

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Unisource Insurance Co. in Liquidation**  
**Statement of Affairs**  
**As of September 30, 2009**

	<u>Estimated Realizable Value</u>
<b>ASSETS</b>	
Pooled Cash Due from the Admin Fund	\$26,798.79
Accrued Interest Receivable	53.19
Total Assets	<u>\$26,851.98</u>
<b>LIABILITIES</b>	
Loss Claims (Class 2)	
- Guaranty Associations	258,855.10
- Other	18,187.22
General Creditor Claims (Class 6)	
- Other	218,127.86
Late Filed Claims (Class 8)	16,854.00
Total Liabilities	<u>\$512,024.18</u>
<b>EQUITY</b>	
Contributed Equity - State of Florida	53,660.39
Estate Equity	<u>(538,832.59)</u>
Excess (Deficiency) of Assets over Liabilities	<u>(\$485,172.20)</u>
Total Liabilities and Equity	<u>\$26,851.98</u>

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Unisource Insurance Co. in Liquidation**  
**Statement of Cash Receipts and Disbursements**  
**From the Date of Liquidation through September 30, 2009**

	Fiscal Year to Date	Since Date of Liquidation
<b>CASH RECEIPTS</b>		
Subrogation and Salvage Recoveries	\$0.00	\$55,580.41
Litigation Recoveries	0.00	2,065,406.57
Tax Recoveries	0.00	130,766.00
Other Collections / Recoveries	0.00	13,719.61
Sale of Real Property Inventory	0.00	825,000.00
Rental Income	0.00	34,985.21
Mortgage Principal Recovery	0.00	44,483.13
Mortgage Interest Income	0.00	1,181.71
Receipts Before Investment Activities	0.00	3,171,122.64
Interest and Dividend Receipts	4,560.78	1,519,523.71
Sale of Short Term Investment	0.00	1,938,511.21
Sale of Long Term Investment	0.00	652,272.85
Receipts From Investment Activities	4,560.78	4,110,307.77
<b>Total Cash Receipts</b>	<b><u>4,560.78</u></b>	<b><u>7,281,430.41</u></b>
<b>CASH DISBURSEMENTS &amp; DISTRIBUTIONS</b>		
Professional Fees and Expenses	0.00	386,994.31
Salaries and Fringe Benefits	1,768.50	501,620.27
Employee Welfare	0.00	3,548.82
Travel Expenses	0.00	8,899.30
Admin Expenses	(48.77)	22,025.09
Equipment and Furniture Expenses	0.00	24,952.37
Rent, Building and Equipment	214.86	52,689.10
Taxes	0.00	32,038.92
Disbursements	1,934.59	1,032,768.18
Distributions		
Administrative Claims (Class 1)	0.00	1,573,697.82
Loss Claims (Class 2)	0.00	4,665,069.49
Early Access-Guaranty Associations	0.00	(25,799.59)
Total Distributed	0.00	6,212,967.72
Disbursements & Distributions Before Investment Activities	1,934.59	7,245,735.90
Financial Expenses	442.08	45,428.26
Disbursements for Investment Activities	442.08	45,428.26
<b>Total Cash Disbursements &amp; Distributions</b>	<b><u>2,376.67</u></b>	<b><u>7,291,164.16</u></b>
<b>Net Increase (Decrease) in Cash</b>	<b><u>2,184.11</u></b>	<b><u>(9,733.75)</u></b>
<b>Beginning Cash Balance:</b>		
Beginning Cash	24,614.68	20,667.07
Adjustments to Beginning Cash	0.00	15,865.47
<b>Adjusted Beginning Cash Balance</b>	<b><u>24,614.68</u></b>	<b><u>36,532.54</u></b>
<b>Ending Cash Balance</b>	<b><u>26,798.79</u></b>	<b><u>26,798.79</u></b>

The accompanying notes & schedules are an integral part of these financial statements  
**UNAUDITED**

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Unisource Insurance Co. in Liquidation**  
**Schedule of Accrued Interest Receivable**  
**For the Three Months Ended September 30, 2009**

**Accrued Interest Receivable**

<b>Due from</b>	<b>Account</b>	<b>Balance 7/1/09</b>	<b>Accrued</b>	<b>Received</b>	<b>Balance 9/30/09</b>
State Treasury	SPIA, 4-20-0-010000-00000	3,823.26	4,617.27	(8,387.34)	53.19

Totals:	3,823.26	4,617.27	(8,387.34)	53.19
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**Florida Department of Financial Services, Division of Rehabilitation  
and Liquidation**  
**Unisource Insurance Co. in Liquidation**  
**Notes to Financial Statements**

**Dated September 30, 2009**

1. **Estate Information.** Unisource Insurance Co. was a property and casualty and medical malpractice company domiciled in Florida and placed in liquidation on October 25, 2001.
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. **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".
5. **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 June 30, 2009.
  - Class 1 Administrative Claims and Class 2 Loss Claims have been evaluated. All other classes of claims are reported as gross filed.
  - The First Interim Claims report was filed with the court on May 20, 2008.
  - The objection deadline was June 30, 2008.
  - Three objections have been filed.
  - All objections have been resolved.
  - The courts authorized a 100% distribution for class I claims and a 94.421% distribution to class II claims on June 17, 2009.
6. **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.
7. **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.