

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
First Commercial Transportation & Property in Liquidation
Statement of Affairs
As of December 31, 2009

	<u>Estimated Realizable Value</u>
ASSETS	
Pooled Cash Due from the Admin Fund	\$2,648,378.94
Short Term Investments	8,455,829.81
Accrued Interest Receivable	4,226.77
Reinsurance Recoverable	42,296.00
Accounts Receivable	825,000.00
Allowance - Accounts Receivables	(825,000.00)
Allowance for Impaired Assets	<u>(8,455,829.81)</u>
Total Assets	<u><u>\$2,694,901.71</u></u>

LIABILITIES	
Administrative Claims (Class 1)	
- Guaranty Associations	336,131.31
Loss Claims (Class 2)	
- Guaranty Associations	4,428,409.64
Claims Not Prioritized	<u>3,316,511.60</u>
Total Liabilities	\$8,081,052.55

EQUITY	
Contributed Equity - State of Florida	14,909.86
Estate Equity	<u>(5,401,060.70)</u>
Excess (Deficiency) of Assets over Liabilities	<u>(\$5,386,150.84)</u>
Total Liabilities and Equity	<u><u>\$2,694,901.71</u></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 December 31, 2009

	Fiscal Year to Date	Since Date of Liquidation
CASH RECEIPTS		
Premium Collections	\$14,014.19	\$14,014.19
Reinsurance Recoveries	42,296.00	42,296.00
Subrogation and Salvage Recoveries	3,066.49	3,066.49
Other Collections / Recoveries	10,872.14	10,872.14
Receipts Before Investment Activities	70,248.82	70,248.82
Interest and Dividend Receipts	15,405.19	15,405.19
Receipts From Investment Activities	15,405.19	15,405.19
Total Cash Receipts	85,654.01	85,654.01
CASH DISBURSEMENTS & DISTRIBUTIONS		
Professional Fees and Expenses	14,145.81	14,145.81
Salaries and Fringe Benefits	254,794.93	254,794.93
Employee Welfare	38.17	38.17
Travel Expenses	9,791.24	9,791.24
Admin Expenses	16,047.06	16,047.06
Equipment and Furniture Expenses	321.10	321.10
Rent, Building and Equipment	1,474.41	1,474.41
Taxes	1.96	1.96
Disbursements	296,614.68	296,614.68
Disbursements & Distributions Before Investment Activities	296,614.68	296,614.68
Financial Expenses	11,680.85	11,680.85
Disbursements for Investment Activities	11,680.85	11,680.85
Total Cash Disbursements & Distributions	308,295.53	308,295.53
Net Increase (Decrease) in Cash	(222,641.52)	(222,641.52)
Beginning Cash Balance:		
Beginning Cash	0.00	0.00
Adjustments to Beginning Cash	303,638.38	303,638.38
Cash from New Estates	2,567,382.08	2,567,382.08
Adjusted Beginning Cash Balance	2,871,020.46	2,871,020.46
Ending Cash Balance	2,648,378.94	2,648,378.94

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
First Commercial Transportation and Property Insurance Company
Schedule of Short Term Investments
For the Six Months Ended December 31, 2009

Short Term Investments

Certificates of Deposit

Description	Balance at Liquidation 8/24/09	Interest Reinvested	Transfers/Fees	Balance 12/31/09
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>

Certificates of Deposit - Allowance for Impaired Assets

Description	Balance at Liquidation 8/24/09	Interest Reinvested	Transfers/Fees	Balance 12/31/09
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
Schedule of Accrued Interest Receivable
For the Six Months Ended December 31, 2009

Accrued Interest Receivable

Description		Balance at Liquidation 8/24/09	Accrued	Received	Balance 12/31/09
State Treasury	SPIA, 4-20-0-010000-00000	0.00	18,749.02	(14,522.25)	4,226.77
Totals:		<u>0.00</u>	<u>0.00</u>	<u>(14,522.25)</u>	<u>4,226.77</u>

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
First Commercial Transportation
Schedule of Reinsurance Recoverables - Net of Allowance
For the Six Months Ended December 31, 2009

Reinsurance Recoverables

Recovery Agent	Balance @ Liquidation 8/24/2009	Billed	Recovered	Adjustments	Balance 12/31/2009
Catlin Re Group	0.00	0.00	42,296.00	0.00	42,296.00
Total	0.00	0.00	42,296.00	0.00	42,296.00

Allowance Reinsurance

Recovery Agent	Balance @ Liquidation 8/24/2009	Increases	Decreases	Balance 12/31/2009
Catlin Re Group	0.00	0.00		0.00
Total	0.00	0.00	0.00	0.00

Reinsurance Recoverables - Net of Allowance

42,296.00

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
First Commercial Transportation and Property Insurance Company
Schedule of Accounts Receivable - Other
For the Six Months Ended December 31, 2009

Accounts Receivable

Description	Balance @ Liquidation 8/24/2009	Adjustments	Balance 12/31/09
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>

Accounts Receivable - Allowance for Impaired Assets

Description	Balance @ Liquidation 8/24/2009	Adjustments	Balance 12/31/09
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 December 31, 2009

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 through June 30. 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.** 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. **Reinsurance.** Reinsurance receivables have resulted from losses that have been paid and billed to the reinsurer(s). The financial statements reflect the gross amount of the billed losses less an allowance for any receivable(s) currently considered to be uncollectible. The receivable amount may include paid losses that are ceded to one or more reinsurance contracts being collected on behalf of the Receiver by an intermediary.
8. **Accounts Receivable.** The receivable is a real estate deposit on real property known as Mayfair Office Park. The return of this deposit is not certain.
9. **Allowance – Accounts Receivables.** An estimate of uncollectible amounts for certain assets. This allowance is for the deposit on the Mayfair Office Park.
10. **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.
11. **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 the date of liquidation.
 - The outstanding claim liability as of September 11, 2009 was \$3,316,511.60.
 - Proofs of Claim forms have not been mailed.

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

Dated December 31, 2009

12. **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.
13. **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.