

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
United Business Owners SIF in Liquidation
Statement of Affairs
As of December 31, 2009

	<u>Estimated Realizable Value</u>
ASSETS	
Pooled Cash Due from the Admin Fund	\$47,127.09
Accrued Interest Receivable	89.93
Total Assets	<u>\$47,217.02</u>
LIABILITIES	
Loss Claims (Class 2)	
- Guaranty Associations	5,083,299.39
General Creditor Claims (Class 6)	
- Other	344,817.47
State & Local Government Claims (Class 7)	605,796.00
Surplus Notes/Unearned Premium Claims under Assessable Policies (Class 9)	
- Other	167,540.34
Total Liabilities	<u>\$6,201,453.20</u>
EQUITY	
Contributed Equity - State of Florida	133,116.49
Estate Equity	<u>(6,287,352.67)</u>
Excess (Deficiency) of Assets over Liabilities	<u>(\$6,154,236.18)</u>
Total Liabilities and Equity	<u>\$47,217.02</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
United Business Owners SIF in Liquidation
Statement of Cash Receipts and Disbursements
From the Date of Liquidation through December 31, 2009

	Fiscal Year to Date	Since Date of Liquidation
CASH RECEIPTS		
Premium Collections	\$0.00	\$1,576,002.52
Assessment Recoveries	0.00	1,504,816.73
Reinsurance Recoveries	0.00	1,350,000.00
Agents' Balances Recoveries	0.00	2,634.10
Subrogation and Salvage Recoveries	0.00	35,000.00
Tax Recoveries	308.00	308.00
Other Collections / Recoveries	7.20	22,903.77
Receipts Before Investment Activities	315.20	4,491,665.12
Interest and Dividend Receipts	31,880.90	1,816,410.74
Receipts From Investment Activities	31,880.90	1,816,410.74
Total Cash Receipts	32,196.10	6,308,075.86
CASH DISBURSEMENTS & DISTRIBUTIONS		
Professional Fees and Expenses	84.16	1,087,126.62
Salaries and Fringe Benefits	7,187.65	1,060,753.99
Employee Welfare	95.69	6,003.96
Travel Expenses	18.64	9,551.63
Admin Expenses	104.70	22,665.01
Equipment and Furniture Expenses	246.84	34,703.42
Rent, Building and Equipment	1,479.61	60,374.98
Taxes	3,065.75	3,130.45
Disbursements	12,283.04	2,284,310.06
Distributions		
Administrative Claims (Class 1)	1,461,222.10	1,461,222.10
Loss Claims (Class 2)	4,494,360.10	4,494,360.10
Early Access-Guaranty Associations	(3,500,000.00)	0.00
Total Distributed	2,455,582.20	5,955,582.20
Disbursements & Distributions Before Investment Activities	2,467,865.24	8,239,892.26
Financial Expenses	1,317.59	37,950.21
Disbursements for Investment Activities	1,317.59	37,950.21
Total Cash Disbursements & Distributions	2,469,182.83	8,277,842.47
Net Increase (Decrease) in Cash	(2,436,986.73)	(1,969,766.61)
Beginning Cash Balance:		
Beginning Cash	2,484,113.82	2,016,893.70
Adjustments to Beginning Cash	0.00	0.00
Adjusted Beginning Cash Balance	2,484,113.82	2,016,893.70
Ending Cash Balance	47,127.09	47,127.09

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Schedule of Accrued Interest Receivable
For the Six Months Ended December 31, 2009

Accrued Interest Receivable

<u>Due from</u>	<u>Account</u>	<u>Balance 7/1/09</u>	<u>Accrued</u>	<u>Received</u>	<u>Balance 12/31/09</u>
State Treasury	SPIA, 4-20-0-010000-00000	5,027.85	30,732.68	(35,670.60)	89.93
Totals:		<u>5,027.85</u>	<u>30,732.68</u>	<u>(35,670.60)</u>	<u>89.93</u>

**Florida Department of Financial Services, Division of Rehabilitation
and Liquidation**
United Business Owners SIF in Liquidation
Notes to Financial Statements

Dated December 31, 2009

1. **Estate Information.** United Business Owners SIF was a worker compensation self-insurance fund domiciled in Florida and placed in liquidation on October 22, 1996.
2. **Basis of Presentation.** The accompanying financial statements have been prepared on the liquidation basis of accounting using a fiscal year of July 1, 2009 through June 30, 2010. The assets are stated at their estimated realizable values, while the liabilities are stated at their ultimate (gross filed) amounts and are periodically adjusted as evaluated, adjudicated and/or paid. In addition, the statements do not provide accruals for future administrative costs to liquidate the estate or costs to pursue or litigate claims against others.
3. **Unaudited.** The accompanying financial statements have not been audited by an independent certified public accountant and no opinion is expressed on their compliance with generally accepted accounting principles.
4. **Statement Format Changes.** On July 1, 2001, the Receiver converted accounting systems, which resulted in the historical accounting data being presented differently in this set of financial statements than the previously prepared statements for this estate. Because the new system uses a more detailed chart-of-accounts and summarizes data into categories different than previously used, the 'Since Date of Liquidation' column of historical data on the 'Statement of Cash Receipts and Disbursements' may not correspond directly to previous statement presentations. Users of this "Liquidation to-date" information should solicit additional information from the Receiver before making assumptions about the data.
5. **Pooled Investments.** The majority of the invested assets of the estates are combined into two main pooled accounts: the Receiver's operating account held at the Bank of America and the Special Purpose Investment Account held at the State of Florida Treasury. Each estate's share of the pooled investments is presented on the accompanying financial statements as "Pooled Cash Due from the Admin Fund".
6. **Claims.** Unless otherwise noted, the Statement of Affairs contains claim liabilities by priority class pursuant to 631.271, Florida Statutes. Unless otherwise stated, the claim liabilities reported are gross filed, unadjudicated, and have not been reduced by any early access payments from the Florida Receiver. Claims liability numbers are based upon information and documentation provided to the Receiver as of September 30, 2009.
 - None of the claims liabilities reported reflect the results of an independent actuarial review in February 2001.
 - Class 1 Administrative Claims and Class 2 Loss Claims have been evaluated. All other classes of claims are reported as gross filed.
 - The claims evaluation process has been completed. Class I and Class II claims were the only classes evaluated; all other claims are being reported as gross filed. The 1st Interim Claims Report has been audited and approved for filing with the courts.
 - The deadline for claimants to object to the receiver's recommendation was May 15, 2009. No objections have been filed.
 - The courts approved a 100% distribution for Class I claimants and a 49.9255% distribution for Class II claimants. The total amount approved for distribution was \$5,955,582.20. The guaranty fund is the only claimant.
 - All claims activity has been concluded.
7. **Contributed Equity – State of Florida.** The Receiver will, from time to time, expend public funds to carry out certain duties during the course of liquidating an insurance company. The Division accounts for these expenditures as a contribution of equity by the State.
8. **Excess (Deficiency) of Assets over Liabilities.** The excess or (deficiency) represents the estimated realizable value of assets after deducting the current estimate of liabilities. This excess or (deficiency) does not take into consideration any estimates for future administrative costs to liquidate the estate or costs to pursue or litigate claims against others.