

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Nationwide Public Employees Trust in Liquidation**  
**Statement of Affairs**  
**As of March 31, 2009**

|  | <u>Estimated<br/>Realizable<br/>Value</u> |
|--|---|
| <b>ASSETS</b>                                  |   |
| Pooled Cash Due from the Admin Fund            | \$55,380.49                               |
| Accrued Interest Receivable                    | 114.08                                    |
|  | <hr/>                                     |
| Total Assets                                   | <u>\$55,494.57</u>                        |
| <b>LIABILITIES</b>                             |   |
| Unclaimed Property                             | 39,959.19                                 |
| Loss Claims (Class 2)                          |   |
| - Other  | 4,771,897.88                              |
| Federal Government Claims (Class 4)            | 5,813.53                                  |
|  | <hr/>                                     |
| Total Liabilities                              | \$4,817,670.60                            |
| <b>EQUITY</b>                                  |   |
| Contributed Equity - State of Florida          | 104,790.37                                |
| Estate Equity                                  | (4,866,966.40)                            |
|  | <hr/>                                     |
| Excess (Deficiency) of Assets over Liabilities | (\$4,762,176.03)                          |
|  | <hr/>                                     |
| Total Liabilities and Equity                   | <u>\$55,494.57</u>                        |

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

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Nationwide Public Employees Trust**  
**Statement of Cash Receipts and Disbursements**  
**From the Date of Liquidation through March 31, 2009**

|  | Fiscal Year<br>to Date | Since Date<br>of<br>Liquidation |
|--|------------------------|---------------------------------|
| <b>CASH RECEIPTS</b>                                       |                        |                                 |
| Reinsurance Recoveries                                     | \$0.00                 | \$241,718.83                    |
| Subrogation and Salvage Recoveries                         | 0.00                   | 45,000.00                       |
| Litigation Recoveries                                      | 1,000,000.00           | 1,000,000.00                    |
| Other Collections / Recoveries                             | 31.71                  | 5,295,588.37                    |
| Sale of Personal Property Inventory                        | 14.30                  | 3,099.60                        |
| Sale of Other Assets                                       | 0.00                   | 64.89                           |
| Receipts Before Investment Activities                      | 1,000,046.01           | 6,585,471.69                    |
| Interest and Dividend Receipts                             | 7,050.73               | 147,701.05                      |
| Receipts From Investment Activities                        | 7,050.73               | 147,701.05                      |
| <b>Total Cash Receipts</b>                                 | <b>1,007,096.74</b>    | <b>6,733,172.74</b>             |
| <b>CASH DISBURSEMENTS &amp; DISTRIBUTIONS</b>              |                        |                                 |
| Professional Fees and Expenses                             | 23.77                  | 170,059.10                      |
| Salaries and Fringe Benefits                               | 38,029.33              | 926,382.01                      |
| Employee Welfare   | 0.01                   | 193.58                          |
| Travel Expenses  | 2.91                   | 1,145.92                        |
| Admin Expenses   | 463.24                 | 16,109.05                       |
| Equipment and Furniture Expenses                           | 38.86                  | 2,993.28                        |
| Rent, Building and Equipment                               | 1,407.71               | 10,229.92                       |
| Taxes  | 0.00                   | 18,586.42                       |
| Disbursements  | 39,965.83              | 1,145,699.28                    |
| Distributions  |                        |                                 |
| Secured Claims   | 0.00                   | 5,242,115.83                    |
| Loss Claims (Class 2)                                      | 974,435.89             | 974,435.89                      |
| Total Distributed  | 974,435.89             | 6,216,551.72                    |
| Disbursements & Distributions Before Investment Activities | 1,014,401.72           | 7,362,251.00                    |
| Financial Expenses   | 662.79                 | 7,302.34                        |
| Disbursements for Investment Activities                    | 662.79                 | 7,302.34                        |
| <b>Total Cash Disbursements &amp; Distributions</b>        | <b>1,015,064.51</b>    | <b>7,369,553.34</b>             |
| <b>Net Increase (Decrease) in Cash</b>                     | <b>(7,967.77)</b>      | <b>(636,380.60)</b>             |
| <b>Beginning Cash Balance:</b>                             |                        |                                 |
| Beginning Cash   | 63,348.26              | 691,761.09                      |
| Adjustments to Beginning Cash                              | 0.00                   | 0.00                            |
| <b>Adjusted Beginning Cash Balance</b>                     | <b>63,348.26</b>       | <b>691,761.09</b>               |
| <b>Ending Cash Balance</b>                                 | <b>55,380.49</b>       | <b>55,380.49</b>                |

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

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Nationwide Public Employees Trust in Liquidation**  
**Schedule of Accrued Interest Receivable**  
**For the Nine Months Ended March 31, 2009**

**Accrued Interest Receivable**

| <b>Due from</b> | <b>Account</b>            | <b>Balance<br/>7/1/08</b> | <b>Accrued</b>  | <b>Received</b>   | <b>Balance<br/>3/31/09</b> |
|-----------------|---------------------------|---------------------------|-----------------|-------------------|----------------------------|
| State Treasury  | SPIA, 4-20-0-010000-00000 | 164.90                    | 9,483.48        | (9,534.30)        | 114.08                     |
| <b>Totals:</b>  |                           | <u>164.90</u>             | <u>9,483.48</u> | <u>(9,534.30)</u> | <u>114.08</u>              |

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**Nationwide Public Employees Trust in Liquidation**  
**Schedule of Unclaimed Property**  
**For the Nine Months Ended March 31, 2009**

**Unclaimed Property**

| <b>Description</b>   | <b>Balance<br/>7/1/08</b> | <b>Payments</b> | <b>Adjustments</b> | <b>Balance<br/>3/31/09</b> |
|--|---------------------------|-----------------|--------------------|----------------------------|
| Claims: suspended and/or voided checks<br>to be sent to the Bureau of Unclaimed Property | 0.00                      | 0.00            | 39,959.19          | 39,959.19                  |
| Totals:  | <u>0.00</u>               | <u>0.00</u>     | <u>39,959.19</u>   | <u>39,959.19</u>           |

**Florida Department of Financial Services, Division of Rehabilitation  
and Liquidation**  
**Nationwide Public Employees Trust in Liquidation**  
**Notes to Financial Statements**  
**Dated March 31, 2009**

1. **Estate Information.** Nationwide Public Employees Trust was an entity not authorized to transact and insurance business in Florida and was placed in liquidation on August 5, 2003.
2. **Basis of Presentation.** The accompanying financial statements have been prepared on the liquidation basis of accounting using a fiscal year of July 1, 2008 through June 30, 2009. 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 December 31, 2008.
  - Class 2 Loss Claims and Class 8 late-Filed Claims were the only classes of claims evaluated. All other claims were reported as gross filed.
  - Class 2 and Class 8 claims were reported to court in the 1<sup>st</sup> Interim Claims Report.
  - The First Interim Claims Report was filed with the Court on August 16, 2006.
  - All objections have been resolved.
  - The federal government class IV claims were reported to court as un-evaluated gross filed claims. They were reported to the court in the 2<sup>nd</sup> Interim Claims Report.
  - The 2<sup>nd</sup> Interim Claims Report was filed with the court on June 17, 2008. The objection deadline was July 14, 2008.
  - The objection deadline for the 2<sup>nd</sup> Interim Claims Report has expired and no objections were filed.
  - A distribution order was entered on October 15, 2008. A 17.531% pro-rata distribution was authorized for class II claimants in the amount of \$1,014,401.72.
  - \$975,379.92 was actually released to claimants and \$39,015.16 was suspended by accounting.
6. **Unclaimed Property.** The unclaimed property consists of claim distribution funds for claimants who could not be located. The funds are potentially due to the Abandoned Property section of the State of Florida.
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.