Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Southeastern Casualty & Southeastern Reins. in Liquidation
Statement of Affairs
As of September 30, 2011

	Estimated Realizable Value
ASSETS	
Pooled Cash Due from the Admin Fund	$5,784,449.20
Accrued Interest Receivable	13,701.31
Total Assets	$5,798,150.51
LIABILITIES	
General Creditor Claims (Class 6)	
- Other	232,613.85
State & Local Government Claims (Class 7)	14,452.92
Late Filed Claims (Class 8)	104,759.89
Total Liabilities	$351,826.66
EQUITY	
Contributed Equity - State of Florida	322,741.09
Estate Equity	5,123,582.76
Excess (Deficiency) of Assets over Liabilities	$5,446,323.85
Total Liabilities and Equity	$5,798,150.51

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

UNAUDITED

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Southeastern Casualty & Southeastern Reins. in Liquidation
Statement of Cash Receipts and Disbursements
From the Date of Liquidation through September 30, 2011

	Fiscal Year to Date	Since Date of Liquidation
CASH RECEIPTS		
Premium Collections	$0.00	$326,133.20
Agents' Balances Recoveries	0.00	107,586.16
Subrogation and Salvage Recoveries	0.00	26,877.42
Litigation Recoveries	0.00	4,510,523.30
Tax Recoveries	0.00	335.14
Other Collections / Recoveries	24.26	7,553,998.19
Sale of Personal Property Inventory	0.00	100,224.43
Sale of Real Property Inventory	0.00	51,900.00
Rental Income	0.00	907.34
Mortage Principal Recovery	0.00	1,046,708.00
Mortgage Interest Income	0.00	118,211.72
Receipts Before Investment Activities	24.26	13,843,404.90
Interest and Dividend Receipts	40,934.82	6,781,896.45
Sale of Short Term Investment	0.00	600,000.00
Receipts From Investment Activities	40,934.82	7,381,896.45
Total Cash Receipts	**40,959.08**	**21,225,301.35**
CASH DISBURSEMENTS & DISTRIBUTIONS		
Professional Fees and Expenses	186.28	4,337,467.83
Salaries and Fringe Benefits	421.38	2,638,073.02
Employee Welfare	7.06	14,496.97
Travel Expenses	37.34	95,357.32
Admin Expenses	88.84	397,390.60
Equipment and Furniture Expenses	250.69	166,128.29
Rent, Building and Equipment	1,690.04	563,642.35
Taxes	0.00	2,260.18
Disbursements	2,681.63	8,214,816.56
Distributions		
Secured Claims	0.00	368,435.49
Administrative Claims (Class 1)	0.00	381,310.56
Loss Claims (Class 2)	0.00	7,484,086.47
Unearned Premium-Non-Assessable Policies Claims (Class	0.00	14,879.86
Claims-Other	0.00	13,245.21
Total Distributed	0.00	8,261,957.59
Disbursements & Distributions Before Investment Activities	2,681.63	16,476,774.15
Financial Expenses	1,813.18	109,259.32
Disbursements for Investment Activities	1,813.18	109,259.32
Total Cash Disbursements & Distributions	**4,494.81**	**16,586,033.47**
Net Increase (Decrease) in Cash	**36,464.27**	**4,639,267.88**
Beginning Cash Balance:		
Beginning Cash	5,747,984.93	1,145,181.32
Adjustments to Beginning Cash	0.00	0.00
Adjusted Beginning Cash Balance	**5,747,984.93**	**1,145,181.32**
Ending Cash Balance	**5,784,449.20**	**5,784,449.20**

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

UNAUDITED

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Southeastern Casualty & Southeastern Reins. In Liquidation
Schedule of Accrued Interest Receivable
For the Three Months Ended September 30, 2011

Accrued Interest Receivable

Due from	Account	Balance 7/1/11	Accrued	Received	Balance 9/30/11
State Treasury	SPIA, 4-20-0-010000-00000	11,575.75	50,767.11	(48,641.55)	13,701.31
	Totals:	11,575.75	50,767.11	(48,641.55)	13,701.31

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Southeastern Casualty and Reinsurance in Liquidation
Notes to Financial Statements

Dated September 30, 2011

1. **Estate Information**. Southeastern Casualty & Indemnity Insurance Co. and Southeastern Reinsurance Co. were property and casualty companies domiciled in Florida and placed in liquidation on September 1, 1989. The companies were consolidated by court order dated May 26, 1998.

2. **Basis of Presentation**. The accompanying financial statements have been prepared on the liquidation basis of accounting using a fiscal year of July 1, 2011 through June 30, 2012. 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. **Claims**. Unless otherwise noted, the Statement of Affairs contains claim liabilities by priority class pursuant to 631.271, Florida Statutes. Unless otherwise noted, claim liability numbers reported are adjudicated. Claim liability numbers are based upon information and documentation provided to the Receiver as of June 30, 2011.

   - The claims liabilities reported have been reduced by payment and discharge of the secured claims.
   - All objections have been resolved.
   - The court authorized Part I, Claims First Distribution in the amount of $6,335,625.36 on January 7, 2004. All distribution checks have not been issued due to W-9 tax issues and/or improper addresses.
     - 100% was authorized for Class 1 claimants in the amount of $28,810.55.
     - 88.7135% was authorized for Class 2 claimants in the amount of $6,306,814.81.
   - The court authorized Part II, Claims Second Distribution in the amount of $1,136,453.13 on October 4, 2004. All distribution checks have not been issued due to W-9 tax issues or improper addresses.
     - 100% was authorized for the remaining Class 2 claimants in the amount of $1,121,573.27.
     - 100% was authorized for Class 3 claimants in the amount of $14,879.86.
   - Un-cashed claim distributions checks have been transferred to the FLDFS Unclaimed Property Division.

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.