

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
First Commercial Transportation and Property Insurance Co
Statement of Affairs
As of June 30, 2011

	<u>Estimated Realizable Value</u>
ASSETS	
Pooled Cash Due from the Admin Fund	\$2,219,968.38
Short Term Investments-Restricted	8,455,829.81
Accrued Interest Receivable	4,507.37
Accounts Receivable	825,000.00
Allowance - Accounts Receivables	(825,000.00)
Allowance for Impaired Assets	(8,455,829.81)
	<u>\$2,224,475.75</u>
Total Assets	<u>\$2,224,475.75</u>

LIABILITIES	
Administrative Claims (Class 1)	
- Guaranty Associations	1,898,070.63
Loss Claims (Class 2)	
- Guaranty Associations	8,438,141.87
- Other	15,400.00
Unearned Premium Claims under Non-assessable Policies (Class 3)	
- Guaranty Associations	388,090.90
- Other	300.00
Federal Government Claims (Class 4)	1.00
General Creditor Claims (Class 6)	
- Other	360,003.43
Late Filed Claims (Class 8)	81,142.02
Shareholder Claims (Class 10)	4,930.80
	<u>\$11,186,080.65</u>
Total Liabilities	<u>\$11,186,080.65</u>

EQUITY	
Contributed Equity - State of Florida	27,301.71
Estate Equity	(8,988,906.61)
	<u>(8,961,604.90)</u>
Excess (Deficiency) of Assets over Liabilities	(8,961,604.90)
	<u>\$2,224,475.75</u>
Total Liabilities and Equity	<u>\$2,224,475.75</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
First Commercial Transportation and Property Ins. Co.
Statement of Cash Receipts and Disbursements
From the Date of Liquidation through June 30, 2011

	<u>Fiscal Year to Date</u>	<u>Since Date of Liquidation</u>
CASH RECEIPTS		
Premium Collections	\$0.00	\$15,129.28
Reinsurance Recoveries	42,296.00	84,592.00
Agents' Balances Recoveries	9,028.23	9,028.23
Subrogation and Salvage Recoveries	13,586.47	24,424.18
Litigation Recoveries	0.00	44,500.00
Other Collections / Recoveries	12.26	10,892.08
Receipts Before Investment Activities	64,922.96	188,565.77
Interest and Dividend Receipts	58,678.61	101,362.19
Receipts From Investment Activities	58,678.61	101,362.19
Total Cash Receipts	<u>123,601.57</u>	<u>289,927.96</u>
CASH DISBURSEMENTS & DISTRIBUTIONS		
Professional Fees and Expenses	76,417.98	164,097.58
Salaries and Fringe Benefits	181,736.45	609,617.77
Employee Welfare	67.82	137.72
Travel Expenses	130.07	10,207.27
Admin Expenses	6,241.25	22,133.98
Equipment and Furniture Expenses	383.93	798.21
Rent, Building and Equipment	3,244.66	5,666.33
Taxes	0.17	2.37
Disbursements	268,222.33	812,661.23
Disbursements & Distributions Before Investment Activities	268,222.33	812,661.23
Financial Expenses	2,824.12	16,006.34
Disbursements for Investment Activities	2,824.12	16,006.34
Total Cash Disbursements & Distributions	<u>271,046.45</u>	<u>828,667.57</u>
Net Increase (Decrease) in Cash	<u>(147,444.88)</u>	<u>(538,739.61)</u>
Beginning Cash Balance:		
Beginning Cash	2,367,413.26	2,567,382.08
Adjustments to Beginning Cash	0.00	191,325.91
Adjusted Beginning Cash Balance	<u>2,367,413.26</u>	<u>2,758,707.99</u>
Ending Cash Balance	<u>2,219,968.38</u>	<u>2,219,968.38</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
First Commercial Transportation and Property Insurance Company in Liquidation
Schedule of Short Term Investments
For the Twelve Months Ended June 30, 2011

Short Term Investments - Restricted

Certificates of Deposit

Description	Balance 7/1/10	Interest Reinvested	Transfers/Fees	Balance 6/30/11
Colonial Bank #8051885625	3,047,336.07	0.00	0.00	3,047,336.07
Colonial Bank #8048706702	2,266,018.86	0.00	0.00	2,266,018.86
Colonial Bank #8048706975	3,142,474.88	0.00	0.00	3,142,474.88
	<u>8,455,829.81</u>	<u>0.00</u>	<u>0.00</u>	<u>8,455,829.81</u>

Certificates of Deposit - Allowance for Impaired Assets

Description	Balance 7/1/10	Interest Reinvested	Transfers/Fees	Balance 6/30/11
Colonial Bank #8051885625	(3,047,336.07)	0.00	0.00	(3,047,336.07)
Colonial Bank #8048706702	(2,266,018.86)	0.00	0.00	(2,266,018.86)
Colonial Bank #8048706975	(3,142,474.88)	0.00	0.00	(3,142,474.88)
	<u>(3,047,336.07)</u>	<u>0.00</u>	<u>0.00</u>	<u>(8,455,829.81)</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
First Commercial Transportation and Property Insurance Company in Liquidation
Schedule of Accrued Interest Receivable
For the Twelve Months Ended June 30, 2011

Accrued Interest Receivable

Description		Balance 7/1/10	Accrued	Received	Balance 6/30/11
State Treasury	SPIA, 4-20-0-010000-00000	4,702.44	57,598.90	(57,793.97)	4,507.37
Totals:		<u>4,702.44</u>	<u>57,598.90</u>	<u>(57,793.97)</u>	<u>4,507.37</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
First Commercial Transportation and Property Insurance Company in Liquidation
Schedule of Accounts Receivable - Other
For the Twelve Months Ended June 30, 2011

Accounts Receivable

Description	Balance 7/1/10	Adjustments	Balance 6/30/11
Real Estate Deposit - Mayfair Office Park	825,000.00	0.00	825,000.00
E&B Insurance Agency	812.68	(812.68)	0.00
	<u>825,812.68</u>	<u>(812.68)</u>	<u>825,000.00</u>

Accounts Receivable - Allowance for Impaired Assets

Description	Balance 7/1/10	Adjustments	Balance 6/30/11
Real Estate Deposit - Mayfair Office Park	(825,000.00)	0.00	(825,000.00)
	<u>(825,000.00)</u>	<u>0.00</u>	<u>(825,000.00)</u>

**Florida Department of Financial Services, Division of Rehabilitation
and Liquidation**
**First Commercial Transportation and Property Insurance Co. in
Liquidation**
Notes to Financial Statements

Dated June 30, 2011

1. **Estate Information.** First Commercial Transportation and Property Insurance Co. was a property and casualty company domiciled in Florida and placed in liquidation on August 24, 2009.
2. **Basis of Presentation.** The accompanying financial statements have been prepared on the liquidation basis of accounting using a fiscal year of July 1, 2010 through June 30, 2011. This initial statement will reflect a shortened fiscal year from August 24, 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. **Short Term Investments - Restricted.** The investments are stated at fair value, which approximates market value. Market values are those provided by the depository trust institution in possession of the securities at the balance sheet date or through brokerage institutions. Where market values are not readily determinable, market value represents management's best estimate of the investments' fair value. These investments consist of Certificates of Deposit held by Colonial Bank and are subject to an ongoing legal case.
7. **Accounts Receivable.** The receivable is a real estate deposit on real property known as Mayfair Office Park and an Agent Balance receivable. The return of the Mayfair Office Park deposit is not certain.
8. **Allowance – Accounts Receivables.** An estimate of uncollectible amounts for certain assets. This allowance is for the deposit on the Mayfair Office Park.
9. **Allowance for Impaired Assets.** An estimate of uncollectible amounts for certain assets. This allowance represents certificates of deposit held by Colonial Bank and currently unavailable.
10. **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 March 31, 2011.
 - Proofs of claim forms have been mailed and the claims deadline has expired.
 - Claims classified as Class II and Class III others are being reported at their reserved amount. All other claims are being reported as gross filed.
11. **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.

**Florida Department of Financial Services, Division of Rehabilitation
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First Commercial Transportation and Property Insurance Co. in
Liquidation
Notes to Financial Statements**

Dated June 30, 2011

- 12. 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.