

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**United Business Owners SIF 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	\$2,492,085.67
Accrued Interest Receivable	5,212.46
Advance to Guaranty Associations	<u>3,500,000.00</u>
Total Assets	<u><u>\$5,997,298.13</u></u>

<b>LIABILITIES</b>	
Administrative Claims (Class 1)	
- Guaranty Associations	1,461,222.10
Loss Claims (Class 2)	
- Guaranty Associations	9,577,659.49
General Creditor Claims (Class 6)	
- Other	344,817.47
State & Local Government Claims (Class 7)	605,796.00
Surplus Notes/Unearned Premium Claims under Assessable Policies (Class 9)	
- Other	<u>167,540.34</u>
Total Liabilities	\$12,157,035.40

<b>EQUITY</b>	
Contributed Equity - State of Florida	131,662.14
Estate Equity	<u>(6,291,399.41)</u>
Excess (Deficiency) of Assets over Liabilities	<u>(\$6,159,737.27)</u>
Total Liabilities and Equity	<u><u>\$5,997,298.13</u></u>

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**United Business Owners SIF 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>		
Premium Collections	\$0.00	\$1,576,002.52
Assessment Recoveries	0.00	1,504,816.73
Reinsurance Recoveries	0.00	1,350,000.00
Agents' Balances Recoveries	0.00	2,634.10
Subrogation and Salvage Recoveries	0.00	35,000.00
Tax Recoveries	308.00	308.00
Other Collections / Recoveries	7.20	22,903.77
Receipts Before Investment Activities	315.20	4,491,665.12
Interest and Dividend Receipts	16,838.22	1,801,368.06
Receipts From Investment Activities	16,838.22	1,801,368.06
<b>Total Cash Receipts</b>	<b>17,153.42</b>	<b>6,293,033.18</b>
<b>CASH DISBURSEMENTS &amp; DISTRIBUTIONS</b>		
Professional Fees and Expenses	68.25	1,087,110.71
Salaries and Fringe Benefits	3,703.27	1,057,269.61
Employee Welfare	39.41	5,947.68
Travel Expenses	6.34	9,539.33
Admin Expenses	134.39	22,694.70
Equipment and Furniture Expenses	210.83	34,667.41
Rent, Building and Equipment	1,025.21	59,920.58
Taxes	3,065.75	3,130.45
Disbursements	8,253.45	2,280,280.47
Distributions		
Early Access-Guaranty Associations	0.00	3,500,000.00
Total Distributed	0.00	3,500,000.00
Disbursements & Distributions Before Investment Activities	8,253.45	5,780,280.47
Financial Expenses	928.12	37,560.74
Disbursements for Investment Activities	928.12	37,560.74
<b>Total Cash Disbursements &amp; Distributions</b>	<b>9,181.57</b>	<b>5,817,841.21</b>
<b>Net Increase (Decrease) in Cash</b>	<b>7,971.85</b>	<b>475,191.97</b>
<b>Beginning Cash Balance:</b>		
Beginning Cash	2,484,113.82	2,016,893.70
Adjustments to Beginning Cash	0.00	0.00
<b>Adjusted Beginning Cash Balance</b>	<b>2,484,113.82</b>	<b>2,016,893.70</b>
<b>Ending Cash Balance</b>	<b>2,492,085.67</b>	<b>2,492,085.67</b>

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

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**United Business Owners SIF 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	5,027.85	21,192.91	(21,008.30)	5,212.46
Totals:		5,027.85	21,192.91	(21,008.30)	5,212.46

**Florida Department of Financial Services, Division of Rehabilitation and Liquidation**  
**United Business Owners SIF in Liquidation**  
**Schedule of Advance to Guaranty Associations**  
For the Three Months Ended September 30, 2009

**Advance To Guaranty Associations**

<b>Description</b>	<b>Balance 7/1/09</b>	<b>Advanced</b>	<b>Recovered</b>	<b>Balance 9/30/09</b>
Florida Worker's Compensation Guaranty Association	3,500,000.00	0.00	0.00	3,500,000.00
Totals:	<u>3,500,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>3,500,000.00</u>

**Florida Department of Financial Services, Division of Rehabilitation  
and Liquidation**  
**United Business Owners SIF in Liquidation**  
**Notes to Financial Statements**

**Dated September 30, 2009**

1. **Estate Information.** United Business Owners SIF was a worker compensation self-insurance fund domiciled in Florida and placed in liquidation on October 22, 1996.
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. **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. **Advance to Guaranty Association(s).** Represents funds advanced to guaranty associations for the payment of covered claims and expenses. The guaranty association is obligated to promptly return any or all of these funds if the Receiver determines that repayment of claims of equal or superior priority is necessary.
7. **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.
  - None of the claims liabilities reported reflect the results of an independent actuarial review in February 2001.
  - Class 1 Administrative Claims and Class 2 Loss Claims have been evaluated. All other classes of claims are reported as gross filed.
  - The claims evaluation process has been completed. Class I and class II claims were the only classes evaluated; all other claims are being reported as gross filed. The 1<sup>st</sup> Interim Claims Report has been audited and approved for filing with the courts.
  - The deadline for claimants to object to the receiver's recommendation was May 15, 2009. No objections have been filed.
8. **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.
9. **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.