

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Windhaven Insurance Company in Liquidation
Statement of Affairs
As of June 30, 2020

| | <u>Estimated Realizable Value</u> |
|--|---|
| ASSETS | |
| Cash-Company Operating | (\$381,803.50) |
| SPIA-Restricted | 11,221,637.54 |
| Pooled Cash in SPIA Due from the Admin Fund | 13,291,670.74 |
| Accrued Interest Receivable | 22,870.67 |
| Accounts Receivable | 16,398.00 |
| Marshaled Inventory | 12,125,000.00 |
| | <hr/> |
| Total Assets | <u><u>\$36,295,773.45</u></u> |
| LIABILITIES | |
| Secured Claims | 11,221,637.54 |
| Class 1 Administrative Claims | |
| Class 1 - Guaranty Associations | 2,969,479.52 |
| Class 2 Loss Claims | |
| Class 2 - Guaranty Associations | 75,748,456.29 |
| Class 3 Unearned Premium Claims under Non-assessable Policies | |
| Class 3 - Guaranty Associations | 2,157,609.00 |
| Class 9 Surplus Notes/Unearned Premium Claims under Assessable Policies | |
| Class 9 - Other | 7,900,000.00 |
| | <hr/> |
| Total Liabilities | \$99,997,182.35 |
| EQUITY | |
| Contributed Equity - State of Florida | 54,778.19 |
| Estate Equity | <u>(63,756,187.09)</u> |
| Excess (Deficiency) of Assets over Liabilities | <u>(\$63,701,408.90)</u> |
| Total Liabilities and Equity | <u><u>\$36,295,773.45</u></u> |

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Windhaven Insurance Company in Liquidation
Statement of Cash Receipts and Disbursements
From the Date of Liquidation through June 30, 2020

| | Fiscal Year to Date | Since Date of Liquidation |
|--|------------------------|---------------------------------|
| CASH RECEIPTS | | |
| Premium Collections | \$2,146,956.97 | \$2,146,956.97 |
| Reinsurance Recoveries | 11,101,625.91 | 11,101,625.91 |
| Subrogation and Salvage Recoveries | 1,177,903.60 | 1,177,903.60 |
| Litigation Recoveries | 30,920.00 | 30,920.00 |
| Tax Recoveries | 1,134,012.72 | 1,134,012.72 |
| Other Collections / Recoveries | 864,499.46 | 864,499.46 |
| Receipts Before Investment Activities | 16,455,918.66 | 16,455,918.66 |
| Interest and Dividend Receipts | 229,159.83 | 229,159.83 |
| Sale of Short Term Investment | 106,148.80 | 106,148.80 |
| Receipts From Investment Activities | 335,308.63 | 335,308.63 |
| Total Cash Receipts | 16,791,227.29 | 16,791,227.29 |
| CASH DISBURSEMENTS & DISTRIBUTIONS | | |
| Professional Fees and Expenses | 418,565.65 | 418,565.65 |
| Salaries and Fringe Benefits | 1,337,847.12 | 1,337,847.12 |
| Employee Welfare | 1,640.68 | 1,640.68 |
| Travel Expenses | 46,436.62 | 46,436.62 |
| Admin Expenses | 2,516,508.13 | 2,516,508.13 |
| Equipment and Furniture Expenses | 17,845.94 | 17,845.94 |
| Rent, Building and Equipment | (825.93) | (825.93) |
| Taxes | 216.98 | 216.98 |
| Disbursements | 4,338,235.19 | 4,338,235.19 |
| Disbursements & Distributions Before Investment Activities | 4,338,235.19 | 4,338,235.19 |
| Financial Expenses | 36,544.83 | 36,544.83 |
| Disbursements for Investment Activities | 36,544.83 | 36,544.83 |
| Total Cash Disbursements & Distributions | 4,374,780.02 | 4,374,780.02 |
| Net Increase (Decrease) in Cash | 12,416,447.27 | 12,416,447.27 |
| Beginning Cash Balance: | | |
| Beginning Cash | 0.00 | 0.00 |
| Adjustments to Beginning Cash | 25,355,582.29 | 25,355,582.29 |
| Cash from New Estates | (13,640,524.78) | (13,640,524.78) |
| Adjusted Beginning Cash Balance | 11,715,057.51 | 11,715,057.51 |
| Ending Cash Balance | 24,131,504.78 | 24,131,504.78 |

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Windhaven Insurance Company
Schedule of Cash - Company
For the Twelve Months Ended June 30, 2020

Cash - Company

| Description | Balance | | Deposits | Checks/Fees | Transfers | Voids/Stop Pays/Adjustments | Balance |
|--------------------|------------------------|-------------|---------------------|-----------------------|------------------------|--------------------------------|---------------------|
| | 1/6/20 | Interest | | | | | |
| City National Bank | 12,112,772.54 | 0.00 | 2,144,214.06 | (2,252,043.60) | (12,514,873.52) | 127,957.17 | (381,973.35) |
| Bank of America | (25,753,297.32) | 0.00 | 1,804.98 | (7,462.93) | 531,500.00 | 25,227,625.12 | 169.85 |
| Totals: | <u>(13,640,524.78)</u> | <u>0.00</u> | <u>2,146,019.04</u> | <u>(2,259,506.53)</u> | <u>(11,983,373.52)</u> | <u>25,355,582.29</u> | <u>(381,803.50)</u> |

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Windhaven Insurance Company
Schedule of SPIA - Restricted
For the Twelve Months Ended June 30, 2020

SPIA - Restricted

| Description | Balance 1/6/20 | Adjustments/Deposits | Interest | Transfers/Distributions | Balance 6/30/20 |
|-----------------------------------|---------------------------|-----------------------------|-----------------|--------------------------------|----------------------------|
| SPIA - 500 | 0.00 | 11,100,000.00 | 121,637.54 | 0.00 | 11,221,637.54 |
| Greenlight Re. Ltd. & Re. Ireland | | | | | |
| Total: | 0.00 | 11,100,000.00 | 121,637.54 | 0.00 | 11,221,637.54 |

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Windhaven Insurance Company
Schedule of Accrued Interest Receivable
For the Twelve Months Ended June 30, 2020

Accrued Interest Receivable

| Description | | Balance 1/6/20 | Accrued | Received | Balance 6/30/20 |
|--------------------|---------------------------|---------------------------|----------------|-----------------|----------------------------|
| State Treasury | SPIA, 4-20-0-010000-00000 | 0.00 | 125,379.49 | (102,508.52) | 22,870.97 |
| Totals: | | 0.00 | 125,379.49 | (102,508.52) | 22,870.97 |

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Windhaven Insurance Company
Schedule of Other Assets
For the Twelve Months Ended June 30, 2020

Deposit Receivable

| <u>Description</u> | <u>Balance 1/6/20</u> | <u>Adjustments</u> | <u>Recovered</u> | <u>Balance 6/30/20</u> |
|---------------------------------------|---------------------------|--------------------|------------------|----------------------------|
| Florida Power & Light Utility Deposit | 16,398.00 | 0.00 | 0.00 | 16,398.00 |
| | <u>16,398.00</u> | <u>0.00</u> | <u>0.00</u> | <u>16,398.00</u> |

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Windhaven Insurance Company
Schedule of Marshaled Inventory
For the Twelve Months Ended June 30, 2020

Inventory - Real Property

| Description | Balance 1/6/20 | Adjustments | Sale Proceeds | Balance 6/30/20 |
|---|---------------------------|--------------------|----------------------|----------------------------|
| Building & Land @ 3155 NW 77th Avenue, Miami, FL 33122 | 12,125,000.00 | 0.00 | 0.00 | 12,125,000.00 |
| | <u>12,125,000.00</u> | <u>0.00</u> | <u>0.00</u> | <u>12,125,000.00</u> |

Florida Department of Financial Services, Division of Rehabilitation and Liquidation
Windhaven Insurance Company
Schedule of Secured Claims
For the Twelve Months Ended June 30, 2020

Secured Claims

| Description | Balance 1/6/20 | Adjustments/Deposits | Interest | Transfers/Distributions | Balance 6/30/20 |
|--|---------------------------|-----------------------------|-----------------|--------------------------------|----------------------------|
| Reinsurance settlement proceeds from Greenlight RE. | 0.00 | 11,100,000.00 | 121,637.54 | 0.00 | 11,221,637.54 |
| Total: | 0.00 | 11,100,000.00 | 121,637.54 | 0.00 | 11,221,637.54 |

**Florida Department of Financial Services, Division of Rehabilitation
and Liquidation**
Windhaven Insurance Company in Liquidation
Notes to Financial Statements
Dated June 30, 2020

1. **Estate Information.** Windhaven Insurance Company was a property and casualty organization domiciled in Florida placed in liquidation on January 6, 2020.
2. **Basis of Presentation.** The accompanying financial statements have been prepared on a modified cash basis of accounting using a fiscal year of July 1, 2019 through June 30, 2020. The assets are stated at their estimated realizable values, while the liabilities are stated at their gross filed amounts and are periodically adjusted as evaluated, adjudicated and/or paid. Interest is accrued and reinsurance receivables are only posted when billed to reinsurers. In addition, the statements do not provide accruals for all future administrative expenses 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. **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 Wells Fargo 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".
5. **Cash – Company Operating.** This asset consists of accounts at City National Bank and Bank of America kept open by the Receiver to allow for receivership administration. The account balance on this statement is as of June 30, 2020.
6. **Special Purpose Investment Account (SPIA) – Restricted.** Represent funds wired to the Receiver from Guy Carpenter regarding two Greenlight companies, Re, Ltd. And Re Ireland for sliding commissions and claim payments held. The Receiver is holding these funds in a segregated account until reconciliation.
7. **Marshaled Inventory.** This asset consists of a building and land located at 3155 NW 77th Avenue, Miami Florida
8. **Secured Claims.** The secured claims account represent advanced reinsurance settlement proceeds from Greenlight RE. The Division segregated these funds and recorded as a secured claim until a reconciliation has been finalized and agreed upon by all parties.
9. **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, un-adjudicated, and have not been reduced by any early access payments from the Florida Receiver. Claim liability numbers are based upon the most current available information and documentation provided to the Receiver from both internal and external sources.
 - Claim liabilities are based upon Guaranty Association estimates.
10. **Interest Distributions.** For companies placed into receivership on or after July 1, 2012, Section 631.271, Florida Statutes authorizes the payment of interest on claims in Classes 1-9 prior to making any payment on shareholder claims. At this time, the Receiver does not anticipate having sufficient assets in this estate to pay all claims for Classes 1-9. Accordingly, this statement does not reflect an interest reserve for Classes 1-9 allowed claims.
11. **Federal Priority.** Pursuant to 31 U.S.C.A. § 3713, a federal government claim must be paid first, when a debtor to the United States is insolvent. The federal government has taken the position that it is not subject to state insurance liquidation proceeding's claims filing deadlines. To establish finality, shield itself from potential liability, and ultimately discharge the estate, the Receiver will request a federal release from the U.S. Department of Justice (DOJ).
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.