

IN THE CIRCUIT COURT OF THE SECOND JUDICIAL CIRCUIT,
IN AND FOR LEON COUNTY, FLORIDA

In Re: The Receivership of
ATLANTIC PREFERRED
INSURANCE COMPANY

CASE NO. 2006-CA-001083

**DEPARTMENT'S MOTION FOR APPROVAL OF THE FINAL CLAIMS REPORT,
CLAIMS DISTRIBUTION REPORT, AND DISTRIBUTION ACCOUNTING
AND FOR ORDER AUTHORIZING DISTRIBUTION**

THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES, Division of Rehabilitation and Liquidation, as receiver of Atlantic Preferred Insurance Company (hereinafter the "Department"), moves this Honorable Court for the entry of an Order approving the Department's *Final Claims Report, Claims Distribution Report, and Distribution Accounting and for Order Authorizing Distribution* and in support of its motion states:

1. Atlantic Preferred Insurance Company (hereinafter "APIC"), was a Florida corporation previously authorized to transact insurance business in the State of Florida. This Court entered an Order (hereinafter the "Liquidation Order") appointing the Florida Department of Financial Services as receiver for liquidation purposes of APIC on May 31, 2006, effective June 1, 2006.

2. This Court has jurisdiction over the APIC Receivership and is "authorized to make all necessary or proper orders to carry out the purposes of the Florida Insurers Rehabilitation and Liquidation Act, section 631.021(1), Florida Statutes.

3. The Department's First Interim Claims Report was filed August 16, 2012, and approved by this Court's Order on August 20, 2012 (attached as **COMPOSITE EXHIBIT A**). This report contained the evaluations of Class 1-10 claimants of the APIC estate as defined by

section 631.271, Florida Statutes. At this time, there are available funds to distribute to approximately 57.2054% of the Class 2 claims.

4. The Department's Final Claims Report is extremely detailed and contains non-public personal information, including personally identifiable financial information, relating to the claimants. Pursuant to Federal Law, specifically the Gramm-Leach-Bliley Act, 15 USCS §6801 (hereinafter the "Act"), there is an obligation to protect the security and confidentiality of an individual's non-public personal information.

5. In furtherance of the Act's purpose, and in order to protect claimants of the APIC estate, the Department has not attached the full Final Claims Report to this motion. Instead, the Department offers summary pages of the report that reflect the total amounts claimed and recommended by the Department. Upon this Court's request, the Department would immediately provide a full copy of the Final Claims Report. The Department's Final Claims Report, dated December 6, 2016, is broken down into two parts. Part A is for non-guaranty association claimants and Part B is for guaranty association claimants. Summary pages of both Parts A and B are attached as **COMPOSITE EXHIBIT B**. This report reflects classification of filed claims by priority in accordance with section 631.271, Florida Statutes. The total amount claimed in Part A of the Report is \$39,739,666.73. The total amount recommended by the Department in Part A of the Report is \$2,257,522.69. The total amount claimed in Part B of the Report is \$451,031,501.31. The total amount recommended by the Department in Part B of the Report is \$451,031,501.31. The Final Claims Report also incorporates the resolution of all timely filed objections and claimant information updates. Future claimant information updates resulting from the distribution process will be incorporated into the Department's database.

6. With the approval of the Department's Final Claims Report and the collection of assets in the receivership, the Department is now in the position to make a distribution of receivership assets. This proposed distribution of assets will be to Class 1 and Class 2 in accordance with the Claims Distribution Report dated December 6, 2016. The Claims Distribution Report lists all claims where an approved amount has been recommended in the Final Claims Report and is in accord with section 631.271, Florida Statutes. As is the case with the Final Claims Report, the Claims Distribution Report is extremely detailed and contains non-public personal information, including personally identifiable financial information, relating to the claimants and can immediately be made available to the Court upon request. The summary page from the Claims Distribution Report is attached as **EXHIBIT C**.

7. Based upon the *Distribution Accounting Projected for December 2016 Distribution* (attached as **EXHIBIT D**), the Department is prepared to make a distribution totaling \$4,892,021.45 (the final pro-rata calculation and the amount distributed may have a slight variance due to rounding at the time of check processing) on Class 1 and Class 2 claims. This distribution represents a 100% distribution of the recommended claim amount for Class 1 and an approximate 57.2054% distribution for Class 2.

8. The Department recommends that the Final Claims Report, Claims Distribution Report and Distribution Accounting be approved.

9. Despite the Department's best efforts, some approved claims may have inadequate current address information and/or may have not provided the Department with a form W-9, required by the Internal Revenue Service. The distribution amounts that go unclaimed and/or the checks for the claimants that are returned to the Department will be verified in an unclaimed

property report. The Department asks the Court for approval to forward the unclaimed property from the APIC receivership to the appropriate bureau of unclaimed property.

10. In an ongoing effort to maintain accuracy and efficiency, the Department proactively works to update its records to reflect change of address information for interested parties (e.g. agents, claimants, creditors, policyholders, subscribers, etc.) before mailing notifications and distribution checks. The Department has access to databases and other publicly available information which provide updated information. The Department recommends that it have the authority to search for change of address information when applicable and to use the change of address information for future mailings without further direction of this Court.

11. In order to ensure the validity of claim assignments and that the processing of assignments does not create an undue burden on estate assets, the Department does not recognize or accept any assignment of claim by the claimant of record when a distribution motion or petition has been filed with the receivership Court. The Department recommends that any assignment on the claims referenced in this motion that are received after the filing of this motion be rejected.

WHEREFORE, the Department respectfully requests this Court enter an Order:

A. Approving the Final Claims Report, Claims Distribution Report and Distribution Accounting;

B. Authorizing and directing the Department to make the above referenced distribution of approximately \$4,892,021.45 as outlined in the Distribution Accounting;

C. Approving that unclaimed distribution amounts be transferred to the appropriate bureau of unclaimed property;

D. Authorizing the Department to proactively search for change of address information for interested parties and to use the change of address information for future mailings; and

E. Approving the Department's recommendation on assignment of claims.

SUBMITTED this 12th day of December, 2016.

/s/ Steven G. Brangaccio
STEVEN G. BRANGACCIO,
SENIOR ATTORNEY
Florida Bar No. 0071773
Florida Department of Financial Services
Division of Rehabilitation and Liquidation
Steven.Brangaccio@MyFloridaCFO.com
(850) 413-4445

IN THE CIRCUIT COURT OF THE
SECOND JUDICIAL CIRCUIT, IN
AND FOR LEON COUNTY, FLORIDA

In Re: The Receivership of
ATLANTIC PREFERRED
INSURANCE COMPANY

CASE NO. 2006-CA-001083

**RECEIVER'S MOTION FOR APPROVAL OF THE FIRST INTERIM CLAIMS
REPORT AND RECOMMENDATION ON CLAIMS**

THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES, as Receiver of Atlantic Preferred Insurance Company (hereinafter "Receiver"), moves this Honorable Court for an entry of an Order approving the Receiver's First Interim Claims Report and Recommendation on Claims and in support of its motion states:

1. Atlantic Preferred Insurance Company (hereinafter "APIC") was a Florida corporation previously authorized to transact insurance business in the State of Florida. On May 31, 2006, this Court adjudicated APIC insolvent and entered the Order Appointing the Florida Department of Insurance as Receiver (of APIC) for the Purposes of Liquidation, Injunction, and Notice of Automatic Stay (the "Order") effective June 1, 2006.

2. This Court has jurisdiction over the APIC receivership and is "authorized to make all necessary or proper orders to carry out the purposes of the Florida Insurers Rehabilitation and Liquidation Act. §631.021(1), Florida Statutes.

3. The Receiver has compiled the First Interim Claims Report dated August 13, 2012 (hereinafter the "Report"), which includes its evaluation of Class 1-9 claims that were filed with the Receiver pursuant to §631.181, Florida Statutes. At this time, funds for distribution are only available through Class 2.

ATLANTIC PREFERRED INS. CO.
CASE NO. 2006-CA-001083
COMPOSITE EXHIBIT A

4. The Receiver's First Interim Claims Report is extremely detailed and contains non-public personal information, including personally identifiable financial information, relating to the claimants. Pursuant to Federal Law, specifically the Gramm-Leach-Bliley Act, 15 USCS §6801 (hereinafter the "Act"), there is an obligation to protect the security and confidentiality of an individual's non-public personal information.

5. In furtherance of the Act's purpose, and in order to protect claimants of the APIC estate, the Receiver has not attached the full First Interim Claims Report to this motion. Instead, the Receiver offers summary pages of the report that reflect the total amounts claimed and recommended by the Receiver. Upon this Court's request, the Receiver would immediately provide to the Court, a full copy of the First Interim Claims Report. The Receiver's First Interim Claims Report, dated August 13, 2012, is broken down into two parts. Part A is for non-guaranty association claimants and Part B is for guaranty association claimants. Summary pages of both Parts A and B are attached as **Composite Exhibit A**. This report reflects classification of filed claims by priority in accordance with §631.271, Florida Statutes. The total amount claimed in Part A of the Report is \$39,739,666.73. The total amount recommended by the Receiver in Part A of the Report is \$2,256,691.23. The total amount claimed in Part B of the Report is \$451,031,501.31. The total amount recommended by the Receiver in Part B of the Report is \$451,031,501.31.

6. Pursuant to §631.182(1), Florida Statutes, claimants are entitled to notice of the Receiver's recommendation on their claims and the deadline for filing an objection. A sample copy of the "Notice of Determination" is attached as **Exhibit B**. Additionally pursuant to §631.182(1), Florida Statutes, the Court "shall enter an order approving the claims so reported, unless an objection is filed thereto within a deadline set by the court."

7. The Receiver recommends a deadline that allows ample time for the Receiver to provide the notices of determination and for a reasonable amount of time for claimants to file an objection with the Court. In the case of APIC, such a deadline would not be less than forty-five (45) days from the date of this Court's Order granting approval of the Report.

8. The Receiver has a procedure for handling late filed objections. For any objection filed after the deadline, the Receiver will send a letter to the claimant advising them that their objection was not filed in compliance with Florida Statutes and this Court's Order and will not be handled as a filed objection. A copy of this letter will be filed with the Court.

WHEREFORE, the Receiver respectfully requests this Court enter an Order:

A. Approving the Receiver's First Interim Claims Report and Recommendation on Claims for which no objections are filed;

B. Authorizing and directing the Receiver to establish an objection filing deadline that is not less than forty-five (45) days from the date of this Court's Order granting approval of the Report;

C. Authorizing and directing the Receiver to provide notice to each claimant, as herewith reported to the Court, of the Receiver's recommendation regarding their claim and the deadline for filing objections, by United States Mail to the last known address of such person, as shown in the Receiver's files;

D. Approving the Receiver's sample "Notice of Determination" and directing all persons who have filed claims, as herewith reported to the Court, to file any objection they might have to the Receiver's Report with the Clerk of this Court on or before the objection filing deadline at:

Clerk of the Leon County Circuit Court
Leon County Courthouse
301 S. Monroe Street
Tallahassee, Florida 32301;


AND file a copy of said objection with the Receiver at the following address:

The Florida Department of Financial Services,
Division of Rehabilitation and Liquidation
As Receiver for Atlantic Preferred Insurance Company
2020 Capital Circle S.E., Suite 310
Tallahassee, Florida 32301

E. Requiring any persons filing objections to submit documentation to support their claim and that the Court will not consider any information or documentation submitted after the objection is filed; and

F. Approving the Receiver's procedure for addressing late filed objections.

SUBMITTED on this 16th day of August, 2012.

By: 
STEVEN G. BRANGACCIO,
SENIOR ATTORNEY
Florida Bar Number: 0071773
Florida Department of Financial Services
Division of Rehabilitation and Liquidation
2020 Capital Circle S.E., Suite 310
Tallahassee, Florida 32301
Steven.Brangaccio@MyFloridaCFO.com
Phone: (850) 413-4445

FLORIDA DEPARTMENT OF FINANCIAL SERVICES - DIVISION OF REHABILITATION AND LIQUIDATION
 ATLANTIC PREFERRED INSURANCE COMPANY
 FIRST INTERIM CLAIMS REPORT
 PART A - FOR NON GUARANTY ASSOCIATION CLAIMANTS

SUMMARY TOTALS

TOTAL AMOUNT CLAIMED BY NON GUARANTY ASSOCIATION CLAIMANTS \$39,739,666.73
 TOTAL AMOUNT RECOMMENDED TO NON GUARANTY ASSOCIATION CLAIMANTS \$2,256,691.23
 TOTAL NUMBER 5,814

Secured Claims

COUNT OF SECURED CLAIMS : 0
 AMOUNT CLAIMED FOR SECURED CLAIMS BY NON GUARANTY ASSOCIATION \$0.00
 AMOUNT RECD FOR SECURED CLAIMS TO NON GUARANTY ASSOCIATION

UnSecured Claims

| | | | |
|---|-----------------|--|----------------|
| COUNT OF CLASS 1 CLAIMS : | 0 | COUNT OF CLASS 6 CLAIMS : | 51 |
| AMOUNT CLAIMED FOR CLASS 1 CLAIMS BY NON GUARANTY ASSOCIATION CLAIMANTS : | \$0.00 | AMOUNT CLAIMED FOR CLASS 6 CLAIMS BY NON GUARANTY ASSOCIATION CLAIMANTS : | \$1,130,697.33 |
| AMOUNT RECD FOR CLASS 1 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS : | | AMOUNT RECD FOR CLASS 6 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS : | \$65,390.20 |
| COUNT OF CLASS 2 CLAIMS : | 1,548 | COUNT OF CLASS 7 CLAIMS : | 2 |
| AMOUNT CLAIMED FOR CLASS 2 CLAIMS BY NON GUARANTY ASSOCIATION CLAIMANTS : | \$25,968,022.68 | AMOUNT CLAIMED FOR CLASS 7 CLAIMS BY NON GUARANTY ASSOCIATION CLAIMANTS : | \$1,881.25 |
| AMOUNT RECD FOR CLASS 2 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS : | \$1,725,798.96 | AMOUNT RECD FOR CLASS 7 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS : | \$120.00 |
| COUNT OF CLASS 3 CLAIMS : | 3,813 | COUNT OF CLASS 8 CLAIMS : | 400 |
| AMOUNT CLAIMED FOR CLASS 3 CLAIMS BY NON GUARANTY ASSOCIATION CLAIMANTS : | \$2,743,290.78 | AMOUNT CLAIMED FOR CLASS 8 CLAIMS BY NON GUARANTY ASSOCIATION CLAIMANTS : | \$8,695,764.69 |
| AMOUNT RECD FOR CLASS 3 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS : | \$448,781.07 | AMOUNT RECD FOR CLASS 8 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS : | \$25,701.00 |
| COUNT OF CLASS 4 CLAIMS : | 0 | COUNT OF CLASS 9 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 4 CLAIMS BY NON GUARANTY ASSOCIATION CLAIMANTS : | \$0.00 | AMOUNT CLAIMED FOR CLASS 9 CLAIMS BY NON GUARANTY ASSOCIATION CLAIMANTS : | \$0.00 |
| AMOUNT RECD FOR CLASS 4 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS : | | AMOUNT RECD FOR CLASS 9 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS : | |
| COUNT OF CLASS 5 CLAIMS : | 0 | COUNT OF CLASS 10 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 5 CLAIMS BY NON GUARANTY ASSOCIATION CLAIMANTS : | \$0.00 | AMOUNT CLAIMED FOR CLASS 10 CLAIMS BY NON GUARANTY ASSOCIATION CLAIMANTS : | \$0.00 |
| AMOUNT RECD FOR CLASS 5 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS : | | AMOUNT RECD FOR CLASS 10 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS : | |

Note: If status is unevaluated, then dollar amounts have been suppressed

ATLANTIC PREFERRED INS. CO.
 2nd Judicial Circuit Court,
 in and for Leon County, Florida
 CASE NO. 2006-CA-001083
 COMPOSITE EXHIBIT A

FLORIDA DEPARTMENT OF FINANCIAL SERVICES - DIVISION OF REHABILITATION AND LIQUIDATION
 ATLANTIC PREFERRED INSURANCE COMPANY
 FIRST INTERIM CLAIMS REPORT
PART B - FOR GUARANTY ASSOCIATION

SUMMARY TOTALS

TOTAL AMOUNT CLAIMED BY GUARANTY ASSOCIATION 451,031,501.31
 TOTAL AMOUNT RECOMMENDED TO GUARANTY ASSOCIATION 451,031,501.31
 TOTAL NUMBER 5

| | | | |
|---|------------------|--|--------|
| COUNT OF CLASS 1 CLAIMS : | 3 | COUNT OF CLASS 6 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 1 CLAIMS BY GUARANTY ASSOCIATION : | \$40,564,872.81 | AMOUNT CLAIMED FOR CLASS 6 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 |
| AMOUNT RECD FOR CLASS 1 CLAIMS TO GUARANTY ASSOCIATION : | \$40,564,872.81 | AMOUNT RECD FOR CLASS 6 CLAIMS TO GUARANTY ASSOCIATION : | |
| COUNT OF CLASS 2 CLAIMS : | 1 | COUNT OF CLASS 7 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 2 CLAIMS BY GUARANTY ASSOCIATION : | \$309,587,965.78 | AMOUNT CLAIMED FOR CLASS 7 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 |
| AMOUNT RECD FOR CLASS 2 CLAIMS TO GUARANTY ASSOCIATION : | \$309,587,965.78 | AMOUNT RECD FOR CLASS 7 CLAIMS TO GUARANTY ASSOCIATION : | |
| COUNT OF CLASS 3 CLAIMS : | 1 | COUNT OF CLASS 8 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 3 CLAIMS BY GUARANTY ASSOCIATION : | 100,888,662.72 | AMOUNT CLAIMED FOR CLASS 8 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 |
| AMOUNT RECD FOR CLASS 3 CLAIMS TO GUARANTY ASSOCIATION : | 100,888,662.72 | AMOUNT RECD FOR CLASS 8 CLAIMS TO GUARANTY ASSOCIATION : | |
| COUNT OF CLASS 4 CLAIMS : | 0 | COUNT OF CLASS 9 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 4 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 | AMOUNT CLAIMED FOR CLASS 9 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 |
| AMOUNT RECD FOR CLASS 4 CLAIMS TO GUARANTY ASSOCIATION : | | AMOUNT RECD FOR CLASS 9 CLAIMS TO GUARANTY ASSOCIATION : | |
| COUNT OF CLASS 5 CLAIMS : | 0 | COUNT OF CLASS 10 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 5 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 | AMOUNT CLAIMED FOR CLASS 10 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 |
| AMOUNT RECD FOR CLASS 5 CLAIMS TO GUARANTY ASSOCIATION : | | AMOUNT RECD FOR CLASS 10 CLAIMS TO GUARANTY ASSOCIATION : | |

Note: If status is unevaluated, then dollar amounts have been suppressed



**FLORIDA DEPARTMENT OF FINANCIAL SERVICES
RECEIVER**

«company»

August 14, 2012

NOTICE of DETERMINATION

ATLANTIC PREFERRED INS. CO.
2nd Judicial Circuit Court,
in and for Leon County, Florida
CASE NO. 2006-CA-001083
EXHIBIT B

«DELIVERYPOINTBARCODE»

IDENTIFICATION NUMBER:

«cd_company» «id_no»-

«CD_COMPANY» «ID_NO»-«SUFFIX»
«FULLNAME»
«ADDRESSLINE1»
«ADDRESSLINE2»
«city» «state» «ZIPCODE»

INSURED:
POLICY NUMBER:
CLAIM NUMBER:
AMOUNT CLAIMED:
AMOUNT RECOMMENDED CLAIMANT:
CLASS:

«suffix»
«policyhold»
«policy_no»
«claim_no»
«amt_claimd»
«AMT_DUE_CL»
«class»

THIS IS NOT A BILL

RE: «COMPANY»

THIS IS NOT A BILL

Civil Action: «CASE_NO»

2nd Judicial Circuit Court

Leon County, Florida

OBJECTION FILING DEADLINE: ?filing deadline?

THIS IS NOT A BILL. The purpose of this Notice of Determination is to inform you of the Receiver's report of its final recommendations to the Circuit Court concerning the classification and amount on a claim filed by you or on your behalf against the Receivership Estate of «COMPANY». A copy of the court order reflecting approval of these recommendations can be obtained at www.MyFloridaCFO.com/Receiver.

The Receiver has evaluated Class 1 through Class 11 claims submitted in the estate of «COMPANY» and is recommending the amount on the line reading "Amount Recommended Claimant." The Receiver's "Class" or "Priority" of your claim will affect the amount you may receive. Florida Statute 631.271, "Priority of claims", defines the classification of claims. (See F.S. 631.271 on reverse side of this form.)

If you agree with the amount recommended and the class/priority, no further action on your part is necessary. If you object to the recommended amount or to the assigned class of your claim, YOU MUST FILE YOUR WRITTEN OBJECTION WITH BOTH THE RECEIVER AND THE CLERK OF COURT, SECOND JUDICIAL CIRCUIT, LEON COUNTY COURT HOUSE, 301 S. MONROE STREET, TALLAHASSEE, FLORIDA 32301.

YOUR OBJECTION MUST BE FILED (RECEIVED) BY ?filing deadline?. IT IS SUGGESTED THAT YOU SEND YOUR OBJECTION BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED.

The objection procedure is:

1. At the top of your statement, include the following information: The Civil Action Number noted above, your identification number noted above, and your correct address and telephone number. State in detail all legal and factual reasons for your objection.
2. Attach a copy of this notice and any documentation to support your objection. By order of the Court, all documentation must be filed with your objection.
3. Mail original to the Clerk of Court, a copy to the Receiver, and keep a copy for yourself.
4. If your objection cannot be resolved, a hearing will be scheduled before the Circuit Court, Leon County, Florida.

NOTE: Any distribution will be made on a pro-rata basis. If a distribution is made, you may not receive the full amount recommended for your claim. Depending on the assets available for distribution, you and other claimants in your classification may only receive a percentage of the amount recommended on your claim. (i.e. 25% equals 25 cents on the dollar.)

IF a distribution is made, the payee(s) name(s) on the claim check will be the same as the name(s) appearing at the top of this form. If the information on this form is incorrect, or becomes incorrect in the future, it is your responsibility to notify the Receiver and document any changes. Further instructions can be found on our website listed below.

FLORIDA DEPARTMENT OF FINANCIAL SERVICES, RECEIVER

«company»,

2020 CAPITAL CIRCLE, S.E., SUITE 310

TALLAHASSEE, FLORIDA 32301

Website: www.MyFloridaCFO.com/Receiver

Telephone: 850-413-3081, Toll Free: 800-882-3054, Facsimile: 850-413-3992

**FLORIDA DEPARTMENT OF FINANCIAL SERVICES
RECEIVER
«company»**

FLORIDA STATUTE 631.271 Priority of Claims

631.271 Priority of claims.—

(1) The priority of distribution of claims from the insurer's estate shall be in accordance with the order in which each class of claims is set forth in this subsection. Every claim in each class shall be paid in full or adequate funds shall be retained for such payment before the members of the next class may receive any payment. No subclasses may be established within any class. The order of distribution of claims shall be:

(a) Class 1.—

1. All of the receiver's costs and expenses of administration.

2. All of the expenses of a guaranty association or foreign guaranty association in handling claims.

(b) Class 2.— All claims under policies for losses incurred, including third-party claims, all claims against the Insurer for liability for bodily injury or for injury to or destruction of tangible property which claims are not under policies, and all claims of a guaranty association or foreign guaranty association. All claims under life insurance and annuity policies, whether for death proceeds, annuity proceeds, or investment values, shall be treated as loss claims. That portion of any loss, indemnification for which is provided by other benefits or advantages recovered by the claimant, may not be included in this class, other than benefits or advantages recovered or recoverable in discharge of familial obligations of support or by way of succession at death or as proceeds of life insurance, or as gratuities. No payment by an employer to her or his employee may be treated as a gratuity.

(c) Class 3.—Claims under nonassessable policies for unearned premiums or premium refunds.

(d) Class 4.—Claims of the Federal Government.

(e) Class 5.—Debts due to employees for services performed, to the extent that the debts do not exceed \$2,000 for each employee and represent payment for services performed within 6 months before the filing of the petition for liquidation. Officers and directors are not entitled to the benefit of this priority. This priority is in lieu of any other similar priority that is authorized by law as to wages or compensation of employees.

(f) Class 6.—Claims of general creditors.

(g) Class 7.—Claims of any state or local government. Claims, including those of any state or local government for a penalty or forfeiture, shall be allowed in this class, but only to the extent of the pecuniary loss sustained from the act, transaction, or proceeding out of which the penalty or forfeiture arose, with reasonable and actual costs occasioned thereby. The remainder of such claims shall be postponed to the class of claims under paragraph (j).

(h) Class 8.—Claims filed after the time specified in F.S. 631.181(3), except when ordered otherwise by the court to prevent manifest injustice, or any claims other than claims under paragraph (i) or under paragraph (j).

(i) Class 9.—Surplus or contribution notes, or similar obligations, and premium refunds on assessable policies. Payments to members of domestic mutual insurance companies shall be limited in accordance with law.

(j) Class 10.—Interest on allowed claims of Classes 1 through 9, according to the terms of a plan to pay interest on allowed claims proposed by the liquidator and approved by the receivership court.

(k) Class 11.—The claims of shareholders or other owners.

(2) In a liquidation proceeding involving one or more reciprocal states, the order of distribution of the domiciliary state shall control as to all claims of residents of this and reciprocal states. All claims of residents of reciprocal states shall be given equal priority of payment from general assets regardless of where such assets are located.

**FLORIDA DEPARTMENT OF FINANCIAL SERVICES, RECEIVER
«company»,**

2020 CAPITAL CIRCLE, S.E., SUITE 310
TALLAHASSEE, FLORIDA 32301

Website: www.MyFloridaCFO.com/Receiver

Telephone: 850-413-3081, Toll Free: 800-882-3054, Facsimile: 850-413-3992

IN THE CIRCUIT COURT OF THE
SECOND JUDICIAL CIRCUIT, IN
AND FOR LEON COUNTY, FLORIDA

In Re: The Receivership of
ATLANTIC PREFERRED
INSURANCE COMPANY

CASE NO. 2006-CA-001083

**ORDER APPROVING RECEIVER'S FIRST INTERIM CLAIMS REPORT AND
RECOMMENDATION ON CLAIMS**

THIS MATTER came on upon the Florida Department of Financial Services, as Receiver of Atlantic Preferred Insurance Company's (the "Receiver") *Motion for Approval of the First Interim Claims Report and Recommendation on Claims*. The Court having reviewed the pleadings of record and being otherwise fully informed in the premises, finds as follows:

It is **ORDERED** and **ADJUDGED**:

1. The Receiver's First Interim Claims Report for which no objections are filed is approved;
2. The Receiver is authorized and directed to establish an objection filing deadline that is not less than forty-five (45) days from the date of this Court's Order granting approval of the Report;
3. The Receiver is directed to provide notice to each claimant, as herewith reported to the Court, of the Receiver's recommendation regarding their claim and the deadline for filing objections, by United States Mail to the last known address of such person, as shown in the Receiver's files;
4. The Receiver's sample "Notice of Determination" is approved and all persons who have filed claims, as herewith reported to the Court, are directed to file any objection they

might have to the Receiver's Report with the Clerk of this Court on or before the objection filing deadline at:

Clerk of the Leon County Circuit Court
Leon County Courthouse
301 S. Monroe Street
Tallahassee, Florida 32301

AND file a copy of said objection with the Receiver at the following address:

The Florida Department of Financial Services,
Division of Rehabilitation and Liquidation
As Receiver for Atlantic Preferred Insurance Company
2020 Capital Circle S.E., Suite 310
Tallahassee, Florida 32301;

5. All persons filing any objection are required to submit documentation to support their claim and the Court will not consider any information or documentation submitted after the objection is filed; and

6. The Receiver's procedure for addressing late filed objections is approved.

DONE and ORDERED in Chambers at the Leon County Courthouse, Tallahassee, Leon County, Florida, this 20 day of Aug, 2012.



TERRY P. LEWIS
Circuit Judge

FLORIDA DEPARTMENT OF FINANCIAL SERVICES -DIVISION OF REHABILITATION AND LIQUIDATION
 ATLANTIC PREFERRED INSURANCE COMPANY
 FINAL CLAIMS REPORT
 PART A - FOR NON GUARANTY ASSOCIATION CLAIMANTS

SUMMARY TOTALS

| | |
|--|-----------------|
| TOTAL AMOUNT CLAIMED BY NON GUARANTY ASSOCIATION CLAIMANTS | \$39,739,666.73 |
| TOTAL AMOUNT RECOMMENDED TO NON GUARANTY ASSOCIATION CLAIMANTS | \$2,257,522.69 |
| TOTAL NUMBER | 5,814 |

Secured Claims

| | |
|---|--------|
| COUNT OF SECURED CLAIMS : | 0 |
| AMOUNT CLAIMED FOR SECURED CLAIMS BY NON GUARANTY ASSOCIATION | \$0.00 |
| AMOUNT RECMD FOR SECURED CLAIMS TO NON GUARANTY ASSOCIATION | |

UnSecured Claims

| | | | |
|---|-----------------|---|----------------|
| COUNT OF CLASS 1 CLAIMS : | 0 | COUNT OF CLASS 6 CLAIMS : | 51 |
| AMOUNT CLAIMED FOR CLASS 1 CLAIMS BY NON GUARANTY ASSOCIATION | \$0.00 | AMOUNT CLAIMED FOR CLASS 6 CLAIMS BY NON GUARANTY ASSOCIATION | \$1,130,697.33 |
| AMOUNT RECMD FOR CLASS 1 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS : | | AMOUNT RECMD FOR CLASS 6 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS : | \$55,380.20 |
| COUNT OF CLASS 2 CLAIMS : | 1,548 | COUNT OF CLASS 7 CLAIMS : | 2 |
| AMOUNT CLAIMED FOR CLASS 2 CLAIMS BY NON GUARANTY ASSOCIATION | \$26,968,022.68 | AMOUNT CLAIMED FOR CLASS 7 CLAIMS BY NON GUARANTY ASSOCIATION | \$1,891.25 |
| AMOUNT RECMD FOR CLASS 2 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS: | \$1,726,441.42 | AMOUNT RECMD FOR CLASS 7 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS: | \$120.00 |
| COUNT OF CLASS 3 CLAIMS : | 3,813 | COUNT OF CLASS 8 CLAIMS : | 400 |
| AMOUNT CLAIMED FOR CLASS 3 CLAIMS BY NON GUARANTY ASSOCIATION | \$2,743,290.78 | AMOUNT CLAIMED FOR CLASS 8 CLAIMS BY NON GUARANTY ASSOCIATION | \$8,895,764.69 |
| AMOUNT RECMD FOR CLASS 3 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS: | \$449,781.07 | AMOUNT RECMD FOR CLASS 8 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS: | \$25,800.00 |
| COUNT OF CLASS 4 CLAIMS : | 0 | COUNT OF CLASS 9 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 4 CLAIMS BY NON GUARANTY ASSOCIATION | \$0.00 | AMOUNT CLAIMED FOR CLASS 9 CLAIMS BY NON GUARANTY ASSOCIATION | \$0.00 |
| AMOUNT RECMD FOR CLASS 4 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS: | | AMOUNT RECMD FOR CLASS 9 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS: | |
| COUNT OF CLASS 5 CLAIMS : | 0 | COUNT OF CLASS 10 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 5 CLAIMS BY NON GUARANTY ASSOCIATION | \$0.00 | AMOUNT CLAIMED FOR CLASS 10 CLAIMS BY NON GUARANTY ASSOCIATION | \$0.00 |
| AMOUNT RECMD FOR CLASS 5 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS: | | AMOUNT RECMD FOR CLASS 10 CLAIMS TO NON GUARANTY ASSOCIATION CLAIMANTS: | |

Note: If status is unevaluated, then dollar amounts have been suppressed

FLORIDA DEPARTMENT OF FINANCIAL SERVICES -DIVISION OF REHABILITATION AND LIQUIDATION
 ATLANTIC PREFERRED INSURANCE COMPANY
 FINAL CLAIMS REPORT
 PART B - FOR GUARANTY ASSOCIATION

SUMMARY TOTALS

| | |
|--|----------------|
| TOTAL AMOUNT CLAIMED BY GUARANTY ASSOCIATION | 451,031,501.31 |
| TOTAL AMOUNT RECOMMENDED TO GUARANTY ASSOCIATION | 451,031,501.31 |
| TOTAL NUMBER | 5 |

| | | | |
|---|------------------|--|--------|
| COUNT OF CLASS 1 CLAIMS : | 3 | COUNT OF CLASS 6 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 1 CLAIMS BY GUARANTY ASSOCIATION : | \$40,564,972.81 | AMOUNT CLAIMED FOR CLASS 6 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 |
| AMOUNT RECMD FOR CLASS 1 CLAIMS TO GUARANTY ASSOCIATION : | \$40,564,972.81 | AMOUNT RECMD FOR CLASS 6 CLAIMS TO GUARANTY ASSOCIATION : | |
| COUNT OF CLASS 2 CLAIMS : | 1 | COUNT OF CLASS 7 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 2 CLAIMS BY GUARANTY ASSOCIATION : | \$309,587,965.78 | AMOUNT CLAIMED FOR CLASS 7 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 |
| AMOUNT RECMD FOR CLASS 2 CLAIMS TO GUARANTY ASSOCIATION : | \$309,587,965.78 | AMOUNT RECMD FOR CLASS 7 CLAIMS TO GUARANTY ASSOCIATION : | |
| COUNT OF CLASS 3 CLAIMS : | 1 | COUNT OF CLASS 8 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 3 CLAIMS BY GUARANTY ASSOCIATION : | 100,898,662.72 | AMOUNT CLAIMED FOR CLASS 8 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 |
| AMOUNT RECMD FOR CLASS 3 CLAIMS TO GUARANTY ASSOCIATION : | 100,898,662.72 | AMOUNT RECMD FOR CLASS 8 CLAIMS TO GUARANTY ASSOCIATION : | |
| COUNT OF CLASS 4 CLAIMS : | 0 | COUNT OF CLASS 9 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 4 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 | AMOUNT CLAIMED FOR CLASS 9 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 |
| AMOUNT RECMD FOR CLASS 4 CLAIMS TO GUARANTY ASSOCIATION : | | AMOUNT RECMD FOR CLASS 9 CLAIMS TO GUARANTY ASSOCIATION : | |
| COUNT OF CLASS 5 CLAIMS : | 0 | COUNT OF CLASS 10 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 5 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 | AMOUNT CLAIMED FOR CLASS 10 CLAIMS BY GUARANTY ASSOCIATION : | \$0.00 |
| AMOUNT RECMD FOR CLASS 5 CLAIMS TO GUARANTY ASSOCIATION : | | AMOUNT RECMD FOR CLASS 10 CLAIMS TO GUARANTY ASSOCIATION : | |

Note: If status is unevaluated, then dollar amounts have been suppressed

FLORIDA DEPARTMENT OF FINANCIAL SERVICES-DIVISION OF REHABILITATION AND LIQUIDATION
 ATLANTIC PREFERRED INSURANCE COMPANY
 CLAIMS DISTRIBUTION REPORT

SUMMARY TOTALS

TOTAL AMOUNT CLAIMED 372,126,654.76
 TOTAL AMOUNT RECOMMENDED 351,859,280.01
 TOTAL NUMBER 1,276

Secured Claims

COUNT OF SECURED CLAIMS : 0
 AMOUNT CLAIMED FOR SECURED CLAIMS :
 AMOUNT RECOMMENDED FOR SECURED CLAIMS :

Unsecured Claims

| | | | |
|---|-----------------|--|---|
| COUNT OF CLASS 1 CLAIMS : | 3 | COUNT OF CLASS 6 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 1 CLAIMS : | \$40,564,872.81 | AMOUNT CLAIMED FOR CLASS 6 CLAIMS : | |
| AMOUNT RECOMMENDED FOR CLASS 1 CLAIMS : | \$40,564,872.81 | AMOUNT RECOMMENDED FOR CLASS 6 CLAIMS : | |
| COUNT OF CLASS 2 CLAIMS : | 1,273 | COUNT OF CLASS 7 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 2 CLAIMS : | 331,561,781.95 | AMOUNT CLAIMED FOR CLASS 7 CLAIMS : | |
| AMOUNT RECOMMENDED FOR CLASS 2 CLAIMS : | 311,294,407.20 | AMOUNT RECOMMENDED FOR CLASS 7 CLAIMS : | |
| COUNT OF CLASS 3 CLAIMS : | 0 | COUNT OF CLASS 8 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 3 CLAIMS : | | AMOUNT CLAIMED FOR CLASS 8 CLAIMS : | |
| AMOUNT RECOMMENDED FOR CLASS 3 CLAIMS : | | AMOUNT RECOMMENDED FOR CLASS 8 CLAIMS : | |
| COUNT OF CLASS 4 CLAIMS : | 0 | COUNT OF CLASS 9 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 4 CLAIMS : | | AMOUNT CLAIMED FOR CLASS 9 CLAIMS : | |
| AMOUNT RECOMMENDED FOR CLASS 4 CLAIMS : | | AMOUNT RECOMMENDED FOR CLASS 9 CLAIMS : | |
| COUNT OF CLASS 5 CLAIMS : | 0 | COUNT OF CLASS 10 CLAIMS : | 0 |
| AMOUNT CLAIMED FOR CLASS 5 CLAIMS : | | AMOUNT CLAIMED FOR CLASS 10 CLAIMS : | |
| AMOUNT RECOMMENDED FOR CLASS 5 CLAIMS : | | AMOUNT RECOMMENDED FOR CLASS 10 CLAIMS : | |

Note: if status is unevaluated, then dollar amounts have been suppressed

Atlantic Preferred Ins. Co.
Distribution Accounting
Projected for December 2016 Distribution

ESTIMATED ASSETS AT DECEMBER 31, 2016

| | Value | Reference |
|--|--------------------------|------------|
| Cash | \$ 4,958,431.44 | Schedule A |
| Advance Payments and FHC Payments to Guaranty Assoc. | 213,749,930.78 | |
| Total Assets | \$ 218,708,362.22 | |

ESTIMATED FUNDS RETAINAGE

| | Value | Reference |
|---|--------------------------|------------|
| Class I - Administrative Claims Retainage for Receiver Expenses Estimate (January - June 2017) | 61,810.00 | Schedule B |
| Discharge Expenses Retainage for records storage, records destruction, tax return prep. & labor | 4,600.00 | Schedule E |
| Total Proposed Retainage | 66,410.00 | |
| TOTAL AVAILABLE TO DISTRIBUTE | \$ 218,641,952.22 | |

DISTRIBUTION RECOMMENDATION

| | Claims Value | Less Previous Claims Distributions | Value of Claims Outstanding | Apply Adv. Pmts. to Guaranty Assoc. | Recommended Distribution | % Value of Claims Outstanding | % Value of Gross Filed Claims | Total % of Claims Value Distributed |
|--|--------------------------|---------------------------------------|--------------------------------|--|-----------------------------|-------------------------------------|-------------------------------------|---|
| Class I - Administrative Claims-Guaranty Funds | \$ 40,564,872.81 | - | \$ 40,564,872.81 | \$ 40,564,872.81 | - | 100.0000% | 100.0000% | 100.0000% |
| Class II - Loss Claims-Guaranty Funds | 309,567,965.78 | - | 309,567,965.78 | 173,185,057.97 | 3,904,404.46 | 57.2054% | 57.2054% | 57.2054% |
| Class II - Loss Claims-Other | 1,726,441.42 | - | 1,726,441.42 | - | 987,616.99 | 57.2054% | 57.2054% | 57.2054% |
| Class III - Return Premium Claims-Guaranty Funds | 100,898,662.72 | - | 100,898,662.72 | - | - | 0.0000% | 0.0000% | 0.0000% |
| Class III - Return Premium Claims-Other | 449,781.07 | - | 449,781.07 | - | - | 0.0000% | 0.0000% | 0.0000% |
| Class IV - Federal Government Claims | - | - | - | - | - | 0.0000% | 0.0000% | 0.0000% |
| Class V - Employee Claims | - | - | - | - | - | 0.0000% | 0.0000% | 0.0000% |
| Class VI - General Creditors Claims GA | - | - | - | - | - | 0.0000% | 0.0000% | 0.0000% |
| Class VI - General Creditors Claims Other | 55,380.20 | - | 55,380.20 | - | - | 0.0000% | 0.0000% | 0.0000% |
| Class VII - State & Local Government Claims | 120.00 | - | 120.00 | - | - | 0.0000% | 0.0000% | 0.0000% |
| Class VIII - Late Filed Claims | 25,800.00 | - | 25,800.00 | - | - | 0.0000% | 0.0000% | 0.0000% |
| Class IX - Surplus/Other-GA | - | - | - | - | - | 0.0000% | 0.0000% | 0.0000% |
| Class IX - Surplus/Other Claims | - | - | - | - | - | 0.0000% | 0.0000% | 0.0000% |
| Totals | \$ 453,289,024.00 | \$ - | \$ 453,289,024.00 | \$ 213,749,930.78 | \$ 4,892,021.45 | | | |

Index to Attached Schedules:

- Schedule A - Available Cash Projection
- Schedule B - Estimated Funds to be Retained by the Receiver for Discharge of the Estate
- Schedule C - Allocated State Funds Expensed
- Schedule D - Interest Earnings Projection - Pooled Cash
- Schedule E - Receiver Discharge Expenses
- Schedule F - Contributed Equity

Atlantic Preferred Ins. Co.
Available Cash Projection
Projected for December 2016 Distribution

| | Cash Balance as of October 31, 2016 | Nov-16 | Dec-16 |
|---|--|---------------------|------------------------|
| Beginning Pooled Cash Balance | \$ | 5,010,895.15 | \$ 4,984,161.44 |
| Reinsurance Recovery - Net | | | |
| Direct Receiver Expenses (Actual or Estimated) | | | |
| Rent-Records, Bank Fees, Postage | | 250.00 | 250.00 |
| Sub-total | | 250.00 | 250.00 |
| Allocated Receiver Expenses (Estimated) | | | |
| Labor & Benefits | | 11,710.00 | 11,710.00 ¹ |
| Indirect Expenses | | 22,100.00 | 22,100.00 ² |
| Sub-total | | 33,810.00 | 33,810.00 |
| Cash Balance Before Interest Earnings | | 4,976,835.15 | 4,950,101.44 |
| Interest Earnings | | | |
| Pooled Cash: | | | |
| Actual SPIA Earnings for October to be credited on 11/01/2016. | | 7,326.29 | |
| Estimate based on assumed SPIA APR on the previous month's average Pooled Cash balance (See Schedule D) | | | 8,330.00 |
| Ending Pooled Cash Balance | \$ | 5,010,895.15 | \$ 4,984,161.44 |

Assumptions for Allocated Receiver Expenses:

¹ Labor & Benefits: This estimate is based on a four month actual average. Doubled for increased activity leading up to distribution.

| | |
|--------------------------------------|---------------------|
| July Actual | \$ 5,757.01 |
| August Actual | 5,647.26 |
| September Actual | 6,397.66 |
| October Actual | 5,618.01 |
| Sub-total | 23,419.94 |
| 4 mth. actual average (rounded) | 5,855.00 |
| Doubled for increased activity level | <u>\$ 11,710.00</u> |

² Indirect Expenses: This estimate is APIC's estimated pro rata share of the Receiver's estimated total indirect expenses. The pro rata share calculation is based on APIC's estimated total assets divided by the Receiver's estimated total assets for all receiverships.

| | |
|----------------------------------|---------------------|
| Estimated Total Asset % | 17.00% |
| Estimated Total for the Receiver | \$ 130,000.00 |
| Estimated Expense (rounded) | <u>\$ 22,100.00</u> |

Atlantic Preferred Ins. Co.
 Estimated Funds to be Retained by the Receiver for Discharge of the Estate
 Estimated from January 2017 through the Projected Discharge Date of June 2017

| | December | January | February | March | April | May | June | Retainage Calculation |
|--|-------------------------|---------------------|--------------|--------------|--------------|--------------|--------------|-----------------------|
| Beginning Cash Balance | 4,958,431.44 | \$ 4,958,431.44 | \$ 39,889.99 | \$ 31,449.99 | \$ 24,754.99 | \$ 18,049.99 | \$ 11,334.99 | |
| Direct Receiver Expenses | | 1,000.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | |
| Records Storage, Bank Fees, Postage | | 1,000.00 | 250.00 | 250.00 | 250.00 | 250.00 | 250.00 | \$ 2,250.00 |
| Sub-total | | | | | | | | |
| Allocated Receiver Expenses | | | | | | | | |
| Labor & Benefits | | 11,710.00 | 11,710.00 | 5,855.00 | 5,855.00 | 5,855.00 | 5,855.00 | 5,855.00 ¹ |
| Indirect Expenses | | 22,100.00 | 650.00 | 650.00 | 650.00 | 650.00 | 650.00 | 650.00 ² |
| Sub-total | | 33,810.00 | 12,360.00 | 6,505.00 | 6,505.00 | 6,505.00 | 6,505.00 | \$ 72,190.00 |
| Claims Distribution (Approx.) | | 4,892,021.45 | | | | | | |
| Cash Balance Before Interest Earnings | | 31,599.99 | 27,279.99 | 24,694.99 | 17,999.99 | 11,284.99 | 4,579.99 | |
| Interest Earnings | | | | | | | | |
| Estimate based on assumed SPIA APR on the previous month's average Pooled Cash balance (See Schedule D). | | 8,290.00 | 4,170.00 | 60.00 | 50.00 | 40.00 | 20.00 | 12,690.00 |
| Projected Ending Cash Balance | \$ 4,958,431.44 | \$ 39,889.99 | \$ 31,449.99 | \$ 24,754.99 | \$ 18,049.99 | \$ 11,334.99 | \$ 4,599.99 | |
| Retainage for Receiver's Expenses | | | | | | | | \$ 61,810.00 |

Assumptions for Allocated Receiver Expenses:

¹ Labor & Benefits: This estimate is based on a four month actual average. Doubled for increased activity through the distribution and check expiration month. Monthly average used after February.

| | |
|--------------------------------------|-------------|
| July Actual | \$ 5,757.01 |
| August Actual | 5,647.26 |
| September Actual | 6,387.66 |
| October Actual | 5,618.01 |
| Sub-total | 23,419.94 |
| 4 mth. actual average (rounded) | 5,855.00 |
| Doubled for increased activity level | 11,710.00 |

² Indirect Expenses: This estimate is APIC's estimated pro rata share of the Receiver's estimated total indirect expenses. The pro rata share calculation is based on APIC's estimated total assets divided by the Receiver's estimated total assets for all receiverships. The percentage is reduced after the distribution month due to a significant drop in total assets.

| | Before Distribution | After Distribution |
|----------------------------------|---------------------|--------------------|
| Estimated Total Asset % | 17.00% | 0.50% |
| Estimated Total for the Receiver | \$ 130,000.00 | \$ 130,000.00 |
| Estimated Expense (rounded) | \$ 22,100.00 | \$ 650.00 |

Atlantic Preferred Ins. Co.
 Allocated State Funds Expensed
 Estimated from November 2016 through the Projected Discharge Date of June 2017
THIS STATEMENT INCLUDED FOR INFORMATION PURPOSES ONLY - AMOUNTS NOT PART OF DISTRIBUTION CALCULATION

| | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 | Apr-17 | May-17 | Jun-17 | Totals |
|---|--------------------|--------------------|--------------------|--------------------|------------------|------------------|------------------|------------------|---------------------|
| Accrued Allocated State of Florida Expenses (Estimated) | | | | | | | | | |
| Labor & Benefits | \$ 960.00 | \$ 960.00 | \$ 960.00 | \$ 960.00 | \$ 480.00 | \$ 480.00 | \$ 480.00 | \$ 480.00 | \$ 5,760.00 |
| Indirect Expenses | 6,800.00 | 6,800.00 | 6,800.00 | 200.00 | 200.00 | 200.00 | 200.00 | 200.00 | 21,400.00 |
| Total | <u>\$ 7,760.00</u> | <u>\$ 7,760.00</u> | <u>\$ 7,760.00</u> | <u>\$ 1,160.00</u> | <u>\$ 680.00</u> | <u>\$ 680.00</u> | <u>\$ 680.00</u> | <u>\$ 680.00</u> | <u>\$ 27,160.00</u> |

Assumptions for Allocated State of Florida Expenses:

¹ Labor & Benefits: This estimate is based on a four month actual average. Doubled for increased activity through the distribution and check expiration month. Monthly average used after February.

| | |
|---|------------------|
| July Actual | |
| August Actual | 1,922.86 |
| September Actual | - |
| October Actual | - |
| Sub-total | <u>1,922.86</u> |
| 4 mth. actual average (rounded) | <u>\$ 480.00</u> |
| Doubled for increased distribution activity | <u>\$ 960.00</u> |

² Indirect Expenses: This estimate is APIC's estimated pro rata share of the Receiver's estimated total indirect expenses. The pro rata share calculation is based on APIC's estimated total assets divided by the Receiver's estimated total assets for all receiverships. The percentage is reduced after the distribution month due to a significant drop in total assets.

| | Before Distribution | After Distribution |
|-------------------------------|---------------------|--------------------|
| Estimated Total Asset % | 17.00% | 0.50% |
| Estimated Total for the State | \$ 40,000.00 | \$ 40,000.00 |
| Estimated Expense (rounded) | <u>\$ 6,800.00</u> | <u>\$ 200.00</u> |

³ Per current Receiver policies and procedures, these accumulated amounts are recorded directly against estate equity as opposed to a liability account.

Atlantic Preferred Ins. Co.
Interest Earnings Projection - Pooled Cash
Projected for December 2016 Distribution

| | |
|--|--------------------|
| <u>Interest accrued for November 2016</u> | |
| Beginning cash balance | 5,010,895.15 |
| Ending cash balance | 4,984,161.44 |
| Average cash balance | 4,997,528.30 |
| Assumed SPIA interest rate (Annualized) | 2.00% |
| Subtotal (Annualized) | 99,950.57 |
| Accrual for November | \$ 8,330.00 |
| <u>Interest accrued for December 2016</u> | |
| Beginning cash balance | 4,984,161.44 |
| Ending cash balance | 4,958,431.44 |
| Average cash balance | 4,971,296.44 |
| Assumed SPIA interest rate (Annualized) | 2.00% |
| Subtotal (Annualized) | 99,425.93 |
| Accrual for December | \$ 8,290.00 |
| <u>Interest accrued for January 2017</u> | |
| Beginning cash balance | 4,958,431.44 |
| Ending cash balance | 39,889.99 |
| Average cash balance | 2,499,160.72 |
| Assumed SPIA interest rate (Annualized) | 2.00% |
| Subtotal (Annualized) | 49,983.21 |
| Accrual for January | \$ 4,170.00 |
| <u>Interest accrued for February 2017</u> | |
| Beginning cash balance | 39,889.99 |
| Ending cash balance | 31,449.99 |
| Average cash balance | 35,669.99 |
| Assumed SPIA interest rate (Annualized) | 2.00% |
| Subtotal (Annualized) | 713.40 |
| Accrual for February | \$ 60.00 |
| <u>Interest accrued for March 2017</u> | |
| Beginning cash balance | 31,449.99 |
| Ending cash balance | 24,754.99 |
| Average cash balance | 28,102.49 |
| Assumed SPIA interest rate (Annualized) | 2.00% |
| Subtotal (Annualized) | 562.05 |
| Accrual for March | \$ 50.00 |
| <u>Interest accrued for April 2017</u> | |
| Beginning cash balance | 24,754.99 |
| Ending cash balance | 18,049.99 |
| Average cash balance | 21,402.49 |
| Assumed SPIA interest rate (Annualized) | 2.00% |
| Subtotal (Annualized) | 426.05 |
| Accrual for April | \$ 40.00 |
| <u>Interest accrued for May 2017</u> | |
| Beginning cash balance | 18,049.99 |
| Ending cash balance | 11,334.99 |
| Average cash balance | 14,892.49 |
| Assumed SPIA interest rate (Annualized) | 2.00% |
| Subtotal (Annualized) | 293.85 |
| Accrual for May | \$ 20.00 |
| <u>Interest accrued for June 2017</u> | |
| Beginning cash balance | 11,334.99 |
| Ending cash balance | 4,599.99 |
| Average cash balance | 7,967.49 |
| Assumed SPIA interest rate (Annualized) | 2.00% |
| Subtotal (Annualized) | 159.35 |
| Accrual for June | \$ 10.00 |

Atlantic Preferred Ins. Co.
Receiver Discharge Expenses
Projected for December 2016 Distribution

Discharge Expenses (Projected for Post 6/30/2017)

Records Storage, Labor, Scanning Permanent Records,
Unclaimed Property Scanning and Holders Rpts
2016-17 Tax Return Preparation

Total

4,600.00

\$ 4,600.00

Atlantic Preferred Ins. Co.
Statement of Contributed Equity from Regulatory Trust Fund Estimated Balances
Projected for Discharge by 6/30/2017

| | | |
|---|---------------------|-----------------------------|
| Contributed Equity Balance as of 10/31/2016 | | \$ 640,940.40 |
| Accrual for November 2016 - June 2017 (Estimate from Schedule C) | <u>\$ 27,160.00</u> | |
| Total | | <u>\$ 27,160.00</u> |
| Projected Contributed Equity Balance as of 6/30/2017 | | <u><u>\$ 668,100.40</u></u> |