarial projections of future loss development under the Insurance Program), or to revise such balance up or down, so as to reflect the most current audits, claims experience and/or other data impacting the liability under the program. Further, Arch Insurance Company reserves the right, at any time hereafter, to seek a judicial estimation of this claim pursuant to 11 U.S.C. § 502(c).

5

To the extent any portion of this claim arises subsequent to the commencement of this Chapter 7 proceeding, such portion is entitled to administrative expense priority pursuant to 11 U.S.C. § 507(a)(1). Amounts to become due and owing under the policies may continue after the commencement of this proceeding. These amounts may be subject to audit and recalculation. Arch asserts that this amount is entitled to administrative priority.

To the extent any portion of this claim (notably workers compensation premium and loss reimbursement) is entitled to fourth level priority as a contribution to an employee benefit plan (pursuant to 11 U.S.C. § 507(a)(4)), such priority is hereby reserved and asserted. In this regard, Arch notes a split among the circuit and lower courts addressing the issue.

To the extent this claim is neither secured nor entitled to priority status, Arch reserves and asserts a general unsecured claim in that amount.



www.archinsurance.com

300 – Plaza Three
Jersey City, NJ 07311-1107

T 201.743.4000
F 201.743.4005

July 6, 2010

BMC Group, Inc.
Attn: Corus Claims Processing
18750 Lake Drive East
Chanhassen, MN 55317

VIA FEDERAL EXPRESS

Re: *Corus Bankshares, Inc.*
Chapter 11 Bankruptcy Filing 10-26881 (PSH)

Dear Sir or Madame:

Enclosed please find a completed Proof of Claim form by Arch Specialty Insurance Company for the Chapter 11 Bankruptcy Filing for Corus Bankshares, Inc, 10-26881 (PSH).

Should you have any questions, please contact me at 201.743.4133 or via email at tfischer@archinsurance.com.

Best,

Traci Fischer
Legal Assistant