

IN THE CIRCUIT COURT OF THE  
SECOND JUDICIAL CIRCUIT,  
IN AND FOR LEON COUNTY, FLORIDA

IN RE: THE RECEIVERSHIP OF  
FORTUNE INSURANCE COMPANY,  
In Liquidation, a Florida corporation

CASE NO.: 01-1254

**RECEIVER'S MOTION FOR APPROVAL OF FINAL CLAIMS REPORT-PART 1,  
CLAIMS DISTRIBUTION REPORT, DISTRIBUTION ACCOUNTING AND FOR  
ORDER AUTHORIZING DISTRIBUTION**

THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES, as Receiver of Fortune Insurance Company ("Receiver"), hereby files its Final Claims Report-Part 1, Claims Distribution Report and Distribution Accounting and moves this court for an Order approving the Final Claims Report-Part 1, Claims Distribution Report and Distribution Accounting and authorizing distribution in accordance with the Distribution Accounting. In support of its Motion, the Receiver says:

1. Fortune Insurance Company, ("Fortune"), was a Florida corporation previously authorized to transact the business of insurance in the State of Florida. On July 6, 2001, this Court adjudicated Fortune insolvent and entered the Order Appointing the Florida Department of Insurance as Receiver [of Fortune] for Purposes of Liquidation, Injunction, and Notice of Automatic Stay (the "Order"). On January 7, 2003, the Florida Department of Insurance became a part of the Florida Department of Financial Services.

2. This Court has jurisdiction over the Fortune Receivership and is "authorized to make all necessary or proper orders to carry out the purposes of the Florida Insurers Rehabilitation and Liquidation Act. Section 631.021(1), Florida Statutes.

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FLORIDA

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3. The Receiver's Final Claims Report-Part 1 (in electronic form as a compact disc) marked as Composite Exhibit "A," is attached hereto and by reference made a part hereof. This report reflects the classification of all filed Class 1 and Class 2 claims by priority in accordance with Section 631.271, Florida Statutes. This report also incorporates the resolution of all timely filed objections and claimant information updates on Class 1 and Class 2 claims. The Receiver will incorporate future claimant information updates that result from the distribution process into the Receiver's database. The Receiver will file the Final Claims Report-Part 2 covering all Class 3-10 claims on a later date.

4. The Final Claims Report-Part 1 (the Report) is broken down into two sections. Part A of the Report consists of claims of non-guaranty association claimants and Part B consists of all claims of guaranty association claimants. For the Court's convenience, paper copies of the summary totals from each section of the Final Claims Report-Part 1 are attached as Composite Exhibit "B."

5. Part A of the Report contains 2,034 filed claims by non-guaranty association claimants for a total amount claimed of \$18,743,108.16. The total amount recommended by the Receiver is \$699,628.14.

6. Part B of the Report contains four filed claims by a guaranty association claimant for a total amount claimed of \$15,961,319.75. The total amount recommended by the Receiver for the payment of guaranty association claims is \$15,961,319.75. The guaranty association identified within the report is the Florida Insurance Guaranty Association ("FIGA").

7. This court has previously ordered the Receiver to make "early access" distributions from this estate to FIGA in the total amount of \$15,956,276.00.

8. With the approval of the Receiver's Final Claims Report-Part 1, the Receiver is now in the position to make another distribution of receivership assets. Said assets will be distributed to claimants in classes 1-2 in accordance with the Claims Distribution Report dated November 24, 2008, which is attached hereto (in electronic form as a compact disc) as Composite Exhibit "A." For the Court's convenience, a paper copy of the summary totals from the Claims Distribution Report is attached as Exhibit "C". The Claims Distribution Report lists the 752 claims where an approved amount has been recommended for distribution at this time and is in accord with Section 631.271, Florida Statutes.

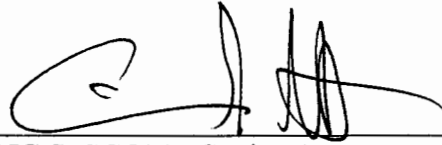
9. Based upon the Distribution Accounting, which is attached hereto as Exhibit "D," the Receiver is prepared to make a distribution of \$704,671.89 to all claimants in classes 1-2. Together with the "early access" distribution to FIGA, this distribution represents a pro-rata distribution of 100% of the recommended claim amount of \$2,839,192.75 for Class 1 claims and a distribution of 100% of the recommended claim amount of \$13,821,755.14 for Class 2 claims.

10. The Receiver recommends that the Final Claims Report-Part 1, Claims Distribution Report and Distribution Accounting be approved.

11. Despite the Receiver's best efforts, some approved claims may have inadequate current address information, and/or may have not provided the Receiver with a form W-9, required by the Internal Revenue Service. The Receiver asks for authority to remit the funds due these claimants to the Unclaimed Property Bureau of the Department of Financial Services.

**WHEREFORE**, the Receiver respectfully requests this Court grant its Motion and enter an Order approving the Final Filed Claims Report-Part 1, Claims Distribution Report and Claims Distribution Accounting, directing the Receiver to make the above referenced distribution to claimants in this receivership.

DATED this 16 day of January, 2009.

A handwritten signature in black ink, appearing to read 'Eric S. Scott', written over a horizontal line.

ERIC S. SCOTT, Senior Attorney  
Florida Bar No. 0911496  
Florida Department of Financial Services  
Division of Rehabilitation and Liquidation  
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FLORIDA DEPARTMENT OF FINANCIAL SERVICES - DIVISION OF REHABILITATION AND LIQUIDATION  
 FORTUNE INSURANCE COMPANY  
 FINAL CLAIMS REPORT - PART 1  
 PART A - FOR NON GUARANTY ASSOCIATION CLAIMANTS

SUMMARY TOTALS

TOTAL AMOUNT CLAIMED BY NON GUARANTY ASSOCIATION CLAIMANTS	\$18,743,108.16
TOTAL AMOUNT RECOMMENDED TO NON GUARANTY ASSOCIATION CLAIMANTS	\$699,628.14
<b>TOTAL NUMBER</b>	<b>2,034</b>

Secured Claims

COUNT OF SECURED CLAIMS :	0
AMOUNT CLAIMED FOR SECURED CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR SECURED CLAIMS TO NON GUARANTY ASSOCIATION	\$0.00

UnSecured Claims

COUNT OF CLASS 1 CLAIMS :	0	COUNT OF CLASS 6 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 1 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00	AMOUNT CLAIMED FOR CLASS 6 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR CLASS 1 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :	\$0.00	AMOUNT RECMD FOR CLASS 6 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS :	\$0.00
COUNT OF CLASS 2 CLAIMS :	2,034	COUNT OF CLASS 7 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 2 CLAIMS BY NON GUARANTY ASSOCIATION CLAIMANTS	\$18,743,108.16	AMOUNT CLAIMED FOR CLASS 7 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR CLASS 2 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:	\$699,628.14	AMOUNT RECMD FOR CLASS 7 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:	\$0.00
COUNT OF CLASS 3 CLAIMS :	0	COUNT OF CLASS 8 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 3 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00	AMOUNT CLAIMED FOR CLASS 8 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR CLASS 3 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:	\$0.00	AMOUNT RECMD FOR CLASS 8 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:	\$0.00
COUNT OF CLASS 4 CLAIMS :	0	COUNT OF CLASS 9 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 4 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00	AMOUNT CLAIMED FOR CLASS 9 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00
AMOUNT RECMD FOR CLASS 4 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:	\$0.00	AMOUNT RECMD FOR CLASS 9 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:	\$0.00
COUNT OF CLASS 5 CLAIMS :	0	COUNT OF CLASS 10 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 5 CLAIMS BY NON GUARANTY ASSOCIATION	\$0.00	AMOUNT CLAIMED FOR CLASS 10 CLAIMS BY NON GUARANTY ASSOCIATION CLAIMANTS:	\$0.00
AMOUNT RECMD FOR CLASS 5 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:	\$0.00	AMOUNT RECMD FOR CLASS 10 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS:	\$0.00

Note: If status is unevaluated, then dollar amounts have been suppressed

FLORIDA DEPARTMENT OF FINANCIAL SERVICES - DIVISION OF REHABILITATION AND LIQUIDATION  
 FORTUNE INSURANCE COMPANY  
 FINAL CLAIMS REPORT - PART 1  
 PART B - FOR GUARANTY ASSOCIATION

SUMMARY TOTALS

TOTAL AMOUNT CLAIMED BY GUARANTY ASSOCIATION	\$15,961,319.75
TOTAL AMOUNT RECOMMENDED TO GUARANTY ASSOCIATION	\$15,961,319.75
TOTAL NUMBER	4

COUNT OF CLASS 1 CLAIMS :	3	COUNT OF CLASS 6 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 1 CLAIMS BY GUARANTY ASSOCIATION :	\$2,839,192.75	AMOUNT CLAIMED FOR CLASS 6 CLAIMS BY GUARANTY ASSOCIATION :	\$0.00
AMOUNT RECMD FOR CLASS 1 CLAIMS TO GUARANTY ASSOCIATION :	\$2,839,192.75	AMOUNT RECMD FOR CLASS 6 CLAIMS TO GUARANTY ASSOCIATION :	
COUNT OF CLASS 2 CLAIMS :	1	COUNT OF CLASS 7 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 2 CLAIMS BY GUARANTY ASSOCIATION :	\$13,122,127.00	AMOUNT CLAIMED FOR CLASS 7 CLAIMS BY GUARANTY ASSOCIATION :	\$0.00
AMOUNT RECMD FOR CLASS 2 CLAIMS TO GUARANTY ASSOCIATION :	\$13,122,127.00	AMOUNT RECMD FOR CLASS 7 CLAIMS TO GUARANTY ASSOCIATION :	
COUNT OF CLASS 3 CLAIMS :	0	COUNT OF CLASS 8 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 3 CLAIMS BY GUARANTY ASSOCIATION :	\$0.00	AMOUNT CLAIMED FOR CLASS 8 CLAIMS BY GUARANTY ASSOCIATION :	\$0.00
AMOUNT RECMD FOR CLASS 3 CLAIMS TO GUARANTY ASSOCIATION :		AMOUNT RECMD FOR CLASS 8 CLAIMS TO GUARANTY ASSOCIATION :	
COUNT OF CLASS 4 CLAIMS :	0	COUNT OF CLASS 9 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 4 CLAIMS BY GUARANTY ASSOCIATION :	\$0.00	AMOUNT CLAIMED FOR CLASS 9 CLAIMS BY GUARANTY ASSOCIATION :	\$0.00
AMOUNT RECMD FOR CLASS 4 CLAIMS TO GUARANTY ASSOCIATION :		AMOUNT RECMD FOR CLASS 9 CLAIMS TO GUARANTY ASSOCIATION :	
COUNT OF CLASS 5 CLAIMS :	0	COUNT OF CLASS 10 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 5 CLAIMS BY GUARANTY ASSOCIATION :	\$0.00	AMOUNT CLAIMED FOR CLASS 10 CLAIMS BY GUARANTY ASSOCIATION :	\$0.00
AMOUNT RECMD FOR CLASS 5 CLAIMS TO GUARANTY ASSOCIATION :		AMOUNT RECMD FOR CLASS 10 CLAIMS TO GUARANTY ASSOCIATION :	

Note: If status is unevaluated, then dollar amounts have been suppressed

FLORIDA DEPARTMENT OF FINANCIAL SERVICES-DIVISION OF REHABILITATION AND LIQUIDATION  
 FORTUNE INSURANCE COMPANY  
 CLAIMS DISTRIBUTION REPORT

SUMMARY TOTALS

TOTAL AMOUNT CLAIMED	\$20,594,144.36
TOTAL AMOUNT RECOMMENDED	\$16,660,947.89
TOTAL NUMBER	752

**Secured Claims**

COUNT OF SECURED CLAIMS :	0
AMOUNT CLAIMED FOR SECURED CLAIMS :	
AMOUNT RECOMMENDED FOR SECURED CLAIMS :	

**Unsecured Claims**

COUNT OF CLASS 1 CLAIMS :	3	COUNT OF CLASS 6 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 1 CLAIMS :	\$2,839,192.75	AMOUNT CLAIMED FOR CLASS 6 CLAIMS :	
AMOUNT RECOMMENDED FOR CLASS 1 CLAIMS :	\$2,839,192.75	AMOUNT RECOMMENDED FOR CLASS 6 CLAIMS :	
COUNT OF CLASS 2 CLAIMS :	749	COUNT OF CLASS 7 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 2 CLAIMS :	\$17,754,951.61	AMOUNT CLAIMED FOR CLASS 7 CLAIMS :	
AMOUNT RECOMMENDED FOR CLASS 2 CLAIMS :	\$13,821,755.14	AMOUNT RECOMMENDED FOR CLASS 7 CLAIMS :	
COUNT OF CLASS 3 CLAIMS :	0	COUNT OF CLASS 8 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 3 CLAIMS :		AMOUNT CLAIMED FOR CLASS 8 CLAIMS :	
AMOUNT RECOMMENDED FOR CLASS 3 CLAIMS :		AMOUNT RECOMMENDED FOR CLASS 8 CLAIMS :	
COUNT OF CLASS 4 CLAIMS :	0	COUNT OF CLASS 9 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 4 CLAIMS :		AMOUNT CLAIMED FOR CLASS 9 CLAIMS :	
AMOUNT RECOMMENDED FOR CLASS 4 CLAIMS :		AMOUNT RECOMMENDED FOR CLASS 9 CLAIMS :	
COUNT OF CLASS 5 CLAIMS :	0	COUNT OF CLASS 10 CLAIMS :	0
AMOUNT CLAIMED FOR CLASS 5 CLAIMS :		AMOUNT CLAIMED FOR CLASS 10 CLAIMS :	
AMOUNT RECOMMENDED FOR CLASS 5 CLAIMS :		AMOUNT RECOMMENDED FOR CLASS 10 CLAIMS :	

**Fortune Insurance Company**  
**Distribution Accounting**  
**Projected for November 2008 Distribution**

**ESTIMATED ASSETS AT OCTOBER 31, 2008**

	<u>Value</u>	<u>Reference</u>
Cash	\$ 16,858,252.54	Schedule A
Accrued Interest Rec. (To be paid 11/01/2008)	42,000.00	Schedule D
Advance to Guaranty Association	<u>15,956,276.00</u>	
<b>Total Assets</b>	<b>\$ 32,856,528.54</b>	

**ESTIMATED FUNDS RETAINAGE**

	<u>Value</u>	<u>Reference</u>
Class I - Administrative Claims		
Retainage for Receiver Expenses		
Estimate (November 2008- December 2010)	260,900.00	Schedule B
Discharge Expenses		
Retainage for records storage, records		
destruction, tax return prep. & labor	<u>60,000.00</u>	Schedule F
<b>Total Proposed Retainage</b>	<b><u>320,900.00</u></b>	

**TOTAL AVAILABLE TO DISTRIBUTE** **\$ 32,535,628.54**

**DISTRIBUTION RECOMMENDATION**

	<u>Claims Value</u>	<u>Less Previous Claims Distributions</u>	<u>Value of Claims Outstanding</u>	<u>Apply Adv. Pmts. to Guaranty Assoc.</u>	<u>Recommended Distribution</u>	<u>% Value of Claims Outstanding</u>	<u>% Value of Gross Filed Claims</u>	<u>Total % of Claims Value Distributed</u>
Class I - Administrative Claims-Guaranty Funds	\$ 2,839,192.75	\$ -	\$ 2,839,192.75	\$ 2,839,192.75	\$ -	100.0000%	100.0000%	100.0000%
Class II - Loss Claims-Guaranty Funds	13,122,127.00	-	13,122,127.00	\$ 13,117,083.25	5,043.75	100.0000%	100.0000%	100.0000%
Class II - Loss Claims-Other	699,628.14	-	699,628.14	<del>699,628.14</del>	699,628.14	100.0000%	100.0000%	100.0000%
Class III - Return Premium Claims-Guaranty Funds	15,012,951.64	-	15,012,951.64	\$ -	-	0.0000%	0.0000%	0.0000%
Class III - Return Premium Claims-Other	2,012,694.32	-	2,012,694.32	<del>2,012,694.32</del>	-	0.0000%	0.0000%	0.0000%
Class IV - Federal Government Claims	-	-	-	<del>-</del>	-	0.0000%	0.0000%	0.0000%
Class V - Employee Claims	170,582.05	-	170,582.05	<del>170,582.05</del>	-	0.0000%	0.0000%	0.0000%
Class VI - General Creditors Claims	7,354,398.14	-	7,354,398.14	<del>7,354,398.14</del>	-	0.0000%	0.0000%	0.0000%
Class VII - State & Local Government Claims	7,614.38	-	7,614.38	<del>7,614.38</del>	-	0.0000%	0.0000%	0.0000%
Class VIII - Late Filed Claims	186,233.09	-	186,233.09	<del>186,233.09</del>	-	0.0000%	0.0000%	0.0000%
Class IX - Surplus/Other-GA	-	-	-	<del>-</del>	-	0.0000%	0.0000%	0.0000%
Class X - Shareholder Claims	4,997,223.08	-	4,997,223.08	<del>4,997,223.08</del>	-	0.0000%	0.0000%	0.0000%
<b>Totals</b>	<b>\$ 46,402,644.59</b>	<b>\$ -</b>	<b>\$ 46,402,644.59</b>	<b>\$ 15,956,276.00</b>	<b>\$ 704,671.89</b>			

**Index to Attached Schedules:**

- Schedule A - Available Cash Projection
- Schedule B - Estimated Funds to be Retained by the Receiver for Discharge of the Estate
- Schedule C - Allocated State Funds Expensed
- Schedule D - Interest Earnings Projection - Pooled Cash
- Schedule E - Receiver Discharge Expenses

**Fortune Insurance Company**  
**Available Cash Projection**  
**Projected for November 2008 Distribution**

	Cash Bal. as of September 30, 2008	Oct-08
<b>Beginning Pooled Cash Balance</b>	\$	<u>16,885,293.45</u>
<b>Direct Receiver Expenses (Actual or Estimated)</b>		
Rent-Storage & Utilities, Accurint, Postage, Bank Fees		2,500.00
<b>Sub-total</b>		<u>2,500.00</u>
<b>Allocated Receiver Expenses (Estimated)</b>		
Labor & Benefits		44,958.00 <sup>1</sup>
Indirect Expenses		3,625.00 <sup>2</sup>
<b>Sub-total</b>		<u>48,583.00</u>
<b>Cash Balance Before Interest Earnings</b>		<u>16,834,210.45</u>
<b>Interest Earnings</b>		
<b>Pooled Cash:</b>		
Actual SPIA Earnings for September to be credited on 10/01/2008.		24,042.09
<b>Less: Payment for Reinsurance Services</b>		
<b>Ending Pooled Cash Balance</b>	<u>\$ 16,885,293.45</u>	<u>\$ 16,858,252.54</u>

**Assumptions for Allocated Receiver Expenses:**

<sup>1</sup> Labor & Benefits: This estimate is based on a four month actual average. Doubled for increased activity leading up to distribution.

June Actual	\$ 26,885.10
July Actual	24,280.00
August Actual	22,424.87
September Actual	<u>16,325.05</u>
Sub-total	89,915.02
4 mth. actual average (rounded)	<u>22,479.00</u>
Doubled for increased activity level	<u>\$ 44,958.00</u>

<sup>2</sup> Indirect Expenses: This estimate is Fortune's estimated pro rata share of the Receiver's estimated total indirect expenses. The pro rata share calculation is based on Fortune's estimated total assets divided by the Receiver's estimated total assets for all receiverships.

Estimated Total Asset %	2.50%
Estimated Total for the Receiver	<u>\$ 145,000.00</u>
Estimated Expense (rounded)	<u>\$ 3,625.00</u>

**Fortune Insurance Company**  
**Estimated Funds to be Retained by the Receiver for Discharge of the Estate**  
**Estimated from November 2008 through the Projected Discharge Date of December 2010**

	October	November	December	2009	Jan-Jun 2010	Retainage Calculation
<b>Beginning Cash Balance</b>		\$ 16,858,252.54	\$ 16,102,497.65	\$ 16,092,414.65	\$ 15,960,258.65	
<b>Direct Receiver Expenses</b>						
Rent-Storage & Utilities, Account, Postage, Bank Fee:		2,500.00	2,500.00	30,000.00	15,000.00	
Sub-total		2,500.00	2,500.00	30,000.00	15,000.00	\$ 50,000.00
<b>Allocated Receiver Expenses</b>						
Labor & Benefits		44,958.00 <sup>1</sup>	44,958.00 <sup>1</sup>	539,496.00 <sup>1</sup>	269,748.00 <sup>1</sup>	
Indirect Expenses		3,625.00 <sup>2</sup>	3,625.00 <sup>2</sup>	43,500.00 <sup>2</sup>	21,750.00 <sup>2</sup>	
Sub-total		48,583.00	48,583.00	582,996.00	291,498.00	\$ 971,660.00
<b>Claims Distribution (Approx.)</b>		\$ 704,671.89				
<b>Cash Balance Before Interest Earnings</b>		16,102,497.65	16,051,414.65	15,479,418.65	15,653,760.65	
<b>Interest Earnings</b>						
Estimate based on assumed SPIA APR on the previous month's average Pooled Cash balance (See Schedule D).			41,000.00	480,840.00	238,920.00	\$ 760,760.00 <sup>3</sup>
<b>Projected Ending Cash Balance</b>		\$ 16,858,252.54	\$ 16,102,497.65	\$ 15,960,258.65	\$ 15,892,680.65	\$ 260,900.00

**Assumptions for Allocated Receiver Expenses:**

<sup>1</sup> Labor & Benefits: This estimate is based on a four month actual average doubled for increased labor through distribution. Subsequent to distribution the monthly average is assumed.

June Actual	\$ 26,865.10
July Actual	24,280.00
August Actual	22,424.87
September Actual	16,325.05
Sub-total	89,915.02
4 mth. actual average (rounded)	\$ 22,479.00
Doubled for increased distribution activity	\$ 44,958.00

<sup>2</sup> Indirect Expenses: This estimate is Fortune's estimated pro rata share of the Receiver's estimated total indirect expenses. The pro rata share calculation is based on Fortune's estimated total assets divided by the Receiver's estimated total assets for all receiverships.

Estimated Total Asset %	2.50%
Estimated Total for the Receiver	\$ 145,000.00
Estimated Expense (rounded)	\$ 3,625.00

<sup>3</sup> The October 2008 interest is not included in the 'Retainage Calculation' as it is included as Accrued Interest in the Estimated Assets at September 30, 2008 on the Distribution Accounting Statement.

**Fortune Insurance Company**  
**Allocated State Funds Expensed**  
 Estimated from October 2008 through the Projected Discharge Date of June 2011  
**THIS STATEMENT INCLUDED FOR INFORMATION PURPOSES ONLY - AMOUNTS NOT PART OF DISTRIBUTION CALCULATION**

	Oct-08	Nov-08	Dec-08	2009	Jan-June 2010	Totals
<b>Accrued Allocated State of Florida Expenses (Estimated)</b>						
Labor & Benefits	\$ 800.00 <sup>1</sup>	\$ 800.00 <sup>1</sup>	\$ 800.00 <sup>1</sup>	\$ 9,600.00 <sup>1</sup>	\$ 4,800.00 <sup>1</sup>	\$ 16,800.00
Indirect Expenses	230.00 <sup>2</sup>	230.00 <sup>2</sup>	230.00 <sup>2</sup>	2,760.00 <sup>2</sup>	1,380.00 <sup>2</sup>	4,830.00
<b>Total</b>	<b>\$ 1,030.00</b>	<b>\$ 1,030.00</b>	<b>\$ 1,030.00</b>	<b>\$ 12,360.00</b>	<b>\$ 6,180.00</b>	<b>\$ 21,630.00</b>

**Assumptions for Allocated State of Florida Expenses:**

<sup>1</sup> Labor & Benefits: This estimate is based on a three month actual average doubled for increased labor activity during the distribution period.

July Actual	546.48
August Actual	545.89
September Actual	525.53
Sub-total	1,617.90
3 mth. actual average (doubled)	\$ 800.00

<sup>2</sup> Indirect Expenses: This estimate is Fortune's estimated pro rata share of the State's estimated total indirect expenses. The pro rata share calculation is based on Fortune's estimated total assets divided by the Receiver's estimated total assets for all receiverships.

Estimated Total Asset %	2.50%
Estimated Total for the State	\$ 9,000.00
Estimated Expense (rounded)	\$ 230.00

<sup>3</sup> Per current Receiver policies and procedures, these accumulated amounts are recorded directly against estate equity as opposed to a liability account.

**Fortune Insurance Company**  
**Interest Earnings Projection - Pooled Cash**  
**Projected for November 2008 Distribution**

**Interest accrued for October**

Beginning cash balance at 10/01/2008	\$	16,885,293.45
Ending cash balance at 10/31/2008		16,858,252.54
Average cash balance for October		16,871,773.00
Assumed SPIA interest rate (Annualized)		3.00%
Subtotal (Annualized)		506,153.19
<b>Accrual for October (Rounded)</b>	<b>\$</b>	<b><u>42,000.00</u></b>

**Interest accrued for November**

Beginning cash balance at 11/01/2008		16,858,252.54
Ending cash balance at 11/30/2008		16,102,497.65
Average cash balance for November		16,480,375.10
Assumed SPIA interest rate (Annualized)		3.00%
Subtotal (Annualized)		494,411.25
<b>Accrual for November (Rounded)</b>	<b>\$</b>	<b><u>41,000.00</u></b>

**Interest accrued for 2009**

Beginning cash balance at 01/01/2009		16,092,414.65
Ending cash balance at 12/31/2009		15,960,258.65
Average cash balance for 2009		16,026,336.65
Assumed SPIA interest rate (Annualized)		3.00%
Subtotal (Annualized)		480,790.10
<b>Accrual for 2009 (Rounded)</b>	<b>\$</b>	<b><u>480,840.00</u></b>

**Interest accrued for Jan - June 2010**

Beginning cash balance at 01/01/2010		15,960,258.65
Ending cash balance at 6/30/2010		15,892,680.65
Average cash balance for Jan - June 2010		15,926,469.65
Assumed SPIA interest rate (Annualized)		3.00%
Subtotal (6 months)		238,897.04
<b>Accrual for Jan - June 2010 (Rounded)</b>	<b>\$</b>	<b><u>238,920.00</u></b>

**Fortune Insurance Company  
Receiver Discharge Expenses  
Projected for November 2008 Distribution**

**Discharge Expenses (Projected for Post 11/30/08)**

Records Storage, Records Destruction, Labor  
2008 thru 2010 Tax Return Preparation

**Total**

\$	60,000.00
\$	<u>60,000.00</u>